



**COUNCIL POLICY**  
**Finance**

**1.3.4**

<b>Title:</b>	<b>1.3.4 SIGNIFICANT ACCOUNTING POLICIES</b>
<b>Adopted:</b>	21 March 2018
<b>Reviewed:</b>	17 November 2021 (no change)
<b>Associated Legislation:</b>	Local Government Act 1995 Local Government (Financial Management) Regulations 1996 Australian Accounting Standards
<b>Associated Documentation:</b>	Annual Report Finance Reports
<b>Review Responsibility:</b>	Finance and Administration Manager
<b>Delegation:</b>	-

Previous Policy Number/s 3007, 3008

**Objective:**

To provide direction for the preparation of financial transactions and financial reporting.

**Policy Statement:**

- 1. The Local Government Reporting Entity.**  
In accordance with Australian Accounting Standards, for the purposes of budgets and financial reports, the reporting entity includes all activities of the Council and any other entities controlled by the Council.
- 2. Basis of Preparation of the Annual Financial Report**  
The annual financial report is a general purpose financial report and has been prepared to comply with applicable Australian Accounting Standards (as they apply to local governments and not for profit entities) and disclosure requirements of the Local Government Act 1995 and Local Government (Financial Management) Regulations 1996. The financial report has been prepared on the accrual basis under the convention of historical cost accounting as modified by the accounting treatment relating to the revaluation of financial assets and liabilities at fair value through profit and loss and certain classes of non-current assets.
- 3. Significant Accounting Policies**  
All significant accounting policies are included in the annual financial report and are updated each year in accordance with applicable Australian Accounting Standards and the Local Government (Financial Management) Regulations 1996.