

**SUBJECT: STATEMENT OF ACCOUNTING POLICIES 2024/25**

**REPORT BY: CHIEF EXECUTIVE AND TOWN CLERK**

**LEAD OFFICER: LAURA SHIPLEY, FINANCIAL SERVICES MANAGER**

**1. Purpose of Report**

- 1.1 To present to the Audit Committee the Council's accounting policies which are to be used to prepare the 2024/25 Statement of Accounts.

**2. Background**

- 2.1 Under the Accounts and Audit (England) Regulations the Council must comply with proper practice. Proper practice is defined as the Code of Practice on Local Authority Accounting (the Code), which is based on International Financial Reporting Standards (IFRS). The Council produces its financial statements on the basis.
- 2.2 The Statement of Accounts will be subject to external audit review.

**3. Accounting Policies**

- 3.1 Under Financial Procedure Rules the Chief Finance Officer is responsible for selecting the Council's accounting policies, including any changes to these policies and ensuring they are applied accurately and consistently. The accounting policies are presented to this committee as the committee charged with governance and with specific responsibility for reviewing the statement of accounts (including consideration of whether appropriate accounting policies have been followed).
- 3.2 Each year as part of the development of the Statement of Accounts the content of the accounting policies are reviewed to ensure that they reflect the requirements of the Code and remain relevant to the Council. The significant change for the accounting year 2024/25 is the introduction of IFRS16 – Leases. As a result of this standard the Council has amended its lease policy (AP17) to ensure it remains compliant.

The key decision is around the low value exemption limit - it is proposed to mirror the Council's capital de minimus level of £10,000 in line with guidance.

**4. Strategic Priorities**

- 4.1 There are no specific impacts on the Council's strategic priorities arising as a result of this report.

## **5. Organisational Impacts**

### **5.1 Finance**

There are no financial implications arising as a direct result of this report. The report reflects the way financial information is presented in the Council's Statement of Accounts.

### **5.2 Legal Implications including Procurement Rules**

There are no legal or procurement implications arising as a direct result of this report.

### **5.3 Equality, Diversity and Human Rights**

The Public Sector Equality Duty means that the Council must consider all individuals when carrying out their day-to-day work, in shaping policy, delivering services and in relation to their own employees.

It requires that public bodies have due regard to the need to:

- Eliminate discrimination
- Advance equality of opportunity
- Foster good relations between different people when carrying out their activities.

Due to the nature of the report, no specific Equality Impact Analysis is required.

## **6. Risk Implications**

6.1 There are no specific risk implications arising from this report.

## **7. Recommendations**

7.1 That the Audit Committee review and note the Accounting Policies to be used for 2024/25 Statement of Accounts.

**Is this a key decision?** No

**Do the exempt information categories apply?** No

**Does Rule 15 of the Scrutiny Procedure Rules (call-in and urgency) apply?** No

**How many appendices does the report contain?** One

**List of Background Papers:** None

**Lead Officer:** Laura Shipley, Financial Services Manager  
Email: [laura.shipley@lincoln.gov.uk](mailto:laura.shipley@lincoln.gov.uk)