

Schedule of Changes

These Guidance Notes reflect the key accounting changes principally introduced by the *Code of Practice on Local Authority Accounting in the United Kingdom 2017/18*, including:

- i) **Introduction** – Module 1, in all sections – which has been completely reorganised consistent with the restructure of chapter one (Introduction) in the 2017/18 Code to separately reflect the requirements for each administration.
- ii) **Narrative Reporting** – Module 3, Section B to reflect the new principles based approach to Narrative Reporting introduced by the 2017/18 Code for authorities in England, Wales and Northern Ireland, with comprehensive guidance provided to assist practitioners in the application of these principles.
- iii) **Presentation of Financial Statements** – Module 3, Section A for the Code's augmented provisions to confirm the going concern basis of accounting for local authorities. Module 2, Section A (Concepts) has also been updated to provide further clarification guidance on the Code's provisions.
- iv) **Housing Revenue Account England** – Module 3, Section J to reflect the requirements of *The Item 8 Credit and Item 8 Debit (General) Determination from April 2017* (Item 8 Determination).
- v) **The accounting treatment for Housing Revenue Account depreciation in England** – Module 4, Section D to reflect the new requirements of the Item 8 Determination.
- vi) **Notes to the Financial Statements** – Module 3, Section I which has been updated in the following areas:
 - **Significant Accounting Policies** – to reflect the 2017/18 Code's clarification in respect of the reporting requirements for accounting policies
 - **Expenditure and Funding Analysis** – to provide additional guidance to further assist practitioners in the preparation of the note
 - **Dedicated Schools Grant (DSG)** – to include the latest on the disclosure requirements for DSG which has been developed with the Department for Education (DfE).
- vii) **The Example Financial Statements** in the Appendix to Module 3 has been updated to augment the format of the Note to the Expenditure and Funding Analysis.
- viii) **Accounting and Reporting by Pension Funds** – Module 6, Section E, has been updated to reflect the 2017/18 Code's requirements for the new disclosure of investment management transaction costs and clarification on the approach to investment concentration disclosure.
- ix) **Community Infrastructure Levy (CIL) schemes** – Module 2, Section B has been updated to include clarification of the treatment of CIL revenue costs.
- x) **Module 10 – Other Accounting Themes** – Section A: Informal Commentary and Clarification to include guidance on the order of events for approval and publication of the 2017/18 statement of accounts for local authorities in England as required by the Local Government, England and Wales Accounts and Audit Regulations 2015.
- xi) These Guidance Notes have been revised to take account of issues arising from practitioner queries raised through CIPFA's technical enquiry service.