

POLICE FIRE AND CRIME COMMISSIONER
AND NORTH YORKSHIRE POLICE

REPORT TO JOINT INDEPENDENT AUDIT COMMITTEE

17 March 2020

ACCOUNTING POLICIES

1. Report Purpose

- 1.1 To review the accounting policies to be used in preparation of the Statement of Accounts for 2019/20.

2. Key Information

- 2.1 The accounts are prepared in accordance with the Chartered Institute of Public Finance and Accountancy (CIPFA) Code of Practice on Local Authority Accounting in the United Kingdom, supplemented by additional guidance set out in CIPFA's Local Authority Accounting Panel Bulletins.
- 2.2 The Code indicates that Group Accounts need to be prepared by the Police Fire and Crime Commissioner (the Commissioner), with, for financial accounts purposes only, the Chief Constable corporation sole accounted for as a fully controlled subsidiary.
- 2.3 The format of the accounts will be similar to that used in 2018/19.
- 2.4 The accounting policies to be used for both the Commissioner and the Chief Constable will be similar to those used in 2018/19, subject to changes outlined in section 3.

For information a copy of the 2018/19 Group Accounting Policies are provided as Appendix 1

3. Amendments to the Accounting Policies

- 3.1 This report discusses the Group Accounting Policies in detail. These Accounting Policies apply to the whole Group as appropriate, including to the Chief Constables Financial Statements.

Similar amendments will apply to the Accounting Policies for the Chief Constable's Financial Statements, with AP numbers being changed as appropriate and sections not applicable being deleted.

There are no significant amendments required to Accounting Policies for the 2019/20 accounts.

3.2 New International Accounting Standards Adopted for the first time in this Accounting Period

AP4 will be amended to reflect that no new accounting policies which will have a material impact on the financial statements have come into effect during 2019/20.

3.3 Critical Accounting Estimates and Judgements.

AP 32 will be amended as appropriate to reflect critical judgements made during the preparation and finalisation of the accounts.

3.4 Assumptions made about the Future and Other Major Sources of Estimation Uncertainty.

AP 33 will be amended as appropriate to reflect areas of estimation uncertainty identified during the preparation and finalisation of the accounts.

3.5 Accounting Standard that have been issued but have not yet been adopted.

IFRS 16 - Leases will come into effect on 1 April 2020, and will continue to be disclosed in AP34 in the 2019/20 accounts.

4. Implications

4.1 Finance

4.1.1 There are no direct financial implications of this report.

4.2 Equality and Diversity

4.2.1 There are no direct implications in relation to Equality and Diversity as a result of this report.

4.3 Public Interest

4.3.1 This matter is not considered to be of significant public interest. In due course the accounting policies used will be published as part of the Statutory Accounts.

4.4 Legal

4.4.1 There are no direct legal consequences of this report.

5. Consultations carried out

5.1 The report will be circulated to External Auditors for comment with the JIAC papers, and their comments will be reported verbally at the JIAC and to the Executive Board.

6. Actions required

6.1 Members of the JIAC are asked to note the proposed accounting policies.

Report Information

Joint report of:
Michael Porter, Commissioners Chief Finance Officer; and
Jane Palmer, Chief Constables Chief Finance Officer and Chief Accountant

Date created: 9 March 2020