

**International Financial Reporting Standards - Action Plan**

Chapter/ Paragraph	Issue / Task	Officer	Deadline	Completion Date	Status	Evidence
<b>1. Introduction</b>						
1.6.2	It is recommended that the Statement of Accounts be included in the Annual Report (Spotlight). If this isn't appropriate, a summary of the Statement of Accounts should be included in the Annual Report with details of how the full Statement of Accounts can be obtained.	NAL/BH	Dec-09		Discounted on the grounds that timescales for both documents	
<b>2. Concepts &amp; Principals</b>						
2.8	SORP 2009 changes to Council Tax & NNDR accounting need to be carried out by end of 2009.	PW/KK	Dec-09		Guidance notes received late December 2009, depending on substance of guidance further information may be required from CIPFA.	
<b>3. Financial Statements</b>						
3.3.4.3	New accounting standards and policies that have been issued but not yet adopted need to be mentioned in the accounts.	PW/KK	Nov-09	Oct-09	Accounting policies have been reviewed and amended as appropriate to comply with the IFRS code. Further Review will be undertaken following publication of the final version of the code in December 2009 and as a when during 2009/10 closedown process.	<a href="#">See pages 11-19 of the draft statement</a>
3.4.2	Rewrite Crystal Reports for electronic Balance Sheet and electronic Comprehensive Income & Expenditure Statement for new formats.	PW/KK	Sep-10			
3.4.2.15	Cash equivalents includes short-term investments with a maturity of 3 months or less from date of acquisition.	PW/KK	BS Nov-09 Note Sep-10	Nov-09 Dec-09	Included within draft statement	
3.4.2.18	Order of statements: <i>Comprehensive Income &amp; Expenditure Statement</i> ; <i>Movement in Reserves Statement</i> ; <i>Balance Sheet</i> ; <i>Cash Flow Statement</i> ; <i>Notes</i> .	PW/KK	Dec-09	Dec-09	Order of statements now follows suggested format of Movement in Reserves, I&E, Bal Sheet and then Cashflow.	
3.4.2.37	Include purpose of <i>Movement in Reserves Statement</i> as given in code above statement.	PW/KK	Sep-09	Sep-09	Description placed above statement in draft accounts	
3.4.2.39	These amounts will be included in the <i>Movement in Reserves Statement</i> . a) depreciation and impairment of non-current assets (in England this should exclude depreciation charged to HRA Services b) in England only, the excess of depreciation charged to HRA services over the Major Repairs Allowance element of housing subsidy c) capital grants and contributions credited to the Comprehensive Income and Expenditure Statement d) movement in Donated assets Account e) revenue Expenditure funded from capital under statute f) net gain or loss on sale of non-current assets g) amount by which finance costs calculated in accordance with the Code are different from the amount of finance costs calculated in accordance with statutory requirements h) amount by which pension costs calculated in accordance with the Code (i.e. in accordance with IAS 19) are different from the contributions due under the pension scheme regulations i) amount by which council tax Income and residual community charge adjustment included in the Comprehensive Income and Expenditure Statement is different from the amount taken to the General Fund in accordance with regulation (England only) j) statutory provision for repayment of debt k) capital Expenditure charged to the General Fund Balance l) transfer from capital Receipts Reserve equal to the amount payable into the housing capital Receipts Pool (in England and Wales only) m) any voluntary provision for repayment of debt n) net transfer to or from earmarked reserves required by legislation.	PW/KK	Sep-09	Sep-09	Where applicable included within draft statement.	
3.4.2.42	Include purpose of <i>Comprehensive Income &amp; Expenditure Statement</i> as given in code above statement.	PW/KK	Sep-09	Sep-09	Description placed above statement in draft accounts	
3.4.2.52	Include purpose of <i>Balance Sheet</i> as given in code above statement.	PW/KK	Sep-09	Sep-09	Description placed above statement in draft accounts	
3.4.2.58	Receivables (debtors) need to be disaggregated into trade customers, related parties, prepayments in notes.	PW/KK	Mar-10		Request made to Exchequer services for updation of Sales Ledger information. This is to be implemented for the 2009/10 statement of accounts and will be further discussed at this stage.	<a href="#">Senior Exchequer Services Assistant and Exchequer Services Manager updating INTEGRA</a>
3.4.2.59	Include description and purpose of all reserves in the Notes, including unusable reserves.	PW/KK	Nov-09	Oct-09	Included within draft statement	
3.4.2.60	Include purpose of <i>Cash Flow Statement</i> as given in code above statement.	PW/KK	Sep-09	Sep-09	Description placed above statement in draft accounts	
3.4.2.67	These amounts will be included in the <i>Cash Flow Statement</i> . a) net surplus or deficit on the provision of services b) adjust net surplus or deficit on the provision of services for noncash movements c) adjust for items included in the net surplus or deficit on the provision of services that are investing and financing activities d) net cash flows from operating activities e) investing activities f) financing activities g) net increase or decrease in cash and cash equivalents h) cash and cash equivalents at the beginning of the reporting period i) cash and cash equivalents at the end of the reporting period.	PW/KK	Dec-09			

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3.4.2.72	New note on Cash & Cash Equivalents.	PW/KK	Sep-10	Sep-09	See point on investments above	
3.4.2.77	New accounting policy on <i>Employee Benefits</i> required, if significant.	PW/KK	Sep-09	Sep-09	Accounting policy added to draft statement but subject to further information from the Personnel Handbook following management team in October 2009	
3.6.3.1	Include purpose of <i>Collection Fund</i> as given in code above statement.	PW/KK	Sep-09	Sep-09	Description placed above statement in draft accounts	
3.6.4.1	Disclose accounting policy in respect of impairment of debts.	PW/KK	Dec-09	Nov-09	Accounting policy on debt write off has been taken from Financial procedure rules, but may require review if guidance gives differing opinion	
3.8.2.5	Insert statement <b>and signature</b> of DF below Balance Sheet in audited accounts.	PW/KK	Oct-09	Oct-09	Included within draft statement	
3.9.4.1	Include any outstanding balances in Related Party note.	PW/KK	Dec-09	Nov-09	Noted to be dealt with on an ad hoc basis.	
