

## **Audit Committee**

Meeting to be held on 27<sup>th</sup> June 2011

Electoral Division affected: All
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## **Implementation of International Finance Reporting Standards (IFRS) for Lancashire County Council**

(Appendix A refers)

Contact for further information:

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### **Executive Summary**

The 2010/11 Statement of Accounts for Local Authorities must be completed under International Financial Reporting Standards (IFRS). Authorities must use a transitional date of 1<sup>st</sup> April 2009, in order to include comparative 2009/10 figures under the new standards within the 2010/11 Statement of Accounts.

This report summarises the approach that has been taken to deliver the transition to IFRS and updates the committee as to the current position.

### **Recommendation**

That the Audit Committee notes the report.

### **Background and Advice**

Local Authorities previously prepared their annual statement of accounts under United Kingdom Generally Accepted Accounting Practice (UK GAAP). However, in order to allow comparability and consistency with the private sector, it was announced in the 2008 Central Government Report that from 2010/11 Local Authorities are required to produce their annual statement of accounts under International Financial Reporting Standards (IFRS).

Appendix A gives an overview of the key facts relating to the implementation of IFRS, and progress made on those aspects.

### **Consultations**

Not applicable

### **Implications:**

This item has the following implications, as indicated:

Legal – The production of the statement of accounts under IFRS is a statutory requirement.

### **Risk management**

There is a risk associated with non-compliance of statutory requirements.

### **Local Government (Access to Information) Act 1985**

#### **List of Background Papers**

Paper	Date	Contact/Directorate/Tel
n/a	n/a	n/a

Reason for inclusion in Part II, if appropriate

n/a