C1. IFRS Conceptual Framework for Financial Reporting

CHAPTER TWO

Concepts and principles

2.1 CONCEPTS

2.1.1 Introduction

2.1.1.1 As explained at paragraphs 1.2.8 to 1.2.11, the Code adapts and interprets IFRS and other pronouncements by the International Accounting Standards Board (IASB), to the extent that this is necessary for the local government context. Broadly speaking:

- interpretations are required in the Code where the substance of local government transactions or balances goes beyond that considered by the IASB in its standards development process, generally reflecting the role of local authorities as providers of public services; and
- adaptations are required in cases where the needs of the users of local authority accounts differ from those of the profit seeking entities for which IFRS are developed.

2.1.1.2 When considering whether to adapt or interpret IFRS, CIPFA LASAAC considers the *Conceptual Framework for Financial Reporting*[1], (IASB March 2018) and other material which explains the thinking behind IASB standards development. In deciding what kind of change to make, it also considers the International Public Sector Accounting Standards Board (IPSASB) *Conceptual Framework for General Purpose Financial Reporting by Public Sector Entities*[2], (IPSASB, October 2014).

2.1.1.3 The conceptual frameworks referred to above are not standards. Neither does consideration of concepts or principles allow preparers to override or dis-apply the requirements of standards or the Code. However, an understanding of concepts and principles can be helpful to preparers of local authority financial statements

[1] Hereafter referred to as the IASB Conceptual Framework.

[2] Hereafter referred to as the IPSASB Conceptual Framework

when considering the treatment of transactions or events where standards do not provide specific guidance, or where a choice of accounting policies is available.

2.1.1.4 It should be noted that the objective of general purpose financial reporting set out in chapter 1 of the IASB Conceptual Framework (paragraph 1.2) has been expanded in the Code to reflect public sector circumstances. The Code is also developed having regard to the needs of the users of public sector financial statements (which are different to those of investors and lenders, as explained at paragraphs 2.1.2.4 and 2.1.2.5).

2.1.1.5 This chapter of the Code is structured in line with the IASB Conceptual Framework used for IFRS development. The IPSASB Conceptual Framework provides additional guidance for local authorities on issues raised by section 2.1.

2.1.1.6 In presenting information in their financial statements, local authorities shall have regard to the:

a) objective of financial statements

b) going concern assumption

c) qualitative characteristics of financial statements

d) elements of financial statements

e) recognition of the elements of financial statements

f) measurement of the elements of financial statements.

2.1.1.7 In particular, regard should be had to the qualitative characteristics in the selection and application of accounting policies and estimation techniques (see section 3.3 of the Code), and in the exercise of professional judgement. The Code specifies many of the accounting policies and estimation techniques to be adopted for material items. These policies and techniques have been selected to accord with the accounting concepts and principles set out in this section and with International Financial Reporting Standards (as adapted for the public sector context, where necessary).

2.1.1.8 Financial statements shall give a true and fair view of the financial position, financial performance and cash flows of an authority. A true and fair view requires the faithful representation of the effects of transactions, other events and conditions in accordance with the definitions and recognition criteria for assets, liabilities, income and expenses set out in the Code. Although the IASB Conceptual Framework does not deal directly with such a concept, the application of the principal qualitative characteristics and compliance with the Code is presumed to result in financial statements that convey a true and fair view. Nevertheless, it remains the responsibility of the authority to ensure that its financial statements present a true and fair view of the financial position, performance and cash flows of the authority.

2.1.2 Accounting Requirements

Objectives of financial statements

2.1.2.1 Authorities need to be familiar with the objective of the financial statements. For local authorities, the objective of the financial statements is to provide information about the authority's:

- financial performance (income and expenses),
- financial position (assets, liabilities and reserves) and
- cash flows

that is useful to a wide range of users for assessing the stewardship of the authority's management and for making economic decisions.

2.1.2.2 The objectives of financial reporting are therefore determined by reference to the users of the financial statements, and their information needs. In the public sector, providing information that allows for an assessment of the stewardship and accountability of elected members and management for the resources entrusted to them is of paramount importance.

