

**NSW AUDIT OFFICE SUBMISSION - CHANGES AFFECTED IN ACCOUNTING CODE UPDATE 25**

No.	Document	Page	Reference	Observation/suggested change	Nature of observation	Importance	Rationale	OLG RESPONSE	RESULT
1	GPFS	A-3	Introduction	<i>"The Office of Local Government has determined that the date when the financial statements are authorised for issue is the date on which the council's audit report is signed."</i>  The audit report is not necessarily the same date as when Council actually	Clarification	Important	Probable misinterpretation of date.	The statement has been changed to <i>"The Office of Local Government has determined that the date when the financial statements are authorised for issue is the date on which the council's financial statements are signed"</i>	Updated in Code #25
2	GPFS	A-4	Introduction	These two could be combined by saying: <i>"Have failed to comply with requirements of local government legislation or the Australian Accounting Standards in material respects and have not disclosed such non-compliance"</i> If the statements have material errors, then these should have resulted in	Clarification	Important	Better clarity	Deleted point d and e	Updated in Code #25
3	GPFS	A-4	Introduction	If a council IAR is qualified, it means by inference the FS have a material error. Point (d) in the first paragraph requires clarification	Clarification	Important	Unlikely the council will re-lodge with the error corrected.	Deleted point d and e	Updated in Code #25
4	GPFS	A-7	Commentary - Financial Statements	Clarify the support for presenting the third Statement of Financial Position in the notes when there is a change of accounting policy, retrospective restatement or reclassification. AASB 101 requires a third balance sheet but no need to present the related notes to the opening statement of financial position as at the beginning of the preceding period.	Clarification	Significant	AASB 101.40(A), (B), (C)	Agree that there is no longer a need for the associated notes so this should be changed - third statement of financial position can still be shown in the notes - no requirement for this to be shown on the face of the primary statement	Updated in Code #25
5	GPFS	A-8	Statement by Councillors and Management	Should the attestation change for those councils governed by an Administrator as opposed by a 'council'. Maintaining a reference to councillors means our opinion will also refer to councillors as opposed to 'administrator'.	Clarification	Important	Question	The administrator is deemed the Councillor/s. Have changed the statement for new councils supplement.	Updated in Code #25
6	GPFS	A-11	Statement of Comprehensive Income	Adjustment to prior period errors should be presented in the Statement of Changes in Equity not in the SOCI.	Clarification	Significant	Compliance	Agree - this line can be removed from the SOCI	Updated in Code #25
7	GPFS	A-13	Commentary - Income Statement and Statement of Comprehensive Income	<i>"Each material class of expense should be separately disclosed, and unclassified expenses should be immaterial both individually and in aggregate "</i> . Shouldn't it be Income and expense ?	Clarification	Important	Typo	Agree - this has been updated as suggested.	Updated in Code #25
8	GPFS	A-15	Statement of Financial Position	Need to separately disclose amounts recognised in equity relating to assets held for sale.	Disclosure change	Minor	AASB 5.38	We will add a note in the commentary for Income Statement and Statement of Comprehensive Income, not an extra line in the financials	Updated in Code #25
9	GPFS	A-19	Statement of Cash flows	Are the line items relating to real estate required? Seems to be a duplication of line items relating to IPPE and investment property.	De-cluttering	Minor	Better clarity	Agree - will combine the numbers with the IPPE	Updated in Code #25
10	GPFS	A-19	Statement of Cash flows	Recommend that the Councils use "Sale of PPE" and "Purchases of PPE". This will replace three line items.	De-cluttering	Minor	Better clarity	Agree - this has been updated as suggested.	Updated in Code #25
11	GPFS	A-21	Notes to the Financial Statements	Emergency Services Levy will need to be a new note disclosure in the revised code to ensure consistency of treatment by councils. It will not be an 'on balance sheet' item, but Treasury wishes the council to make disclosures about the amounts collected and remitted to OSR.	Additional disclosure	Important	Consistency in the presentation across councils and levels of government	Guidance to councils has been provided in Note 3 and 4 (implementation funding and expenses). Due to the recent announcement regarding the Fire and Emergency Services Levy - guidance has not been provided for 2017/18 reporting at this stage.	Updated in Code #25

