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To: Governance and Audit Committee – 24 April 2019

Subject: Revised Accounting Policies

Classification: Unrestricted

Summary: This report asks Members to approve the revised
accounting policies.

FOR INFORMATION AND DECISION

1. The CIPFA Code of Practice requires authorities to follow International Accounting Standard 8 (IAS 8) - *Accounting Policies, Changes in Accounting Estimates and Errors*. Accounting policies are defined as "... the specific principles, bases, conventions, rules and practices applied by an entity in preparing and presenting financial statements".
2. This year, amendments and revisions are needed in respect of the adoption of IFRS 15 – Revenue from Contracts with Service Recipients and IFRS 9 – Financial Instruments

i) IFRS 15 – Revenue from Contracts with Service Recipients

The adoption of this standard requires an amendment to the accounting policy for Accruals of Income and Expenditure. This is a new requirement for the 2018-19 statement of accounts and the amendment is derived from the Code of Practice Guidance Notes prepared by the Chartered Institute of Public Finance Accountants (CIPFA).

For the full accounting policy see Appendix 1.

ii) IFRS 9 – Financial Instruments

IFRS 9 – Financial Instruments is to be adopted for 2018-19. The adoption of this standard requires a new accounting policy for financial instruments, specifically financial assets. This is a new requirement for the 2018-19 statement of accounts and therefore the new accounting policy has been drafted, derived from the Code of Practice Guidance Notes prepared by the Chartered Institute of Public Finance Accountants (CIPFA).

For the full accounting policy see Appendix 2.

4. Recommendation

- 4.1 Members are asked to approve the additions and amendments to the accounting policies as presented.

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