2.1.2.3 The information referred to in paragraphs 2.1.2.1 and 2.1.2.2 is provided by:

a) recognising assets, liabilities and reserves in the Balance Sheet

b) recognising income and expenses in the Comprehensive Income and Expenditure Statement, and

c) presenting and disclosing in other statements and notes information about:

   i) recognised assets, liabilities, reserves, income and expenses (see paragraph 2.1.2.35) including their nature and the risks arising from them

   ii) assets and liabilities that have not been recognised (see paragraph 2.1.2.36), including their nature and the risks arising from them

   iii) cash flows

   iv) contributions from and distributions to holders of equity claims (for the Group Accounts), and

   v) methods, assumptions and judgements used in estimating amounts presented or disclosed, and changes in those methods, assumptions and judgements.

2.1.2.4 It should be noted that the IASB Conceptual Framework sets out that general purpose financial reports are not primarily directed to regulators and members of the public other than investors, lenders and other creditors (IASB Conceptual Framework, paragraph 1.10). However, CIPFA/LASAAC is of the view that the nature of public sector financial statements would mean that this paragraph is not applicable to local authorities. It considers that, consistent with the views issued in previous editions of the Code, the presentation of the financial statements shall meet the common needs of most users, focusing on the ability of the users to make economic decisions, the needs of public accountability and the stewardship of an authority's resources.

2.1.2.5 Local authority financial statements are developed primarily to respond to the information needs of service recipients and resource providers who cannot require local authorities to disclose the information they need. Local authority members and members of parliament are also primary users of local authority financial statements, when acting in their capacity as representatives of the interests of service recipients and resource providers. Therefore, for the purposes of Code, the primary users of the financial statements are service recipients and their representatives and resource providers and their representatives[3].

2.1.2.6 CIPFA/LASAAC would note that government has prescribed the Code as a proper practice in legislation and relies on the assurance it obtains from local authorities producing a set of IFRS-based financial statements to ensure that local authority financial performance, financial position and cash flows are disclosed to present a true and fair view and thus the government across the four UK administrations may be described as an interested stakeholder in the local authority financial statements.

Financial performance reflected by accrual accounting

2.1.2.7 An authority shall prepare its financial statements, except for cash flow information, using the accrual basis of accounting, ie the authority recognises items as assets, liabilities, income and expenses (the elements of financial statements) when they satisfy the definitions and recognition criteria for those elements in the Code. Accrual accounting shows the effects of transactions and other events and circumstances on an authority's economic resources and claims when those effects occur, even if the resulting cash receipts and payments occur in a different period.

Going concern assumption

2.1.2.8 **Going concern** – an authority's financial statements shall be prepared on a going concern basis; that is, the accounts should be prepared on the assumption that the functions of the authority will continue in operational existence for the foreseeable future (see also paragraph 3.4.2.23 for bodies that follow the Code but may be discontinued without statutory prescription). Transfers of services under combinations of public sector bodies (such as local government reorganisation) do

[3] The inclusion of 'service recipients and their representatives' and the inclusion of representatives of resource providers is an adaptation. The different needs of this wider class of users provide the conceptual basis for further adaptations to specific standards, which are explained in later chapters of the Code.

not negate the presumption of going concern.

Qualitative characteristics of useful financial information

Fundamental qualitative characteristics

2.1.2.9 The fundamental qualitative characteristics of financial information are **relevance** and **faithful representation**. Information must be both relevant and faithfully presented to be useful.

2.1.2.10 **Relevance** – relevant financial information can make a difference to the decisions made by users. Information may be capable of making a difference to a decision even if some users choose not to use it or are aware of it. Financial information can make a difference if it has predictive value, confirmatory value or both.

2.1.2.11 Financial information with predictive value can be an input to processes used to predict future outcomes. Financial information need not be a prediction or forecast to have predictive value.

2.1.2.12 Financial information with confirmatory value provides feedback about (confirms or does not confirm) previous evaluations.