12	GPFS	A-22	Note 1 Summary of significant accounting policies.	<i>"The principal accounting policies adopted in the preparation of these consolidated financial statements are set out below. These policies have been consistently applied to all the years presented, unless otherwise stated."</i> The financial statements don't appear to be 'consolidated'. Perhaps this should be deleted or clarified as an option for consolidated entities.	Clarification	Important	Compliance, better clarity	We have equity accounted for an associate and have shown the options for NCI etc. - we have made a note that the word 'consolidated' can be deleted if necessary	Updated in Code #25
13	GPFS	A-23	Note 1 Summary of significant accounting policies.	<i>"(c) Principles of consolidation"</i> The financial statements are not presented as a 'four-column' parent and consolidated. How does this align with the disclosures here ?	Clarification	Significant	Does not align with the AASB's disclosure requirements	Changes made for clarity.	Updated in Code #25
14	GPFS	A-23	Note 1 Summary of significant accounting policies.	<i>"The following entities have been included as part of the Consolidated Fund:"</i> There is a mixing of terms here, as it refers to 'entities' included as part of the Consolidated Fund. Some appear to be separate legal entities and some are committees. It doesn't seem correct to say that subsidiary entities form part of the s409 consolidated fund. This seems impossible given they are separate legal entities. Suggest having one note on the 'reporting entity' and then another on what makes up the consolidated fund. The note on the reporting entity should refer how the consolidated f/s have been prepared and the elimination of inter-entity transactions/balances.	Clarification	Significant	Clarification	Removed Leisure Centre P/L and Performing Arts P/L. Added the words 'cash and other assets of the following entities' as part of the Consolidated Fund.	Updated in Code #25
15	GPFS	A-28	Note 1 Summary of significant accounting policies.	Depreciated historical cost is not fair value. Consider removing these items from note about fair value and providing a separate description that whilst they are measured at depreciated historical cost (adjusted for impairment), Council believes the carrying value does not significantly differ from the fair value of these assets.	Disclosure change	Significant	Better clarity	Changed as suggested.	Updated in Code #25
16	GPFS	A-31	Note 1 Summary of significant accounting policies.	<i>"Representations from both State and local government are being sought to develop a consistent accounting treatment for Crown Reserves across both tiers of government."</i> This sentence is not appropriate to have in the financial statements.? It throws doubt on the treatment by individual councils. Could lead to duplication or omission. Sentence should be removed.	Disclosure change	Important	Inconsistent with Accounting Standards and Framework.	Agree - this sentence has been removed.	Updated in Code #25
17	GPFS	A-39	Note 2(b)	'Public Order and Safety' in Note 2(a) is not included in Note 2(b)	Additional disclosure	Minor	Consistency	Public order and safety has been added.	Updated in Code #25
18	GPFS	A-48	Note 4(a)	Why do councils need to disclose FTE's in the financial statements? This information is usually recorded elsewhere in the annual report.	De-cluttering	Minor	Question	We have determined that total FTE at a point in time (i.e. end of the reporting period) and the average FTE are both meaningful to councils. It has been decided to remove total FTE as a point in time disclosure altogether from the Financial Statements and instead include it in the financial data return along with the average FTE ratio. OLG will consider whether these ratios will be included in councils' annual reports.	Updated in Code #25

19	GPFS	A-49	Note 4(c)	From our review of historical financial statements, we have consistently found councils disclosing items that are not directly related to auditor remuneration e.g. internal audit costs, audits of WHS performed by someone other than the auditor etc....Would be useful to highlight that this note should only capture amounts paid/incurred to the external auditor. While technically the Audit Office is the auditor from 2016-17, it would be prudent to also include amounts paid to our agent for other services as a separate line item. Need a separate section for the comparative period (recognising the AG was not the auditor in 2015-16).	Additional guidance	Important	Compliance - standard interpretation	This has been changed.	Updated in Code #25
