



Key changes to the Local Government Code of Accounting Practice and Financial Reporting from 2019/20 to 2020/21

Summary of key changes

General Purpose Financial Statements (GPFS)

- Update to formatting to enhance the readability and user friendliness
- Note restructuring / re-ordering into sections
- Line items repositioned from other expenses to materials and services to avoid arbitrary allocations
- Materiality guidance added emphasising that material information should not be obscured with immaterial information
- Timing of revenue recognition added to certain sub-notes where the lines items may be on a different basis
- Comparative figures added for leases and revenue notes and adoption of accounting standards reflected in the comparative rather than current year
- Budget variation note adds a requirement to consider budget variances which may be material by nature
- Mayoral / Councillor fees and audit fees moved to people and relationships
- Removed information which is not required by standards / legislation
- Moved certain information to either the GPFS commentary or appendices

Joint Organisation Supplement

- Note restructuring / re-ordering into sections
- Changes due to early adoption of Accounting Standard AASB 1060 *General Purpose Financial Statements – Simplified Disclosures for For-Profit and Not-for-Profit Tier 2 Entities*
- Incorporated Statement of Changes in Equity into Statement of Income and Accumulated Surplus
- Removed comparative reconciliation for PPE and Right of Use
- Comparative figures added for leases and revenue notes and adoption of accounting standards reflected in the comparative year rather than current year

Special Purpose Financial Statements

- Update Statements for consistency with GPFS

Special Schedules

- Update Permissible Income – Rates harmonisation and excesses
- Removed requirement to exclude WIP in infrastructure ratio

Appendices

- Removed information not relevant to year-end reporting
- Moved certain information from GPFS into appendices
- Appendix E – Added comment on ability to apply general indices on asset classes with gross carrying amounts of less than 5% of total IPPE
- Appendix F - Added accounting for rehabilitation, makegood, remediation provisions