<b>4. Non-Current Assets</b>						
4.1.1.5	Indicate which assets are to be classified as <i>Investment Property</i> and why. For non-investments leases decide which are operating leases and which, if any, are finance leases. Give reasoning as to why we've chosen to not to treat them as leases in accounts.	PW/KK	Nov-09	Nov-09	Review of properties conducted using information contained within Asset Management Plan on properties held and purpose of holding said property, this was approved by Members in 2008. This will involve some changes to the 2009/10 statement.	<a href="#">Investment Properties - Asset Management Plan 2008</a>
4.1.1.6	Agree treatment of wheeled bins with DA.	PW	Dec-09		Treatment of wheeled bins subject of further discussion as no knowledge of Service Potential recognised by Audit Commission.	
4.1.1.6	Make sure property valuations are carried out in accordance with UKPS 1.3 of the RICS Valuation Standards.	KI	Nov-09	Nov-09	This is now included within the letter from Property Services and Statement of Accounts.	
4.1.2.19	Decide the level at which major items of plant will be separated out from property on the fixed asset register.	PW/MAW	Nov-09	ONGOING	Review of outcome from Plant evaluation at LSBU to continue onto the Council Offices as required. Proposed to componentise only additions to assets with value in excess of £100,000 or age differential in excess of 5 years from major asset.	
4.1.2.19	Separate out major items of plant from buildings on fixed asset register/capital working papers.	MAW/KI	Nov-09		BPS have confirmed that they cannot carry out plant valuations, however follow up will be conducted on the fabric of the building.	
4.1.2.31	When an asset is revalued accumulated depreciation and impairment should be eliminated against gross carrying amount. Is this is what we currently do?	MAW			Following presentation from CIPFA no longer applicable.	
4.1.2.36	Assets which experience significant and volatile changes in fair value should be valued more frequently. This may apply to car parks where increases in charges will increase fair value materially.	MAW/PW	Nov-09	Nov-09	Discussed as part of briefing note to Audit Commission and Property Services.	
4.1.2.44	Residual value, useful life and depreciation method should be reviewed at least once a year. Any significant changes shall be accounted as a change in accounting estimate (not change in accounting policy). Budget managers could be asked to review useful life during the Capital Plan Review process. MCL has been asked to provide numbers of wheeled bins currently being used so this can be compared to the number of bins on the fixed asset register.	MAW/MCL	Dec-09	ONGOING	Work ongoing with Environmental Health Services.	
4.1.3.3	The difference between the depreciation based on revalued amount and depreciation based on historical cost shall be transferred from the Revaluation Reserve to the Capital Adjustment Account.	MAW	Dec-09		Depreciation charge is currently split between historic cost and revalued asset on asset register and capital charges spreadsheets.	Add copy of new charges sheet when updated
4.1.3.11	Revaluation gains/losses charged to Surplus/Deficit on Provision of Services (i.e. to service budgets) shall be reversed in the Movement of Reserves Statement and transferred to the Capital Adjustment Account (not Revaluation Reserve).	MAW	Dec-09		The Asset Register sheets are to be amended in order to show negative revaluations separately in order to ensure that reversals can be made if required.	Add copy of new charges sheet when updated
4.1.4.3	Amend movement if fixed assets note to comply with all disclosure requirements (e.g. separate out impairments, revaluations). Show date of revaluations in note, not year. Mention in note that BPS carry out revaluations. Methods and significant assumptions applied in estimating fair values should be disclosed.	PW/KK/KI	Dec-09	Nov-09	BPS address added to draft statement, any assumptions used in valuation will be added when report received from Property or BPS.	