2.1.2.13 **Materiality** – information is material if omitting it or misstating it could influence decisions that users make on the basis of financial information about a specific reporting authority. In other words, materiality is an authority-specific aspect of relevance based on the nature or magnitude, or both, of the items to which the information relates in the context of an individual authority's financial statements. Consequently, the Code cannot specify a uniform quantitative threshold for materiality or predetermine what could be material in a particular situation. Materiality is an important concept for preparers of financial statements, because although decisions on the type of information which is useful are generally made by standard setters[4], judgments on whether matters are material are necessarily a matter for preparers. An authority can comply with the Code, while not complying with specific disclosure and accounting requirements in the Code, if the information is not material to the 'true and fair' view of the financial position, financial performance and cash flows of the authority and to the understanding of users.

2.1.2.14 **Faithful representation** – the financial statements represent economic phenomena in words and numbers. In many circumstances, the substance of an economic phenomenon and its legal form are the same, but when they are not, providing information only about the legal form will not faithfully represent the economic phenomenon. A perfectly faithful representation would have three characteristics. It would be **complete**, **neutral** and **free from error**. The Code seeks to maximise these qualities as much as possible.

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[4] IASB decisions on usefulness are incorporated in IFRS requirements, and apply to local authority financial statements, subject to any interpretations or adaptations in the Code.

- A **complete depiction** includes all the information a user needs to understand the phenomenon depicted, including necessary descriptions and explanations.
- A **neutral depiction** selects and presents financial information without bias, and is not slanted, weighted, emphasised, de-emphasised or manipulated to increase the probability that it will be received favourably or unfavourably. Neutrality is supported by the exercise of prudence. Prudence is the exercise of caution when making judgements under conditions of uncertainty: assets and income must not be overstated and liabilities and expenses must not be understated.[5] Equally, prudence does not allow assets to be understated or income or liabilities or expenses to be overstated: such misstatements can lead to the overstatement or understatement of income or expenses in future periods. The exercise of prudence does not imply a need for asymmetry, for example, by requiring more persuasive evidence to support the recognition of assets than the recognition of liabilities. Such asymmetry is not a qualitative characteristic of useful financial information.
- Faithful representation does not mean accurate in all respects. Free from error means the description of the phenomenon contains no errors or omissions, and the reported information has been selected and applied with no errors in the process. For example, an estimate of an unobservable price cannot be determined to be accurate or inaccurate. However, an estimate can be faithfully represented if described clearly and accurately as being an estimate, the nature and limitations of the estimating process are explained, and no errors have been made in selecting and applying an appropriate process. The use of estimates is an essential part of financial information and does not undermine usefulness if the estimates are clearly and accurately described and explained. Even a high level of measurement uncertainty does not necessarily prevent an estimate from providing useful information.

Enhancing qualitative characteristics

2.1.2.15 **Comparability**, **verifiability**, **timeliness** and **understandability** enhance the usefulness of information. These characteristics may also help determine which of two ways should be used to depict a phenomenon if both are considered equally relevant and faithfully represented.

2.1.2.16 **Comparability** – information about an authority is more useful if it can be compared with similar information about other authorities and entities, and with similar information about the same authority for another period or another date. Comparability enables users to identify and understand similarities in, and differences between, items. Unlike the other characteristics, comparability does not relate to a single item. A comparison requires at least two items. It should be noted

[5] Assets, liabilities, income and expenses, four of the elements of the financial statements are defined in paragraphs 2.1.2.27 to 2.1.2.28 and 2.1.2.33 to 2.1.2.34.

that:

- Consistency is not the same as comparability. Consistency refers to the use of the same methods for the same items from period to period within a reporting entity or in a single period across entities. Comparability is the goal; consistency helps achieve that goal.
- Comparability is not uniformity. To be comparable, like things must look alike and different things must look different. Comparability is not enhanced by making unlike things look alike or making like things look different. Application of the terms of the Code should ensure adequate disclosure and consistency, and thus comparability.

2.1.2.17 **Verifiability** means that knowledgeable and independent observers could agree or reach a reasonable consensus, that a depiction is a faithful representation. Quantified information need not be a single point estimate to be verifiable. A range of possible amounts and the related probabilities can also be verified.

2.1.2.18 Direct verification involves direct observation; for example, by counting cash. Indirect verification involves checking inputs to a model, formula or other technique and recalculating the outputs.

