

This report is a public report	
2023/24 Accounting Policies	
Committee	Accounts, Audit and Risk Committee
Date of Committee	20 March 2024
Portfolio Holder presenting the report	Councillor Adam Nell
Date Portfolio Holder agreed report	6 March 2024
Report of	Assistant Director of Finance (S151) Michael Furness

Purpose of report

To ask the Committee to review and approve the Accounting Policies for inclusion in the 2023/24 Statement of Accounts which are due to be published by 31 May 2024. The council is required to set accounting policies which set out the specific principles, bases, conventions, rules, and practices applied by an authority in preparing and presenting financial statements.

1. Recommendations

The meeting is recommended:

- 1.1 To approve the accounting policies as recommended by the Chief Finance Officer (Appendix 1).

2. Executive Summary

- 2.1 The council is required each year to set accounting policies which set out the specific principles, bases, conventions, rules, and practices applied by an authority in preparing and presenting the financial statements for the year. The accounting policies describe how the council has interpreted and applied the Chartered Institute of Public Finance and Accountancy (CIPFA) Code of Practice on Local Authority Accounting.
- 2.2 There have been no material changes to the accounting policies for 2023/24. The only changes are to update the “going concern” section to reflect the council’s current position, and some minor wording clarifications.

Implications & Impact Assessments

Implications	Commentary
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Finance	<p>There are no financial implications arising directly from this report, as the accounting policies have not been changed other than to update the “going concern” section.</p> <p>Joanne Kaye, Head of Finance, 01295 221545 Joanne.kaye@cherwell-dc.gov.uk 28/02/2024</p>			
Legal	<p>The accounting policies in this report have been approved by the council’s Chief Financial Officer (Assistant Director of Finance). Section 151 of the Local Government Act 1972 requires local authorities to make arrangements for the proper administration of their financial affairs and appoint an officer to have responsibility for those arrangements.</p> <p>Shahin Ismail, Legal Services Manager, 26 February 2024</p>			
Risk Management	<p>There are no risk management implications arising directly from this report.</p> <p>Celia Prado-Teeling, Performance & Insight Team Leader 28 February 2024</p>			
Impact Assessments	Positive	Neutral	Negative	Commentary
Equality Impact				
A Are there any aspects of the proposed decision, including how it is delivered or accessed, that could impact on inequality?		X		Not Applicable – the council’s accounting policies only impact the financial statements and so has no impact on residents.
B Will the proposed decision have an impact upon the lives of people with protected characteristics, including employees and service users?		X		Not Applicable – the council’s accounting policies only impact the financial statements and so has no impact on residents.
Climate & Environmental Impact				N/A
ICT & Digital Impact				N/A
Data Impact				N/A
Procurement & subsidy				N/A

Council Priorities	N/A
Human Resources	N/A
Property	N/A
Consultation & Engagement	No consultation necessary.

Supporting Information

3. Background

- 3.1 All local authorities must produce a statement of accounts annually to help ensure that there is appropriate stewardship of public finances. Statements of accounts are produced according to accounting standards to ensure that they are produced on a consistent standard and are comparable with other statements of accounts. Local Authority statements of accounts are produced by following the Chartered Institute of Public Finance and Accountancy (CIPFA) Code of Practice on Local Authority Accounting in the United Kingdom (the Code). The Code occasionally overrides accounting standards where statute takes precedence over accounting standards.

4. Details

- 4.1 The Accounts, Audit and Risk Committee are required to approve the Accounting Policies for inclusion in the draft statement of accounts. The draft statement of accounts for 2023/24 is required to be published by 31 May 2024. Officers expect to publish to the council's website a draft of the statement of accounts by the end of May 2024 for a period of public consultation.
- 4.3 The notes to the accounts provide supporting information and additional detail for the main financial statements. Note 1 sets out the council's Accounting Policies (Appendix 1). The council is required to set accounting policies which set out the specific principles, bases, conventions, rules, and practices applied by an authority in preparing and presenting financial statements. The accounting policies describe how the council has interpreted and applied the Code of Practice on Local Authority Accounting.
- 4.4 The code states that the Chief Finance Officer (at this council that is the Assistant Director of Finance (S151 Officer)) is responsible for selecting 'suitable' accounting policies and ensuring that they are applied consistently in the preparation of the statement of accounts. The 2023/24 Accounting Policies, as set out in Appendix 1, have been approved by the Chief Finance Officer. All accounting policies have been selected with reference to the Code.

5. Alternative Options and Reasons for Rejection

- 5.1 The following alternative options have been identified and rejected for the reasons as set out below.

Option 1:

To reject the proposed accounting policies and make alternative recommendations. This has been rejected as the current accounting policies are in line with sector guidance and current practice.

6 Conclusion and Reasons for Recommendations

- 6.1 Accounts, Audit and Risk Committee is invited to review and ratify the Accounting Policies for 2023/24, to ensure that the council is able to prepare and publish the draft statement of accounts for 2023/24 by the statutory deadline of the 31st May.

Decision Information

Key Decision	N/A
Subject to Call in	N/A
If not, why not subject to call in	N/A
Ward(s) Affected	All

Document Information

Appendices	
Appendix 1	Accounting Policies 2023/24
Appendix 2	Glossary of Terms
Background Papers	None
Reference Papers	Accounts Audit and Risk Committee report 26 July 2023 - Accounting Policies 2022/23
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