20	GPFS	A-50	Note 4 (d)	Impairment should be a separate line item in the financials. This will ensure that depreciation and amortisation can be traced to the relevant note.	Disclosure change	Minor	Better clarity	We have added a sub note and sub total.	Updated in Code #25
21	GPFS	A-50	Note 4(d)	What is the nature of capitalised depreciation expense? This seems unusual. I understand it may relate to equipment that's used on capital projects which is charged against the project. Recharging depreciation expense and then capitalising it seems a little unusual.	Clarification	Minor	Question	Agree - remove the words capitalised costs.	Updated in Code #25
22	GPFS	A-50	Note 4(d)	Depreciation for infrastructure could be one line item.	De-cluttering	Minor	Better clarity	Agree - this has been changed as suggested.	Updated in Code #25
23	GPFS	A-51	Note 4€	Require separate lines for: - Cost of sales (where council's hold inventories for sale/distribution) - Operating lease rental expenses	Additional disclosure	Important	Compliance - standard interpretation	Cost of sales line has been added. Operating leases expenses are already included in 4.c	Updated in Code #25
24	GPFS	A-53	Commentary - Expenses	Requires revision since all audit fees will be paid to the AG, who will in turn pay the contract auditors. The contract auditors may, with the permission of the Auditor-General perform other work for the Council, which should be disclosed as a separate line item.	Additional disclosure	Important	Compliance - disclosure	Agree - this has been revised.	Updated in Code #25
25	GPFS	A-54	Note 5	Can IPPE and real estate assets be combined as one? Are two separate categories really required?	De-cluttering	Minor	Better clarity	Agree - these have been combined.	Updated in Code #25
26	GPFS	A-57	Note 6(b)	No need to show movements in Financial Assets at FVTP-L-HFT and HTM. Too much information.	De-cluttering	Minor	Against the spirit of AAB 101	Agree - removed movements.	Updated in Code #25
27	GPFS	A-58	Note 6(b) Commentary	"A financial asset is: cash; a contractual right to receive cash or another financial asset; a contractual right to exchange financial instruments with another council; or <u>an equity instrument</u> of another council".  Do councils issue equity instruments? Should this be debt instruments?	Clarification	Important	Question	The word 'council' has been replaced by 'entity' in two places in this sentence.	Updated in Code #25
28	GPFS	A-66	Note 9(a)	"By asset type" Is this level of disaggregation of asset types necessary? It seems more than would be required for users of GPFSs.	De-cluttering	Important	Better clarity	Change title to Asset Class	Updated in Code #25
29	GPFS	A-66	Note 9(a)	Should this have a dash before hand indicating that this is part of land	Clarification	Minor	Typo	Made changes to both Note 9(a) and Note 9(b) for consistency.	Updated in Code #25

30	GPFS	A-68	Note 9 Commentary	If an asset is decommissioned, then it should be written off to its recoverable amount, if any, less the costs of disposal. If this is a negative amount, then it is provided for.	Additional guidance	Important	Compliance - standard interpretation	Removed the last sentence on page a 68 - However if council decides....	Updated in Code #25
31	GPFS	A-69	Note 9 Commentary	OLG codes states that "Assets do not need to be indexed between full revaluations except in the case of water and sewerage network assets where valuations are to be annually indexed in accordance with the Rates Reference Manual issued by the NSW Office of Water." This does not address the full requirements of the Accounting Standards. Should state that assets do not need to be indexed where the carrying amount materially represents fair value. This requires management to complete some sort of desktop assessment.	Additional guidance	Important	Inconsistent with Accounting Standards and Framework.	Changed the paragraph under the table that states Assets do not need to be indexed: 'Assets other than water and sewerage network assets do not need to be indexed where the carrying amount materially represents fair value. Water and sewerage network assets are to be annually indexed in accordance with the Rates Reference Manual issued by DPI Water'.	Updated in Code #25
