

Rhondda Cynon Taf CBC

Governance & Audit Committee

4th September 2023

Statement of Accounts 2022/23

Overview of Accounting Policies



Purpose

- To provide Governance & Audit Committee with an overview of the Accounting Policies and critical judgements applied in preparing the draft Statements of Account.
- To aid the Committee in its role in the approval process of the Council's Statement of Accounts

Contents

- Governance Framework
- What is an Accounting Policy?
- Accounting Policies Disclosed
- Critical Judgements in applying Accounting Policies
- Assumptions about the future and other sources of estimation uncertainty
- Timescales for the Production and Publication of the Statement of Accounts

Governance Framework

1. CIPFA Code of Practice on Local Authority Accounting in the UK 2022/23
2. Accounts and Audit (Wales) Regulations 2014 (as updated)
3. Public Audit (Wales) Act 2004
4. Local Government Measure 2011

What is an Accounting Policy?

1. What is an Accounting Policy?
2. Only required if significant
3. Chief Finance Officer responsibilities
4. Changes to Accounting Policy

Accounting policies disclosed

Policy	Rhondda Cynon Taf CBC	Pension Fund	Central South Consortium	Policy	Rhondda Cynon Taf CBC	Pension Fund	Central South Consortium
Accruals of Income and Expenditure	✓	✓	✓	Government Grants and Other Contributions	✓		✓
Cash and Cash Equivalents	✓	✓	✓	Charges to Revenue for Long Term Assets	✓		
Contingent Liabilities	✓	✓	✓	Minimum Revenue Provision (MRP)	✓		
Employee Benefits	✓		✓	Provisions	✓		
Events after the Reporting Period	✓		✓	Interests in Companies and Other Entities	✓		
Financial Instruments	✓	✓		Acquisition and Disposal Costs		✓	
Intangible Assets	✓			Taxation		✓	
Leases	✓		✓	Inventories	✓		
Property, Plant & Equipment	✓			Additional Voluntary Contributions		✓	
Reserves	✓		✓				
Revenue Expenditure Funded from Capital Under Statute	✓						

Critical Judgements in Applying Accounting Policies

- Grants and Contribution conditions
- Voluntary Aided and Voluntary Controlled Schools

Assumptions about the future and other major sources of estimation uncertainty

- Pensions Liability
- Insurance Provision
- Property, Plant & Equipment

Timescales for 2022/23 onwards

- Audit Wales

2022/23	30 th November 2023
2023/24	31 st October 2024
2024/25	30 th September 2025

- Welsh Government

Statement of Accs	Preparation	Publication
2022/23	31 st July 2023	31 st December 2023
2023/24	30 th June 2024	30 th November 2024
2024/25	30 th June 2025	31 st October 2025

Discussion points for Governance & Audit Committee

- Other discussion points...?