2.1.2.19 It may not be possible to verify some information until a future period, or at all. To help users decide whether to use such information, it would normally be necessary to disclose the assumptions, methods and other factors that support it.

2.1.2.20 **Timeliness** means that information is available in time to be capable of influencing decisions. Generally, the older information is, the less useful it is. However, some information may continue to be useful, for example, if users need to identify and assess trends.

2.1.2.21 **Understandability** – classifying, characterising and presenting information clearly and concisely makes it understandable. Some phenomena are inherently complex and cannot be made easy to understand, but that does not mean that information about them should not be provided.

2.1.2.22 The financial statements are prepared for users with a reasonable knowledge of business and economic activities. Some economic and other phenomena are particularly complex and difficult to represent in local authority financial statements and some users may need to seek the aid of an advisor to assist in their understanding of them. All efforts should be undertaken to represent economic and other phenomena included in the financial statements in a manner that is understandable to a wide range of users. However, information should not be excluded from financial statements solely because it may be too complex or difficult for some users to understand without assistance.

2.1.2.23 Enhancing qualitative characteristics should be maximised as far as possible. However, the enhancing qualitative characteristics, cannot make information useful if it is irrelevant or not faithfully represented.

2.1.2.24 Local authorities derive their powers from statute and their financial and accounting framework is closely controlled by primary and secondary legislation. It is a fundamental principle of local authority accounting that, where specific legislative requirements and accounting requirements conflict, legislative requirements shall apply. However, the Code deals with such conflicts by showing the position required by the Code's accounting requirements in the Comprehensive Income and Expenditure Statement, and the effect of the legislative requirements in the Movement in Reserves Statement.

Elements of financial statements

2.1.2.25 As indicated in paragraph 2.1.2.3 the elements directly related to the measurements of financial position in the Balance Sheet are assets, liabilities and reserves. The elements directly related to the measurement of the financial performance in the Comprehensive Income and Expenditure Statement are income and expenses. The presentation of these elements is shown in section 3.4 of the Code. The Cash Flow Statement reflects elements in both the Comprehensive Income and Expenditure Statement and the Balance Sheet.

2.1.2.26 In assessing whether an item meets the definition of an asset, liability or reserve, attention needs to be given to its underlying substance and economic reality and not merely its legal form. These elements are defined in terms of economic resources and claims and changes in economic resources and claims.

2.1.2.27 An **asset** is a present economic resource controlled by the authority as a result of past events. For a detailed consideration of the definition of an asset local authorities shall refer to paragraphs 4.5 to 4.25 of the IASB Conceptual Framework.

2.1.2.28 A **liability** is a present obligation of the authority to transfer an economic resource as a result of past events. For a detailed consideration of the definition of a liability local authorities shall refer to paragraphs 4.27 to 4.45 of the IASB Conceptual Framework.

2.1.2.29 An **economic resource** is a right that has the potential to produce economic benefits, service potential[6] or both.

2.1.2.30 Rights that have the potential to produce economic benefits or service potential take many forms, including:

a) rights that correspond to an obligation of another party, for example:

   i) rights to receive cash

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[6] The inclusion of 'service potential' within the definition of economic resource is an interpretation, reflecting the different economic substance of resource utilisation by public sector service providers. This provides the conceptual basis for further interpretations of specific standards, which are explained in later chapters of the Code.

ii) rights to receive goods or services

iii) rights to exchange resources on favourable terms

iv) rights to benefit from an obligation of another party to transfer a resource if a specified uncertain future event occurs.

b) rights that do not correspond to an obligation of another party, for example:

i) rights over physical objects, such as property, plant and equipment

ii) rights to use intellectual property.

2.1.2.31 An **obligation** is a duty or responsibility that an authority has no practical ability to avoid. An obligation is always owed to another party (or parties) which could be one or more persons or entities, or society at large. It is not necessary to know to whom the obligation is owed.

2.1.2.32 **Reserves**[7] represent the residual interest in the assets of the authority after deducting all its liabilities. The Movement in Reserves Statement shows the true economic cost of providing the authority's services. Some income and expenditure is required to be recognised on a different basis or in a different accounting period (ie in accordance with legislation) in the General Fund and Housing Revenue Account. These differences are shown in the line 'Adjustments between accounting basis and funding basis under regulations'. The Movement in Reserves Statement shows Total Comprehensive Income and Expenditure and the Comprehensive Income and Expenditure Statement shows the breakdown between the Surplus or Deficit on the Provision of Services and Other Comprehensive Income and Expenditure.