32	GPFS	A-69	Note 9 commentary	"8. Asset class" If these are the prescribed "asset classes", then wouldn't disclosure be required based on that - instead of the "asset types" currently presented ? Furthermore, on A-68 it states a class of PPE is a grouping of assets with a similar nature and use'. As an example, aren't asset classes like furniture and equipment and office equipment of a similar nature and use?	De-cluttering	Important	Better clarity	Asset Type is asset class - changed the title to asset class. No other change.	Updated in Code #25
33	GPFS	A-76	Commentary Liabilities	"32. The amount of the outstanding ... set out in AASB 1023 General Insurance Contracts." There is no relevance of AASB 1023 to council's self-insurance liabilities. Measurement of the liability has to be based on the principles in AASB 137." AASB 4 B19(c) states that self insurance is not an insurance contract.	Clarification	Important	Compliance - standard interpretation	Agree. Change has been made to reference AASB137 Provisions.	Updated in Code #25
34	GPFS	A-77	Note 11(b)	Suggest consolidating the "add" and "less" line items so they are "Increase/decrease in...."	De-cluttering	Important		Agree - these line items have been consolidated.	Updated in Code #25
35	GPFS	A-104	Note 19	What about significant restrictions on the ability of the joint venture to transfer funds to the entity in the form of cash dividends or to repay loans or advances paid by the entity AASB 12 para 22. Suggest including the same disclosure for joint arrangements as is for Associated as this is missing. (a) Associates "All associates have the same year-end as the council. There are no significant restrictions on the ability of associates to transfer funds to the group in the form of cash dividends, or to repay loans or advances made by the council."	Additional disclosure	Important	Compliance - definition	A disclosure has been added regarding significant restrictions.	Updated in Code #25
36	GPFS	A-105	Note 19	Shouldn't there also be a line item for non-current financial liabilities (excluding trade and other payables and provisions). AASB 12B13©.	Additional disclosure	Important	Better clarity	Agree - line item has been added.	Updated in Code #25
37	GPFS	A-107	Note 19	Shouldn't there also be a line item for non-current financial liabilities (excluding trade and other payables and provisions). AASB 12B13(c)	Additional disclosure	Important	Compliance - disclosure	Agreed to be added	Updated in Code #25
38	GPFS	A-125	Note 25	Is there a reason why the name of this line item varies between the two years ?	Clarification	Minor	Consistency	This Note has been totally changed 1. There are now two columns as per every other Note/sub note. 2. The note figures in the column relate to all intangible assets, and 3. 'below the line' councils list the various intangible assets & their written down values which add up to the total in the disclosure listed	Updated in Code #25

39	GPFS	A-131	Note 27	Not-for-profit public sector entities, with assets within the scope of AASB 116 Property, Plant and Equipment for which the future economic benefits are not primarily dependent on the asset's ability to generate net cash inflows, do not have to apply this requirement AASB 13 AUS 93.1(a)	De-cluttering	Important	Compliance - standard interpretation	Removed the last dot point in the middle of page A-131.	Updated in Code #25
40	GPFS	A-132	Note 27	Not-for-profit public sector entities, with assets within the scope of AASB 116 Property, Plant and Equipment for which the future economic benefits are not primarily dependent on the asset's ability to generate net cash inflows do not have to apply this requirement AASB 13 AUS 93.1(b)	De-cluttering	Important	Compliance - standard interpretation	Page A-132 remove the row in the table - Recognised in profit or loss - unrealised (refer to Notes 3 and 4)	Updated in Code #25
41	GPFS	A-134	Note 28	<i>"Amounts were billed based on normal rates for such supplies and were due and payable under normal payment terms"</i> Might be useful to state normal procurement processes were followed to avoid the inference that an improper or corrupt conflict of interest had occurred.	Disclosure change	Minor	Better clarity	Agree - additional words have been added.	Updated in Code #25
42	Supplement	S-4	Income statement	Reference to note 29 is missing	Additional disclosure	Important	Typo	Agree - reference has been added.	Updated in Code #25