4.1.6.5	Renewals accounting not permitted.	MAW			INFRASTRUCTURE ASSETS ONLY THEREFORE NOT APPLICABLE TO TMBC	
4.2	Identify all arrangements that may possibly be classified as a lease and decide if each of them should be treated as lease in the accounts.	PW	Nov-09		Leased cars, commercial property, industrial estates and wheeled bins are leases. Others (e.g. leisure concessions, Wrotham car park) aren't material. Need to clarify position on Angel and Botany car parks and GATEWAY.	Email evidence to be attached
4.2.4.1	Expand accounting policy on <i>Leases</i> .	PW/KK	Nov-09	Nov-09	Statement updated	
4.2.4.2	Expand note on leased cars to meet disclosure requirements to show sub-lease payments separately. Provide future rental income on commercial property/industrial estates either in <i>Leases</i> or <i>Trading Undertakings</i> note.	PW/KK	Nov-09	Nov-09	Leased Cars done, note on trading undertakings expanded to include rental income by years for leased commercial properties.	
4.2.6.1	Land and buildings elements of a lease of land and buildings should be accounted for separately. Check with KI regarding commercial property.	PW/KI	Nov-09	Nov-09	All leases issued are for property only not land. - Confirmed by Property Services	Email evidence to be attached
4.5.2.16	The amortisation period of Intangible Assets shall be reviewed at least once a year.	MAW	Dec-09			
4.5.4.2	The lines in the <i>Comprehensive Income &amp; Expenditure Statement</i> in which amortisation of Intangible Assets are charged shall be disclosed.	PW/KK/MAW	Dec-09	Dec-09	New Note required to the Statement of Accounts. The majority of these are chargeable to IT services (held under non-distributable cost and subsequently recharged). I do not propose to show the amounts under IT recharges.	
4.6.5.1	Expand accounting policy on <i>Revenue Expenditure Funded from Capital Under Statute</i> to make it clear this done under statute.	PW/KK	Nov-09	Nov-09	Included within draft statement	
4.7.4.1	Expand accounting policy on <i>Impairments</i> to include who makes a judgement as to whether there have been any impairments and their professional qualification.	PW/KK	Nov-09	Nov-09	Included within draft statement	
4.9.4.1	New accounting policy on <i>Non-Current Assets Held for Sale and Discontinued Operations</i> needed.	PW/KK	Nov-09	Nov-09	Included within draft statement	

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4.9.4.2	Further information relating to <i>Non-Current Assets Held for Sale and Discontinued Operations</i> shall be disclosed in the notes to the accounts. Break down <i>Gains/Losses on Disposal</i> note into classes of assets (e.g. Prop, Plant & Equip; Invest Prop; Intang Asst; Asst Held Sale).	PW/KK	Nov-09	Nov-09	Included within draft statement	
<b>5. Current Assets</b>						
5.1.4.2	Ask DA if we need to comply with disclosure requirements for Inventories given our low balance.	PW	Mar-10		Average value of stock held at year end is below £40,000 and should be considered immaterial to the accounts.	
5.3.4.2	SLS debtors need to be analysed into different categories. Check with JP/DJR if a new field can be added to Integra which will do this.	PW/KK/JP/ DJR	Mar-10		To be implemented for the 2009/10 statement of accounts	
<b>6. Employee Benefits</b>						
6	New accounting policy on <i>Employee Benefits</i> required, if significant.	PW/KK	Nov-09	Oct-09	Included within draft statement	
6.3	<i>Termination Benefits</i> (redundancy costs) should be accounted for immediately as notices are issued, not when employee leaves employment	PW/KK	Nov-09	Oct-09	To be included as and when required	
6.3.3.2	Material <i>Termination Benefits</i> need to be disclosed as and when they occur.	PW/KK	Nov-09	Oct-09	To be included as and when required	
6.4.3.32	Make sure we disclose all that we have to on <i>Post Employment Benefits</i> (e.g. future payments not currently disclosed).	PW/KK	Nov-09	Oct-09	Included within draft statement	
<b>8. Liabilities</b>						
8.2.4.2	Expand <i>Provisions</i> note to include unused amounts reversed. Provide brief description of provision and expected timing of use of provision in note.	PW/KK	Mar-10		Information required from remainder of accountancy section	
<b>10. Transition to IFRS</b>						
10.1.1.13	Reconciliations shall be carried out showing the movement from SORP 2009 to IFRS for the Balance Sheet at 01.04.09, Balance Sheet at 31.04.10 and the Comprehensive Income & Expenditure Statement 2009/10. These reconciliations <b>do not</b> have to be presented in the accounts but any material differences should be disclosed. See 10.1.5.1.	PW/KK	Sep-10		Work commenced on both Sept 09 - no significant issues to be raised.	
10.1.5.1	Any material differences between amounts presented under SORP 2009 and IFRS shall be disclosed. If there are no material differences this should be stated in the Notes. See 10.1.1.13.	PW/KK	Sep-10			