

# Audit Committee



19 March 2024

<b>Title</b>	<b>2023-24 Accounting Policies for both Spelthorne Borough Council and Spelthorne Group &amp; its subsidiaries Knowle Green Estates Limited and Spelthorne Direct Services Ltd.</b>
<b>Purpose of the report</b>	To note
<b>Report Author</b>	Paul Taylor Chief Accountant
<b>Ward(s) Affected</b>	All Wards
<b>Exempt</b>	No
<b>Corporate Priority</b>	Services
<b>Recommendations</b>	<b>Committee is asked to note the 2023-24 accounting policies.</b>
<b>Reason for Recommendation</b>	

## 1. Summary of the report

What is the situation	Why we want to do something
<ul style="list-style-type: none"> <li>The 2023-24 Accounting Policies set out how the Council will deal with a variety of matters in the preparation of the Statement of Accounts</li> </ul>	<ul style="list-style-type: none"> <li>As part of producing the 2023-24 Statement of Accounts the Accounting Policies set out how the Council will deal with key issues.</li> </ul>
This is what we want to do about it	These are the next steps
<ul style="list-style-type: none"> <li>Review the 2023-24 Accounting Policies.</li> <li>Question Finance Officers on the 2023-24 Accounting Policies</li> </ul>	<ul style="list-style-type: none"> <li>To note the 2023-24 Accounting Policies for the Council and the Group, which includes the Council and its subsidiaries Knowle Green Estates Ltd and Spelthorne Direct Services Ltd.</li> </ul>

1.1 This report sets out the Council’s proposed accounting policies to be adopted for Spelthorne Borough Council and its subsidiaries for the financial statements for the year end 31 March 2024.

## **2. Key issues**

- 2.1 The Council's accounting policies are the specific principles, conventions, rules and practices that are applied in the production and presentation of the annual Statement of Accounts.
- 2.2 These policies have to be fully disclosed as a note to the annual accounts and a copy of the policies for the Council (sole entity) and Group Accounts (Council and its subsidiaries) as shown in appendix A and B respectively.
- 2.3 There have been no changes to the accounting policies from 2022-23.
- 2.4 During the 2023-24 year end close down seminars, a number of commentators are advising that there is a general view that the accounting policies for Council's have become too complex and whilst they cover every item that is applicable to the council, they should perhaps reflect if these policies have a material impact on the statement of Accounts and where the answer is that they are immaterial, the accounting policies should reflect this.
- 2.5 Having considered this guidance and in view of the fact that the Council has not had any audit work carried out for five years, it is proposed that the council will start with the full list of accounting policies contained in the appendices below and refine the policies as the audit progresses to reflect the guidance.

## **3. Options analysis and proposal**

- 3.1 As above.

## **4. Financial management comments**

- 4.1 Explain the key financial headlines linked to appropriate data in appendices (if required).

## **5. Risk management comments**

- 5.1 There are none.

## **6. Procurement comments**

- 6.1 There are none.

## **7. Other considerations**

- 7.1 There are none.

## **8. Equality and Diversity**

- 8.1 There are none.

## **9. Sustainability/Climate Change Implications**

- 9.1 There are none.

## **10. Contact details**

- 10.1 Paul Taylor Chief Accountant [p.taylor@spelthorne.gov.uk](mailto:p.taylor@spelthorne.gov.uk)

## **11. Timetable for implementation**

- 11.1 Effective immediately for the 2023-24 audit.

**Background papers:** There are none.

**Appendices:**

**Appendix A** – 2023-24 Spelthorne Borough Council Accounting Policies

**Appendix B** – 2023-24 Group Accounting Policies