

## Audit and Risk Committee – for assurance

**Meeting agenda title:** Changes to accounting treatments and specialist report commissioning

**Meeting date:** 23 January 2025

**Time required:** 5 minutes

**Presenter:** Angela Donaldson

### 1. Objective of this report

- 1.1. To provide the Committee with an update on relevant accounting standards and the ICO's accounting policies, plus external reports to be commissioned, to support the 2024/25 Annual Report & Accounts.

### 2. Recommendation

- 2.1. That the Audit and Risk Committee notes the report.

### 3. Summary

#### Accounting Standards and Policies

- 3.1. There are no significant updates to accounting standards which would significantly affect the ICO's accounting policies or preparation of the Annual Report and Accounts (ARA) for 2024/25.
- 3.2. Whilst the following standards have been amended, these will not require any updates to our accounting policies:
  - **IFRS 16** (Leases) has been amended to update sale-and-leaseback arrangements;
  - **IAS 7 / IFRS 7** (Cashflow) has been amended to update standards on supplier finance arrangements;
  - **IAS 1** (Presentation of Financial Statements) has been amended to update treatment of current and non-current assets and liabilities; and
  - **IAS 21** (Foreign Exchange) has been amended to update sections on non-exchangeability.
- 3.3. We have carried out a full review of our existing accounting policies against the Financial Reporting Manual (FreM) and key accounting standards currently in place, and have also conducted planning discussions with our external auditors. We are satisfied

that our accounting policies remain relevant and do not require any amendment.

### **External reports**

- 3.4. Estates are in the process of commissioning dilapidations reports to cover premises occupied by the ICO other than Cardiff from our professional surveyors, Avison Young. These dilapidations reports are expected to be received in late February or early March, in time to support the production of the Annual Report and Accounts.
- 3.5. Whilst the price of report production is to be confirmed, we expect the overall price to be approximately £20,000 (approximately £5,000 each for Wilmslow, Belfast, Edinburgh and London respectively).
- 3.6. Estates has taken a deliberate decision *not* to request a dilapidations report for the Cardiff office, due to an imminent refit rendering such a report near-immediately obsolete and a dilapidations report therefore not providing value for money.

### **4. Publication decision**

- 4.1. This report can be published internally and externally without redactions.

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