2.1.2.33 **Income** is increases in assets, or decreases in liabilities, that result in increases in reserves. Income includes both revenue arising in the normal operating activities of an authority and gains such as the revaluation of property, plant and equipment.

2.1.2.34 **Expenses** are decreases in economic benefits or service potential in the form of outflows or consumption of assets or increases of liabilities that result in decreases in reserves. Expenses include expenses that arise in the course of the ordinary activities and losses such as revaluation of property, plant and equipment.

The Recognition Process

2.1.2.35 Recognition captures items in the Balance Sheet or Comprehensive Income and Expenditure Statement that meet the definition of one of the elements of financial statements. Recognition involves depicting an item either alone or in aggregation with other items—in words and by a monetary amount, and including that amount in one or more totals. The amount at which an item is recognised in the Balance

[7] The term 'reserves' is used in the Code and replaces many references to 'equity' residual interest in IFRS and other IASB pronouncements. This reflects the fact that most accounts prepared under the Code will not be for investor owned companies. Some references to 'equity' are retained where appropriate.

Sheet is referred to as its 'carrying amount'.

Recognition Criteria

2.1.2.36 Only items meeting the definition of an asset, a liability or reserves are recognised in the Balance Sheet. Similarly, only items meeting the definition of income or expenses are recognised in the Comprehensive Income and Expenditure Statement. However, not all such items are recognised. An item is recognised only if recognition of that asset or liability and of any resulting income, expenses or changes in reserves provides information that is useful (having regard to the qualitative characteristics of useful information described at paragraphs 2.1.2.9 to paragraphs 2.1.2.15 as modified by public sector adaptations or interpretations specified in the Code)

Derecognition

2.1.2.37 Derecognition is the removal of all or part of an asset or liability from an authority's balance sheet, and normally occurs when the item no longer meets the definition of an asset or liability. Derecognition normally occurs when the entity:

a) loses control of all or part of an asset, or

b) no longer has a present obligation for all or part of a liability.

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Measurement of the elements of financial statements

2.1.2.~~46~~54 Elements recognised in the financial statements are quantified in monetary terms. This requires the selection of a measurement basis. A measurement basis is an identified feature, for example, historical cost, fair value or fulfilment value, of an item being measured. Applying a measurement basis creates a measure to an asset or liability and for related income and expenses. ~~Measurement is the process of determining the monetary amounts at which the elements of the financial statements are to be recognised and carried in the Balance Sheet and Comprehensive Income and Expenditure Statement.~~ The relevant sections of the Code set out the basis of measurement for the elements of financial statements. The Code applies current value measurement in accordance with the provisions of the relevant standards.

Fair value

2.1.2.~~47~~55 The concept of fair value is used throughout the Code. International Financial Reporting Standards have a consistent definition of fair value introduced by IFRS 13 *Fair Value Measurement.* The measurement and disclosure requirements of the standard are included in section 2.10.

Current value measurement of property, plant and equipment

2.1.2.~~48~~56 The Code has introduced the concept and definition of current value to the measurement of property, plant and equipment. Current value measures provide monetary information about assets, liabilities and related income and expenses, using information updated to reflect conditions at the measurement date. Current value measurements reflect the economic environment prevailing for the service or function the asset is supporting at the reporting date (see paragraph 4.1.2.4).

2.1.2.~~49~~57 Infrastructure assets are carried at depreciated historical cost.

Measurement at fair value or the different current value measurements of property, plant and equipment

2.1.2.~~50~~58 The following table demonstrates for accounts preparers when fair value or one of the property, plant and equipment current value measurement bases[8] apply to the main income, expenditure, assets and liabilities classifications within local authority financial statements.

