Wokingham Borough Council

Summary of Changes to Accounting Policies

Year ended 31 March 2019

Details of the proposed changes to the Council's accounting policies are detailed below. Full details are included in the accounting policies document.

1. **Main Changes**

1.1 Accounting Policy 1-Accruals of Income and Expenditure

Changes to revenue recognition arising from IFRS 15 Revenue from Transactions with Customers. This is essentially a change in terminology

1.2 Accounting Policy 8-Financial instruments

Replacement of accounting policy for financial assets with revised wording to take into account the requirements of IFRS 9 and the requirements of the Code of Practice. This essentially deals with the classification of financial assets by the measurement basis and resultant measurement including the change in methodology in expected credit losses.

1.3 Accounting Policy 14-Investment Property

Additional narrative added with regard to properties acquired that are potentially investment property, however, are also acquired for economic development and regeneration and accordingly treated as operational land and buildings.
Deletion of paragraph re properties reclassified in 2015-16 as this no longer appropriate.

1.4 Accounting Policy 19 PFI Contracts

Change to last paragraph re the analysis of the unitary payment

- Inclusion of contingent rental as one of the 5 elements
- Correction of treatment of lifecycle costs to reflect the actual accounting treatment.

1.5 Accounting Policy 27 Fair Value Measurement

New policy added with regard to details of the measurement bases and fair value. This has arisen out of the provisions of IFRS 13 Fair Value which was implemented 2 years ago, however, no accounting policy was included for this.

2. **Minor Changes**

2.1 Opening paragraph

Changed to remove reference to SeRCOP-no longer applicable. Duplication of opening sentence from next paragraph deleted.

2.2 Accounting Policies 2 and 3

Accounting policies 2 and 3 re acquired and discontinued operations deleted as these are not accounting policies.

2.3 Accounting Policy 17 Overheads and Support Services

Removal of reference to SeRCOP and change in wording

2.4 Accounting Policy 18 Property, Plant and Equipment iii Measurement

Addition of additional narrative re treatment of revaluation gains and losses in accounting policy 18 Property, Plant and Equipment iii Measurement to replace previous narrative which referred only to the Code.

3. Other

3.1 Various changes to the wording in the accounting policies with regard to terminology, grammar, duplications etc. These represent a tidying up exercise rather than changes in policies as such.