2017/18 Accounting Policy Changes

AP2 Accruals of Income and Expenditure – The following narrative has been omitted from the 2017/18 Accounting Policies as it is in excess of that required by the Code (as identified by KPMG last year):

- Where significant debtors or creditors arise from such items as government grants and pay awards that are not yet finalised, estimates are made on the basis of best information that is currently available.

Accounting instructions require accruals to be raised where amounts are in excess of £5,000. Schools are asked to take responsibility for accruing for employee costs where individual amounts owing are in excess of £5,000.

AP5 Costs of Support Services – In 2016/17, this policy explained that the main statements no longer had to be prepared in accordance with SERCOP. We do not have to state this again and hence for 2017/18 the policy has been simplified.

AP6 Government Grants and Contributions – The following narrative has been omitted as it duplicates what is already stated in the Policy (and is in excess of that required by the Code):

'Where the grant has yet to be used to fund the revenue expenditure in relation to the purpose of the grant, it is appropriated into a specific revenue grants reserve. Once the expenditure has been incurred it is appropriated out of the specific revenue grants reserve.'

AP8 Property Plant and Equipment – The following narrative has been included to set out the frequency of asset valuations:

'Assets included in the Balance Sheet at current value are revalued sufficiently regularly to ensure that their carrying amount is not materially different from their current value at the year-end, but as a minimum every five years.'

Also, the 'Accounting for Schools PPE' has been incorporated into this note so that all PPE policies are in the same place.

AP9 REFfCUS – The following narrative has been omitted from the 2017/18 Accounting Policies as it is in excess of that required by the Code:

'Capital grants made to other bodies are written off to the appropriate Service revenue account during the financial year because they do not represent value for money to the Authority beyond the end of the financial year. This includes grants made to bodies for which the Authority is the accountable body and exercises control over grant distribution.'

AP13 Intangible Assets – The following narrative has been omitted from the 2017/18 Accounting Policies on the basis of non-materiality:

'Internally generated assets are capitalised where it is demonstrable that the project is technically feasible and is intended to be completed (with adequate resources being available) and the Authority will be able to generate future economic benefits or deliver service potential by being able to sell or use the asset. Expenditure is capitalised where it can be measured reliably as attributable to the asset and is restricted to that incurred during the development phase (research expenditure cannot be capitalised).

Expenditure on the development of websites is not capitalised if the website is solely or primarily intended to promote or advertise the Authority's goods or services.'

AP15 Employee Benefits and Pensions – The following narrative has been removed from the 2017/18 Accounting Policies as it is not a policy and the numbers are shown elsewhere in the Statement of Accounts:

'Application of these revised assumptions has resulted in an increase in liabilities measured at the balance sheet date of £1,248.0 million (£1,137.0 million LGPS, £111.0 million Teachers).'

AP28 Accounting for Council Tax and NNDR – We have identified a need to include an accounting policy.