43	Supplement	S-5	Guidance - Income Statement	<i>"The assets and liabilities should be brought into the new Council's books at the amount recognised by the transferor council at the date of the transfer. "</i>  What if the new Council determines the amount recognised by former council is not fair value? Is there a reason why Councils have been prevented from recognising at fair value? The value at initial recognition should be the fair value to the transferee council. This is because if the new council, for any reason disagrees with the previous council's assessment, then any subsequent decrement would be taken through I&E by the new council in its first year of operation. This is an important point to establish as it changes how items presented as changes in accounting policies might be treated. Please see notes below.	Additional guidance	Significant	Question	Re-instated the words 'Fair value'	Updated in Code #25
44	Supplement	S-5	Guidance re Income Statement	3. At their fair value?	Additional guidance	Minor	Question	Wording has been changed to <i>"The assets and liabilities should be brought into the new Council's books at the amount recognised by the transferor council at the date of the transfer or fair value, if different".</i>	Updated in Code #25
45	Supplement	S-7	Statement of Cashflows	Real estate includes buildings. Should this be just land, so it is clear there is no overlap with the previous line?	Clarification	Minor		Refer comment in GPFS - consistent with GPFS.	Updated in Code #25
46	Supplement	S-8	Note 1 (extract)	<i>"Assets and liabilities of the former councils have been recognised by NSW Council at the previous book value at the date of transfer [insert commencement date]. The net assets received have been shown as a gain on local government amalgamation in the income statement and further information is provided in Note 29."</i>  This may not be the case where a new council disagrees that the carrying amount is the fair value of an asset or liability belonging to the former council. It would be more correct to state that: Assets and liabilities of the former councils have been recognised by NSW Council at their fair value as at the date of transfer [insert commencement date].	Disclosure change	Important		The following wording has been included in the final Code. <i>Assets and liabilities of [insert names of former councils/acquired as a result of amalgamation/boundary changes] have been recognised by the NSW Council at [the carrying amount recorded by the former council/fair value]. NSW Council [believes the carrying amounts are not materially different from their fair values/has, as a result of a comprehensive revaluation recognised former councils' assets at their fair value] as at the date of transfer [insert date]. The fair value of the net assets has been shown as a gain on local government amalgamation in the income statement and further information is provided in Note 29.</i>	Updated in Code #25

47	Supplement	S-9	Note 29 (a)(i)	Will this look unusual in the new council if this is the only note that includes Consolidated figures. The Code does not have separate columns for Council and Consolidated.	Clarification	Minor		There is now only one column for each former council and policy and other adjustments	Updated in Code #25
48	Supplement	S-9	Note 29	See previous comments – consider rewording as 'at their fair values'	Disclosure change	Important	Better clarity	Changed the wording for consistency with the wording on page 7.	Updated in Code #25
49	Supplement	S-11	Note 29	<i>"The rates and non-reciprocal grants revenue for the period from [commencement date] to 30 June 2016 were recorded in the financial statements of the former councils in accordance with AASB 1004 Contributions. The assets transferred to NSW Council includes a portion of rates and non-reciprocal grants that were <u>paid</u> but related to the period after the former councils ceased to exist."</i>  Should be received or receivable by the former council	Clarification	Important		First paragraph - changed the word 'paid' to 'received'	Updated in Code #25
50	Supplement	S-11	Note 29 - guidance	"Guidance 3. Examples of accounting policy adjustments"  None of these are accounting policies. For example,	Clarification	Significant	Probable misinterpretation of accounting policy definition.  Accept capitalisation threshold as policy adjustment. The others are not and should	These examples have been removed.	Updated in Code #25
51	SPFS	B-1	Requirements	Consider including guidance for amalgamated councils e.g. change from period to year end, removal of comparatives.	Additional guidance	Important	Better clarity	Added a sentence to the start of the Supplement to clarify that new councils are required to complete SPFS and SS in accordance with reporting period.	Updated in Code #25
52	SPFS	B-5	Income Statement - Water	Is there any amortisation expenses for business activities? The SOFP includes Intangibles.	Clarification	Minor	question	Agree - the word amortisation added to the depreciation line in the income statement	Updated in Code #25
