



**SOUTH  
KESTEVEN  
DISTRICT  
COUNCIL**

## **Governance and Audit Committee**

16 March 2022

**Report of:** Councillor Adam Stokes  
Deputy Leader of the Council



## **2021/22 Accounting Policies and changes to the deadline for the publication of the Statement of Accounts**

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).

In line with the Committee's terms of reference it is a requirement that the proposed policies are reported prior to the production of the Statement of Accounts.

### **Report Author**

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<b>Corporate Priority:</b>	<b>Decision type:</b>	<b>Wards:</b>
<b>Administrative</b>	<b>Administrative</b>	<b>All Wards</b>
<b>Reviewed by:</b>	Gillian Goddard (Senior Accountant)	4 March 2022
<b>Approved by:</b>	Richard Wyles (Interim Chief Finance Officer)	4 March 2022
<b>Signed off by:</b>	Councillor Adam Stokes (Deputy Leader of the Council)	8 March 2022

### **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 2021/22 financial statements**
- **Notes the proposed dates for the publication of the draft and final audited accounts.**

## 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 2021/22 (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 2021/22 financial year to ensure that they comply with The Code. The 2022/23 CIPFA Code has only minor changes compared to 2021/22, 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 2020/21. Appendix A details the accounting policies to be applied in the preparation of the Statement of Accounts 2021/22.
- 1.3 The following table details the publication dates for the 2021/22 draft and audited statement of accounts and subject to consultation the proposed dates for the 2022/23 to 2027/28 draft and audited statement of accounts:

	Publication Date 2021/22 Statement of Accounts	Proposed Publication date from 2022/23 Statement of Accounts
Draft Statement of Accounts	31 July 2022	31 May for each year from 2023
Audited Statement of Accounts	30 November 2022	30 September for each year from 2023

- 1.4 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.

## 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.

## 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.

## 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.

## **Financial Implications**

- 5.1 Prior to the compilation of the Statement of Accounts for 2021/22 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 Chief Finance Officer**

## **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: Graham Watts, Head of Democratic Services and Deputy Monitoring Officer**

## **Equality and Safeguarding Implications**

- 7.1 Not applicable.

## **Risk and Mitigation**

- 8.1 Not applicable.

## **Community Safety Implications**

- 9.1 Not applicable.

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

- 10.1 This recommendation is carbon neutral.

## **Background Papers**

- 11.1 None.

## **Appendices**

- 12.1 Appendix A – 2021-22 Statement of Accounting Policies