



<b>REPORT TO:</b>	Audit and Governance Committee
<b>DATE:</b>	18 <sup>th</sup> March 2024
<b>SUBJECT:</b>	Financial Statements 2023/24 - Accounting Policies
<b>PURPOSE:</b>	To review and agree the Accounting Policies for inclusion in the Financial Statements 2023/24
<b>KEY DECISION:</b>	No
<b>REPORT OF:</b>	Christine Marshall Deputy Chief Executive (Corporate Development) & S151
<b>REPORT AUTHOR:</b>	Nicole Hayes, Senior Finance Business Partner (Corporate) – PSPS Ltd
<b>WARD(S) AFFECTED:</b>	All
<b>EXEMPT REPORT?</b>	No

#### **SUMMARY**

The accounting policies form Note 1 within the Financial Statements, and are the specific principles, bases, conventions, rules and practices applied by an authority in preparing and presenting Financial Statements. Application of these accounting policies results in information that is relevant to the decision making needs of the users of the Financial Statements, and reliable in presenting a true and fair view of the financial position of the authority.

#### **RECOMMENDATIONS**

It is recommended that Audit and Governance Committee:

- 1) Review and agree the Accounting Policies for 2023/24 at Appendix A

#### **REASONS FOR RECOMMENDATIONS**

It is good practice for the Committee to consider and agree the Accounting Policies in advance of the production and approval of the draft accounts.

#### **OTHER OPTIONS CONSIDERED**

That the Audit and Governance Committee review and make changes before agreeing the Accounting Policies for 2023/24 at Appendix A.

## **1. BACKGROUND**

- 1.1** Within the Financial Statements, the Council discloses the accounting policies it has applied to all material balances and transactions. Unless there are major changes to accounting rules and regulations, accounting policies do not change significantly between years, which enables the Financial Statements to be comparable from one year to the next.
- 1.2** This report presents the proposed accounting policies to be adopted for the 2023/24 financial year. The policies are prepared in line with CIPFA's Code of Practice on Local Authority Accounting 2023/24 (the Code).
- 1.3** 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 forms an annual review by the Audit and Governance Audit Committee.

## **2. REPORT**

- 2.1** There have only been minor areas of change within the Code of Practice in 2023/24, none of which required amendments to be made to accounting policies.
- 2.2** The Interest in Companies and Other Entities policy has been added to reflect the Council's interest of Public Sector Partnership Services Ltd.
- 2.3** We are currently awaiting the release of the template accounting policies and disclosure notes from our external treasury advisors, Link Asset Services. Once received, these will be reviewed against the draft accounting policies, and any required adjustments will be made.
- 2.4** The 2023/24 unaudited Financial Statements need to be completed by 31 May 2024 and will be presented to Governance and Audit Committee when complete. The accounting policies will be included within the Statements, and any minor changes made during the Statements production process will be agreed with the S151 Officer and highlighted to the Committee on this date.

## **3. CONCLUSION**

- 3.1** No changes were required to be made to the accounting policies for 2023/24 except for the addition of Interest in Companies and Other Entities.

## **EXPECTED BENEFITS TO THE PARTNERSHIP**

By agreeing these policies early it assists with the early closure timetable that local authorities work to.

## **IMPLICATIONS**

### **SOUTH AND EAST LINCOLNSHIRE COUNCILS PARTNERSHIP**

None.

## **CORPORATE PRIORITIES**

None.

## **STAFFING**

None.

## **WORKFORCE CAPACITY IMPLICATIONS**

None.

## **CONSTITUTIONAL AND LEGAL IMPLICATIONS**

The Council's Financial Statements are produced in line with the Accounts and Audit (England) Regulations 2015 and the Local Audit and Accountability Act 2014.

## **DATA PROTECTION**

None.

## **FINANCIAL**

The policies at Appendix A underpin the Council's Financial Statements in line with the Code.

## **RISK MANAGEMENT**

None.

## **STAKEHOLDER / CONSULTATION / TIMESCALES**

No formal consultation has been undertaken, but the Committee has the opportunity to review the accounting policies and propose amendments prior to the publication of the unaudited Financial Statements, in line with 31 May 2024 deadline.

## **REPUTATION**

None.

## **CONTRACTS**

None.

## **CRIME AND DISORDER**

None.

## **EQUALITY AND DIVERSITY/ HUMAN RIGHTS/ SAFEGUARDING**

None.

## **HEALTH AND WELL BEING**

None.

## **CLIMATE CHANGE AND ENVIRONMENTAL IMPLICATIONS**

None.

## **LINKS TO 12 MISSIONS IN THE LEVELLING UP WHITE PAPER**

None.

## ACRONYMS

CIPFA – Chartered Institute of Public Finance and Accounting

### APPENDICES

Appendices are listed below and attached to the back of the report: -

<i>APPENDIX A</i>	Financial Statements 2023-24 - Accounting Policies
-------------------	--

### BACKGROUND PAPERS

Background papers used in the production of this report are listed below: -

Document title	Where the document can be viewed
CIPFA Accounting Code of Practice 2023/24 and supporting Guidance Notes	CIPFA public guidance document

### CHRONOLOGICAL HISTORY OF THIS REPORT

None.

### REPORT APPROVAL

Report author:	Nicole Hayes, Senior Finance Business Partner (Corporate) – PSPS Ltd <a href="mailto:Nicole.Hayes@pspsl.co.uk">Nicole.Hayes@pspsl.co.uk</a>
Signed off by:	Christine Marshall Deputy Chief Executive (Corporate Development) & S151
Approved for publication:	Christine Marshall Deputy Chief Executive (Corporate Development) & S151