53	SPFS	B-6	Income Statement - Sewerage	Investments accounted for using equity method are included in the three SOFPs, however the net share of interest and associates using the equity method is not included in these income statements.	Clarification	Important	Compliance - standard interpretation	Line added to the income statement for consistency.	Updated in Code #25
54	SPFS	B-6	Income Statement - Sewerage	Is there any amortisation expenses for business activities? The SOFP includes Intangibles.	Clarification	Minor	Question	Agree - the word amortisation added to the depreciation line in the income statement	Updated in Code #25
55	SPFS	B-7	Income Statement - Other	Is there any amortisation expenses for business activities? The SOFP includes Intangibles.	Clarification	Minor	Question	Agree - the word amortisation added to the depreciation line in the income statement	Updated in Code #25
56	SPFS	B-8	Statement of Financial Position - Water	Is there any income received in advance? This line item is included in the GPFS Statement of Comprehensive	Clarification	Minor	Question	Agree - line added to the SOFP for consistency	Updated in Code #25
57	SPFS	B-8	Statement of Financial Position - Water	Is there any income received in advance?	Clarification	Minor	Question	Agree - line added to the SOFP for consistency	Updated in Code #25

58	SPFS	B-9	Statement of Financial Position - Sewerage	Is there any income received in advance?	Clarification	Minor	Question	Agree - line added to the SOFP for consistency	Updated in Code #25
59	SPFS	B-10	Statement of Financial Position - Other	Is there any income received in advance?	Clarification	Minor	question	Agree - line added to the SOFP for consistency	Updated in Code #25
60	Schedules	C-1	Requirements	The name seems to have changed to 'DPI water' – Department of Primary Industries Water.	Clarification	Important	Redundant	Changed to the correct name.	Updated in Code #25
61	Schedules	C-11	Statement of Financial Position - Water	Should "Property, plant and equipment" be 'Infrastructure, property, plant and equipment'?	Clarification	Minor	Question	Agree - this has been amended.	Updated in Code #25
62	Schedules	C-11	Statement of Financial Position - Water	Should there be retained earnings?	Clarification	Minor	Question	It is called 'accumulated surplus'. There is no objection to changing name for consistency.	Updated in Code #25
63	Schedules	C-11	Statement of Financial Position - Water	In the GPFS and SPFS "Asset revaluation reserve " is just referred to as 'Revaluation reserves'	Clarification	Minor	Consistency	Agree - this has been amended.	Updated in Code #25
64	Schedules	C-15	Statement of Financial Position - Sewerage	Is there a reason why this schedule doesn't include "Gross" I the heading when schedules 3, 4 and 5 do?	Clarification	Minor	Question	Gross has been included in the heading.	Updated in Code #25
65	Schedules	C-15	Statement of Financial Position - Sewerage	Should this state 'Infrastructure, property, plant and equipment'?	Clarification	Minor	Consistency	No objection to this change	Updated in Code #25
66	Schedules	C-15	Statement of Financial Position - Sewerage	Retained earnings?	Clarification	Minor	Consistency	It is called 'accumulated surplus'. No objection to changing name for consistency.	Updated in Code #25
67	Schedules	C-15	Statement of Financial Position - Sewerage	In the GPFS and SPFS this is just referred to as 'Revaluation reserves'	Clarification	Minor	Consistency	No objection - minor change only	Updated in Code #25
68	Schedules	C-17	SS7 - Report on infrastructure assets	Consider to removing from this line item. The ratios will be expressed as % and ratio not as dollars.	Clarification	Minor	Redundant	Agree if this means removing the \$000 from next to current year line	Updated in Code #25
69	Schedules	C-18	SS7 - Commentary	What does this stand for? International Infrastructure Management Manual ?	Clarification	Minor	Question	Acronym expanded for its first use.	Updated in Code #25

70	Schedules	C-20	SS7 - Commentary	Delete? It's already talking about estimate costs, a bit repetitive.	Clarification	Minor	Redundant	Deleted the word 'estimated' in the fourth last paragraph.	Updated in Code #25
71	Schedules	C-21	SS7 - Commentary	The line in the middle needs to be longer, otherwise the top part looks like a sub-heading. Same for the next ratio.	De-cluttering	Minor	Typo	Agree - the line length has been adjusted	Updated in Code #25
