

<p style="text-align: center;">Non-Executive Report of the:</p> <p style="text-align: center;"><b>Audit Committee</b></p> <p style="text-align: center;">7<sup>th</sup> April 2021</p>	
<p><b>Report of</b> Kevin Bartle, Interim Corporate Director of Resources (Section 151 Officer)</p>	<p><b>Classification:</b> Unrestricted</p>
<p><b>2020-21 Accounting Policies</b></p>	

### **Executive Summary**

To review and note the 2020-21 accounting policies in readiness for the review of the 2020-21 Statement of Accounts.

### **Recommendations:**

The Audit Committee is recommended to:

1. Review and note the draft accounting policies for 2020-21 at appendix A.

### **1. REASONS FOR THE DECISIONS**

- 1.1 It is good practice to consider and agree the accounting policies in advance of the production and approval of the draft accounts.

### **2. ALTERNATIVE OPTIONS**

- 2.1 The Audit Committee review and note the Accounting Policies for 2020-21 at Appendix A.
- 2.2 The Audit Committee review and propose changes to the Accounting Policies for 2020-21 at Appendix A.

### **3. DETAILS OF THE REPORT**

- 3.1 Within the statement of accounts, the Council discloses the accounting policies it has applied to all material balances and transactions. This report presents the proposed accounting policies to be adopted for the 2020-21 financial year. The policies are prepared in line with CIPFA's Code of Practice on Local Authority Accounting in the UK 2020-21 (the Code). It is good practice to consider and agree the accounting policies in advance of the production and approval of the draft accounts.

- 3.2 There are no major areas of accounting change within the Code in 2020-21 as, once again, the change expected from IFRS 16 – Leases has been deferred. This IFRS will not come into effect now until 2022-23.
- 3.3 Therefore, the accounting policies in Appendix A have not significantly changed from 2019-20, except to add clarity, update dates, years, etc. The Heritage assets value at 31<sup>st</sup> March 2021 and the note numbering for contingent liabilities referenced in appendix A will be updated based on the draft 2020-21 statement of accounts.
- 3.4 As work on the statement of accounts will be on-going until they due for public inspection, changes may be made to these policies if necessary and the Audit Committee will be updated on any notable changes in subsequent meetings.

#### **4. EQUALITIES IMPLICATIONS**

- 4.1 There are no direct equalities implications within this report.

#### **5. OTHER STATUTORY IMPLICATIONS**

- 5.1 None.

#### **6. COMMENTS OF THE CHIEF FINANCE OFFICER**

- 6.1 The 2020-21 Accounting Policies at appendix A will underpin the Council's financial statement of accounts in line with CIPFA's Code of Practice on Local Authority Accounting in the UK 2020-21 (the Code).

#### **7. COMMENTS OF LEGAL SERVICES**

- 7.1 The Accounts and Audit Regulations 2015 require a local authority to have a sound system of internal control, which ensures that the financial and operational management of the authority is effective and includes effective arrangements for the management of risk.
- 7.2 The matters set out in this report comply with the above regulations.

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### **Linked Reports, Appendices and Background Documents**

#### **Linked Report**

- None

#### **Appendices**

- Appendix A – 2020-21 Accounting Policies

### **Local Government Act, 1972 Section 100D (As amended)**

**List of “Background Papers” used in the preparation of this report**

- None

**Officer contact details for documents:**

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