



**SOUTH
KESTEVEN
DISTRICT
COUNCIL**

Governance and Audit Committee

18 March 2020

Report of: Councillor Adam Stokes

Cabinet Member for Finance and
Resources



2019/20 Accounting Policies

The Council's Accounting Policies are reviewed annually, prior to the preparation of the Statement of Accounts, to ensure that they are up to date and in line with the CIPFA Code of Practice on Local Authority Accounting in the United Kingdom (The Code).

When changes are made to the policies, it is a requirement that these are reported to those charged with governance.

Adopting the proposed policies will support the timely production of a high quality Statement of Accounts for 2019/20.

Report Author

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Corporate Priority:	Decision type:	Wards:
Administrative	Administrative	All Wards

Reviewed by:	Alison Hall-Wright, Head of Financial Services	20 February 2020
Approved by:	Richard Wyles, Interim Director of Finance	28 February 2020
Signed off by:	Councillor Adam Stokes, Cabinet Member for Finance and Resources	3 March 2020

Recommendation to the decision maker

It is recommended that Governance & Audit Committee approves the Statement of Accounting Policies, as set out at Appendix A to this report to be used in the production of the 2019/20 financial statements.

1 The Background to the Report

- 1.1 As part of its Statement of Accounts, the Council needs to disclose the accounting policies it has applied to all material balances and transactions. These are drawn up in line with the CIPFA Code of Practice on Local Authority Accounting in the United Kingdom 2019/20 (The Code).
- 1.2 It is good practice to consider and adopt the accounting policies in advance of the production and approval of draft accounts and to this end all accounting policies have been reviewed for the 2019/20 financial year to ensure that they comply with The Code.
- 1.3 Appendix A details the accounting policies to be applied in the preparation of the Statement of Accounts 2019/20.
- 1.4 The 2019/20 CIPFA Code has only minor changes compared to 2018/19, none of which are judged material in relation to the Council's Statement of Accounts and so no changes have been made to the policies used in 2018/19.
- 1.5 During the year end process there may be changes required to the policies arising from changes in circumstances or updated guidance. These will be agreed with the Section 151 Officer and reported to Governance and Audit Committee alongside the final Statement of Accounts.

2 Consultation and Feedback Received, Including Overview and Scrutiny

- 2.1 The Governance and Audit Committee are asked to approve the Statement of Accounting Policies set out in Appendix A.

3 Available Options Considered

- 3.1 No other options are available as local authorities are required to prepare accounting policies for inclusion in the Statement of Accounts.

4 Reasons for the Recommendation (s)

- 4.1 As part of the Accounts and Audit (England) Regulations 2015 Local Authorities are required to include Accounting Policies in the Statement of Accounts.

5 Financial Implications

- 5.1 Prior to the compilation of the Statement of Accounts for 2019/20 it is important that members of Governance and Audit Committee have the opportunity to discuss and comment on the accounting policies to be used in the production of the financial statements. These policies if agreed, will be applied to the treatment of all transactions that make up the figures in the Statement of Accounts to ensure that the accounts present a true and fair view of the financial position of the Council at the balance sheet date and of its income and expenditure for the financial year.

Financial Implications reviewed by: Richard Wyles, Interim Director of Finance

6 Legal and Governance Implications

- 6.1 Local authorities are required by the Local Audit and Accountability Act 2014 to prepare a Statement of Accounts in accordance with relevant regulations. The policies referred to are a requirement of the Accounts and Audit (England) Regulations 2015. Any updates and amendments should be reported to Governance and Audit Committee in accordance with its role to approve the Statement of Accounting Policies.

Legal Implications reviewed by: Jo Toomey, Head of Governance

7 Equality and Safeguarding Implications

7.1 Not applicable.

8 Risk and Mitigation

8.1 Not applicable.

9 Community Safety Implications

9.1 Not applicable.

10 How will the recommendations support South Kesteven District Council's declaration of a 'climate emergency'?

10.1 This recommendation is carbon neutral.

11 Background Papers

11.1 None.

12 Appendices

12.1 Appendix A – Statement of Accounting Policies.

Report Timeline:	Date of Publication on Forward Plan (if required)	Not required
	Previously Considered by	Not applicable
	Final Decision date	18 March 2020