72	Appendices	D-6	Appendix F	All land is recognised at market value. Community land is just subject to restriction, which the Valour General will take into account when discounting the previously determined the market price based on sales of similar assets. This section could be clarified and simplified.	Clarification	Important	Compliance - standard interpretation	Changed this to a higher level dot point generic statement for all land - did not separate into community and operational.	Updated in Code #25
73	Appendices	D-6	Appendix E	Similar to community land, this is just a restriction which discounts the previously determined market price.	Clarification	Important	Compliance - standard interpretation	Same as above.	Updated in Code #25
74	Appendices	D-8	Appendix E	Please add: • the discounting factors applied to reflect the restrictions placed on land under roads (as opposed to the adjoining land which is not restricted).	Additional guidance	Minor	Better clarity	Added under the second dot point: • the discounting factors applied to reflect the restrictions placed on land under roads (as opposed to the adjoining land which is not restricted).	Updated in Code #25
75	Appendices	D-10	Appendix E	Land improvements, other structures and other assets - Works of Art usually have a market value. In addition, infrastructure assets and heritage and cultural assets are generally recorded as separate classes of assets.	Clarification	Important	Compliance - standard interpretation	Third paragraph - remove the words 'work of art'. Next paragraph - remove all but the last sentence.	Updated in Code #25
76	Appendices	D-11	Appendix F	No. 2 - There are multiple noted above. How is the Floating rates notes to be classified?	Clarification	Important	Question	Removed the following rows: <i>Floating rates notes</i> and <i>Available for sale</i>	Updated in Code #25
77	Appendices	D-11	Appendix F	No. 3 - Available for sale investments - This part is not all that helpful, since impairments will be taken through the IS for held to maturity investments, unless they are hedged. This note tends to underplay the complexity of the decisions around financial instruments.	Clarification	Important	Better clarity	Same as above	Updated in Code #25
78	Appendices	D-14	Appendix F	Example 2A - "Assuming the impairment arose in the current reporting period " add the words  And there had been no previous revaluation increments?	Clarification	Minor	Question	Agree - words have been added.	Updated in Code #25
79	Appendices	D-16	Appendix F	Example 2c - I agree the \$5m was an error however I think the depreciation is an accounting estimate and therefore not an error and corrected prospectively. The only depreciation error would be the amount that was not depreciated on the \$5m asset.	Clarification	Important	Incorrect disclosure	Example 2c (Code draft) has been removed.	Updated in Code #25
80	Appendices	D-17	Appendix F	Example 2c - Section C is not correct. Depreciation is never restated as part of a correction of an error.	Clarification	Significant	Incorrect disclosure	Example 2c (Code draft) has been removed.	Updated in Code #25
81	Appendices	D-17	Appendix F	Example 2d - Same as previous. Not a error.	Clarification	Important	Incorrect disclosure	Example 2d (Code draft) has been removed.	Updated in Code #25
82	Appendices	D-27	Appendix H	Standard says may disclose	Additional guidance	Minor	Compliance - standard interpretation	Second last row - middle column. Changed the words to ... <i>The entity may disclose</i> ....	Updated in Code #25



83	Appendices	D-28	Appendix H	"Key management personnel" will include all councillors, the general manager, and all senior staff as determined by the Act ."  Not necessarily so – unless this also aligns with the definition in the Standard.	Additional guidance	Important	Compliance - standard interpretation	Agree	Updated in Code #25
84	Appendices	D-28	Appendix H	The word 'everyday' might be confused with citizen transactions described in the standard (which do not need disclosure. The items noted here would generally be disclosed – the first as part of the GM's compensation and the second where the councillor obtained a significant financial benefit – and so on.	Clarification	Important	Better clarity	Updated examples in the appendix - these should now be consistent with the webinar message regarding these types of transactions. Reference to 'Everyday transactions' has been deleted.	Updated in Code #25
85	Appendices	D-30	Appendix J	What about 2016-2 Amendments to Australian Accounting Standards – Disclosure Initiative: Amendments to AASB 107	Disclosure change	Important	Compliance - disclosure	Agree	Updated in Code #25