

REPORT TO:		Audit Committee	
DATE:		29 June 2026	
PORTFOLIO:		Councillor Vanessa Alexander - Resources and Council Operations	
REPORT AUTHOR:		Martin Dyson – Executive Director Resources	
TITLE OF REPORT:		Accounting Policies to be used to prepare the Statement of Accounts 2025/26	
EXEMPT REPORT (Local Government Act 1972, Schedule 12A)	No	Not applicable	
KEY DECISION:	No	If yes, date of publication:	

1. Purpose of Report

- 1.1 To allow the Committee to review and consider the proposed Accounting Policies to be used in the preparation of the Council’s Statement of Accounts 2025/26 and update Committee on any changes to the accounting policies used between years.

2. Recommendations

- 2.1 The Committee is recommended to note the use of the Accounting Policies as set out in Appendix 1 for the preparation of the Council’s Statement of Accounts 2025/26.

3. Reasons for Recommendations and Background

- 3.1 In accordance with the Accounts and Audit Regulations 2015, the Council is required to prepare annually a statement of accounts. The Code of Practice on Local Authority Accounting in the United Kingdom (the Code) specifies the principles and practices to be followed in order for the accounts to give a “true and fair” view of the financial position, financial performance and cash flows of a local authority.
- 3.2 The Council’s chief financial officer, as the officer appointed by the Council in discharge of its responsibilities under s151 of the Local Government Act 1972, is responsible for preparation of the Council’s Statement of Accounts in accordance with the proper practices set out in the Code. In doing so, the chief financial officer is required to select suitable accounting policies and then apply them consistently. Accounting policies are the specific conventions, rules and practices applied in preparing and presenting the financial statements.

3.3 The Accounting Policies to be applied in preparing the Council’s 2025/26 Statement of Accounts are set out in Appendix 1. These policies remain broadly consistent with those used for the 2024/25 Statement of Accounts. However, Members should note that, following updates to the CIPFA Code of Practice, the Council is now formally required to revalue all non-current assets, that require valuation, at least every five years, or on a five-year rolling basis, supported by indexation in the intervening years. Transitional arrangements apply, meaning these changes will be adopted prospectively and prior-year figures will not be restated.

4. Alternative Options considered and Reasons for Rejection

4.1 There are no alternative options.

5. Consultations

5.1 None

6. Implications

Financial implications (including any future financial commitments for the Council)	There are no direct financial implications arising from this report.
Legal and human rights implications	The Statement of Accounts should be formally published within the statutory timescale. This report, together with the Annual Governance Statement forms part of the Council’s assurance process.
Assessment of risk	There are no specific risk issues for members to consider arising from this report.
Equality and diversity implications <i>A Customer First Analysis should be completed in relation to policy decisions and should be attached as an appendix to the report.</i>	None

7. Local Government (Access to Information) Act 1985: List of Background Papers

7.1 None

8. Freedom of Information

- 8.1 The report does not contain exempt information under the Local Government Act 1972, Schedule 12A and all information can be disclosed under the Freedom of Information Act 2000.