

Report to: **Audit and Governance Committee**



Date of Meeting 19 March 2026

Document classification: Part A Public Document

Exemption applied: None

Review date for release N/A

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## **Statement of Accounts 2025/26 – Review of Accounting Policies**

### **Report summary:**

It is good practice for the Audit and Governance Committee to approve the Accounting Policies to be adopted in advance of the preparation of the Statement of Accounts.

### **Is the proposed decision in accordance with:**

Budget                      Yes  No

Policy Framework      Yes  No

### **Recommendation:**

To approve the Accounting Policies for the 2025/26 Statement of Accounts.

### **Reason for recommendation:**

Members of the Audit and Governance Committee have responsibility for the approval of the Annual Statement of Accounts.

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Portfolio(s) (check which apply):

- Assets and Economy
- Communications and Democracy
- Council, Corporate and External Engagement
- Culture, Leisure, Sport and Tourism
- Environment - Nature and Climate
- Environment - Operational
- Finance
- Place, Infrastructure and Strategic Planning
- Sustainable Homes and Communities

**Equalities impact** Low Impact

**Climate change** Low Impact

**Risk:** Low Risk;

**Links to background information** [Accounting Policies](#)

**Link to** [Council Plan](#)

Priorities (check which apply)

- ☒ A supported and engaged community
  - ☒ Carbon neutrality and ecological recovery
  - ☒ Resilient economy that supports local business
  - ☒ Financially secure and improving quality of services
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## Report in full

### 1. Background

- 1.1 This report presents the accounting policies to be adopted and to be used in the preparation of the Statement of Accounts for the 2025/26 financial year.
  - 1.2 The CIPFA (Chartered Institute of Public Finance and Accountancy) LASAAC (Local Authority (Scotland) Accounts Advisory Committee) Local Authority Accounting Board is a standing committee of CIPFA and LASAAC and is responsible for developing the Code of Practice on Local Authority Accounting in the United Kingdom (“the Code of Practice”)
  - 1.3 The Code of Practice prescribes the accounting treatment and disclosures for transactions of the Council. It is updated annually by the CIPFA / LASAAC Local Authority Board.
  - 1.4 As specified by regulation 21(2) of the Local Government Act 2003, all Local Authorities in the United Kingdom are required to keep their accounts in accordance with 'proper (accounting) practices'. This is defined, for the purposes of local government legislation, as meaning compliance with the terms of the Code of Practice.
  - 1.5 With specific regard to the accounting policies proposed in respect of 2025/26, these are largely unchanged from previous years. However, it is proposed to amend the accounting policies for the following reason:
    - 1.5.1 Property Plant and Equipment has been updated to include the revaluation expedient which allows for indexation of assets in years when an asset is not revalued as part of the five-year rolling programme.
  - 1.6 As the Statement of Accounts for 2025/26 is prepared, it may be necessary to amend a policy in order to adopt a more appropriate accounting policy. If this occurs, the change and the reason for the change will be reported back to the Audit & Governance Committee at the next available meeting and will be highlighted within the report when the Statement of Accounts is presented to Members for approval.
  - 1.7 The proposed accounting policies are presented via the link within the report.
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### **Financial implications:**

The policies set out for approval underpin the Council's reporting on its financial performance and position.

### **Legal implications:**

The legal position is detailed in the report, and no further comment is required.