

## BRECKLAND DISTRICT COUNCIL

**Report of:** Alison Chubbock, Assistant Director Finance

**To:** Governance and Audit Committee, 2 February 2023

**Author:** Matthew Fernandez-Graham, Accountancy Manager

**Subject:** Accounting Policies 2022-23

**Purpose:** To review and agree the 2022-23 accounting policies in readiness for the review of the Statement of Accounts

### **Recommendation(s):**

- 1) That the Governance and Audit Committee review and agree the accounting policies for 2022-23 at appendix A

### **1.0 BACKGROUND**

- 1.1 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 2022-23 financial year. The policies are prepared in line with CIPFA's Code of Practice on Local Authority Accounting in the UK 2022-23 (the Code).

It is good practice to consider and agree the accounting policies in advance of the production and approval of the draft accounts, so this report is an annual review by the Governance and Audit Committee.

- 1.2 There are no major areas of accounting change within the Code in 2022-23. The change expected from *IFRS 16 – Leases* has been deferred and will not come into effect now until 2024-25.
- 1.3 Any changes to the accounting policies in Appendix A from 2021-22 are highlighted in yellow. The useful lives shown in the policies highlighted in yellow will be updated for the most up to date lives when the capital accounts are closed in April and will reflect the information provided by the Valuer.
- 1.4 As work on the statement of accounts will be underway until they are signed at the end of May, minor changes may be made to these policies if necessary and Governance and Audit Committee would be updated on any changes at their meeting to consider the draft accounts.

### **2.0 OPTIONS**

- 2.1 That Governance and Audit Committee review and agree the Accounting Policies for 2022-23 at Appendix A.
- 2.2 That Governance and Audit Committee review and make changes before agreeing the Accounting Policies for 2022-23 at Appendix A.

### 3.0 REASONS FOR RECOMMENDATION(S)

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

### 4.0 EXPECTED BENEFITS

4.1 By agreeing these policies early, it assists with the early closure timetable that Local Authorities work to.

### 5.0 IMPLICATIONS

In preparing this report, the report author has considered the likely implications of the decision - particularly in terms of Carbon Footprint / Environmental Issues; Constitutional & Legal; Contracts; Corporate Priorities; Crime & Disorder; Data Protection; Equality & Diversity/Human Rights; Financial; Health & Wellbeing; Reputation; Risk Management; Safeguarding; Staffing; Stakeholders/Consultation/Timescales; Transformation Programme; Other. Where the report author considers that there may be implications under one or more of these headings, these are identified below.

#### 5.5 Financial

5.5.1 The policies at appendix A underpin the Council's financial statement of accounts in line with the CIPFA Code.

### 6.0 WARDS/COMMUNITIES AFFECTED

6.1 N/A

### 7.0 ACRONYMS

7.1 CIPFA – Chartered Institute of Public Finance & Accountancy

7.2 IFRS – International Financial Reporting Standard

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Background papers:-	None
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#### Lead Contact Officer

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**Key Decision:** No

**Exempt Decision:** No

**This report refers to a Mandatory Service**

#### Appendices attached to this report:

Appendix A Accounting Policies 2022-23