



B O S T O N

B O R O U G H C O U N C I L

AGENDA ITEM NO:

REPORT TO:	AUDIT AND GOVERNANCE COMMITTEE
DATE:	27 JANUARY 2020
SUBJECT:	STATEMENT OF ACCOUNTS 2019/20 – ACCOUNTING POLICIES
REPORT AUTHOR:	CHIEF FINANCE OFFICER
EXEMPT REPORT?	NO

SUMMARY

The report asks the Committee to approve the proposed Accounting Policies for the 2019/20 Statement of Accounts.

RECOMMENDATIONS

That the Audit and Governance Committee:

1. Approves the Accounting Policies (set out in Appendix A) to be adopted for 2019/20; and
2. Delegate the final approval, prior to inclusion in the Accounts, of any necessary minor changes to the Section 151 Officer.

REASONS FOR RECOMMENDATIONS

To demonstrate compliance with the Accounting Code of Practice.

ALTERNATIVES CONSIDERED

Not to adopt the policies.

1. INTRODUCTION

- 1.1 The annual Statement of Accounts is one of the ways that the Council demonstrates the stewardship of funds, and its preparation is governed by a series of specific requirements relating to its content and format.
- 1.2 Unless there are major changes to accounting rules and regulation, accounting policies do not change significantly between years because the Accounts would not be comparable from one year to the next.
- 1.3 The pre-audit 2019/20 Statement of Accounts will be presented to Audit and Governance Committee in May 2020. The accounting policies will be included within the Accounts, and any changes made as a result of the audit process will be highlighted and explained in the final report to Audit and Governance Committee in July 2020.

2. ACCOUNTING POLICY CHANGES

- 2.1 As a result of the amendments to the 2019/20 Code of Practice and to ensure clarity and consistency within the accounting policies and Financial Statements there are a small number of changes required to the Council's accounting policies this year. The main changes are summarised below:

Employee Benefits – reduced content to cover '*benefits payable during employment*' and '*termination benefits*'.

Fair Value Measurement – this policy has been amended to reflect the Fair Value Measurement of Non-Current Assets only, with reference to Liabilities removed. Fair Value measurement relating to financial assets is included under the policy for Financial Instruments.

FINANCIAL IMPLICATIONS

There are no direct financial implications to the report. There are no amendments to the accounting policies which would give rise to a material impact upon the Council's financial position.

LEGAL IMPLICATIONS

Section 21(2) of the Local Government Act 2003 requires councils to prepare Accounts in accordance with proper practices, which are effected by the CIPFA Code of Accounting Practice.

ANY OTHER IMPLICATIONS

None

CONSULTATION

No consultation undertaken.

APPENDICES

Appendices are listed below: -

Appendix A	Proposed 2019/20 Accounting Policies
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BACKGROUND PAPERS

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

Document title	Where the document can be viewed
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CIPFA Accounting Code of Practice 2019/20 and supporting Guidance Notes	Finance office
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CHRONOLOGICAL HISTORY OF THIS REPORT

No previous reports on this item have been presented.