

**FINAL ACCOUNTS 2011/12 – ACCOUNTING POLICIES
(Report by the Head of Financial Services)**

1. INTRODUCTION

- 1.1 Any changes to accounting policies require the approval of the Panel. In finalising the 2011/12 accounts 4 minor changes were identified which need to be approved before the Accounts are passed to external audit.

2 THE CHANGES

2.1 General Principles

One of the documents the accounts are required to comply with has changed its name from the Best Value Accounting Code of Practice to the **Service Reporting Code of Practice 2011/12.**

2.2 Employee Benefits

Termination Benefits are now required to be shown on the **appropriate service line** rather than as non-distributed costs.

2.3 Heritage Assets

There is a new requirement this year to identify Heritage Assets and so the following paragraph has been added.

The Council has only one heritage asset, the Norman Cross and eagle. It has been included in the balance sheet at the insurance value.

2.4 Provisions

The Council has not had to make specific provisions previously but needs to this year and so needs to include a relevant policy.

Provisions are made where an event has taken place that gives the Council a legal or constructive obligation that probably requires a financial settlement and a reliable estimate of the obligation can be made. Provisions are charged to the Comprehensive Income and Expenditure Statement and are measured at the best estimate of the expenditure that is likely to be required. When payments are made they are charged to the provision.

3 RECOMMENDATIONS

- 3.1 It is recommended that the Panel approve the above changes to the Accounting Policies.

ACCESS TO INFORMATION ACT 1985

Final Accounts and Codes of Practice held in the Accountancy Section

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