

# TONBRIDGE & MALLING BOROUGH COUNCIL

## AUDIT COMMITTEE

15 January 2024

### Report of the Director of Finance and Transformation

#### Part 1- Public

#### Delegated

## 1 ACCOUNTING POLICIES

This report presents the Accounting Policies proposed for the 2023/24 Financial Statements for consideration and endorsement.

### 1.1 Introduction

1.1.1 The Accounting Policies to be used in the preparation of the 2023/24 Financial Statements are attached at **[Annex 1]** for Members' consideration and endorsement.

1.1.2 A minor change proposed to the previous Accounting Policies is the clarification of the Council's minimum accrual limits for both revenue and capital. The Council is proposing an accrual limit of £1,000 for revenue items, and £10,000 for capital schemes. There will be exceptions where accruals are occasionally raised below these limits, depending on the nature of the transaction.

1.1.3 Due to the increased scrutiny of asset valuations over the last few years, discussions have been taking place with the external auditor about reducing the number of valuations undertaken each year, whilst maintaining materiality. Section r) of the Accounting Policies Annex is subject to change in the final version of the Statement of Accounts, to reflect the outcome of these discussions.

1.1.4 This latest review found that no other changes were required to the Accounting Policies to be adopted for the 2023/24 Financial Statements.

### 1.2 Legal Implications

1.2.1 The Accounts are to be prepared in accordance with the Code of Practice on Local Authority Accounting of which the Accounting Policies form an integral part.

### 1.3 Financial and Value for Money Considerations

1.3.1 As set out in the Accounting Policies.

## 1.4 Risk Assessment

- 1.4.1 Failure to adequately follow Accounting Policies could result in misrepresentation and potential qualification of the Accounts.

## 1.5 Equality Impact Assessment

- 1.5.1 The decisions recommended through this paper have a remote or low relevance to the substance of the Equality Act. There is no perceived impact on end users.

## 1.6 Recommendations

- 1.6.1 Members are asked to **consider** and, subject to any required amendments, **endorse** the Accounting Policies to be used in the preparation of the 2023/24 Financial Statements as set out at **[Annex 1]**.

Background papers:

contact: Amanda Riley

Nil

Sharon Shelton  
Director of Finance and Transformation