Circumstance	Fair Value or Current Value Measurement of Property, Plant and Equipment
Revenue recognition; this is the general definition that applies unless a more specific definition applies	Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date (see section 2.10).
Property, plant and equipment	For non-specialised assets, current value should be interpreted as existing use value. In the RICS *Valuation – Professional Standards*, this is market value based on the assumption that property is sold as part of the continuing enterprise. This requirement is met by providing an existing use valuation in accordance with UKVS 1.3 of the RICS *Valuation – Professional Standards*. For specialised assets where no market exists, current value should be interpreted as the present value of the assets' remaining service potential, which can be assumed to be at least equal to the cost of replacing that service potential. Under these circumstances, property, plant and equipment is measured at depreciated replacement cost. The current value of council dwellings shall be measured using existing use value – social housing (EUV–SH). The fair value of surplus assets is the price that would be received

[8] The surplus assets class of property, plant and equipment is measured at fair value as a current value measurement base.

Circumstance	Fair Value or Current Value Measurement of Property, Plant and Equipment
	to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date (see section 2.10).
Leases	On initial recognition, fair value will be defined in accordance with section 4.2 of the Code. Subsequent measurement, at current value will follow the appropriate class of property, plant and equipment. Intangible assets are measured at fair value where relevant.
Service concession (PFI and PPP) arrangements	On initial recognition, fair value is the estimated cost to purchase the asset. Subsequently, the asset is measured at current value, which will follow the appropriate class of property, plant and equipment. Fair value measurement will apply, where relevant for intangible assets acquired under service concession arrangements.
Investment property	Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date (see section 2.10). As a non-financial asset an investment property shall be measured at highest and best use. The fair value of investment property held under a lease is the lease interest and see also sections 4.2 and 4.4.
Intangible assets	IAS 38 allows an intangible asset to be carried at a revalued amount only where its fair value can be determined by reference to an active market. Where there is no active market, assets are carried at cost less any accumulated amortisation and any accumulated impairment loss. Where an intangible asset is required under section 4.5 of the Code to be measured at fair value, the definition in section 2.10 of the Code will apply.
Non-current assets held for sale	Non-current assets held for sale shall be measured in accordance with the measurement requirements of section 4.9 of the Code and IFRS 5 *Non-Current Assets Held for Sale and Discontinued Operations*, ie the lower of its carrying amount and fair value less costs to sell. Fair value in section 4.9 is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date (see section 2.10). When applying the definition of fair value, as non-

Circumstance	Fair Value or Current Value Measurement of Property, Plant and Equipment
	financial assets, non-current assets held for sale shall be measured at highest and best use. Fair value for social housing being disposed of under Right to Buy (RTB) legislation is the discounted RTB value.
Heritage assets	Heritage assets are carried at valuation rather than current or fair value, reflecting the fact that sales and exchanges of heritage assets are uncommon. Valuations may be made by any method that is appropriate and relevant. There is no requirement for valuations to be carried out or verified by external valuers, nor is there any prescribed minimum period between valuations. In some cases it may not be practicable to establish a valuation for a heritage asset, in which case the asset is carried at historical cost if this information is available. Authorities may elect to use this basis for community assets.
Inventories	Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date (see section 2.10).
Debtors	Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date (see section 2.10).
Financial instruments	Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date (see section 2.10).
Creditors	Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date (see section 2.10).
Employee benefits	Plan assets measured at fair value in accordance with sections 6.1 to 6.4 of the Code and IAS 19 *Employee Benefits* apply the definition and measurement requirements of fair value in accordance with chapter six of the Code and with the definition of fair value included in section 2.10 of the Code.
Pension fund plan investments	Retirement benefit plan investments measured at fair value in accordance with section 6.5 (Accounting and Reporting by Pension Funds) of the Code apply the definition, measurement and disclosure requirements of fair value in accordance with chapter six of the Code and with the definition of fair value

Circumstance	Fair Value or Current Value Measurement of Property, Plant and Equipment
	included in section 2.10 of the Code.

2.1.3 Statutory Accounting Requirements

2.1.3.1 There are no statutory accounting requirements regarding the concepts and principles.

2.1.4 Disclosure Requirements

2.1.4.1 Authorities shall apply the objective, underlying assumption and qualitative characteristics of useful financial information, in the selection and application of accounting policies and estimation techniques (see section 3.3 of the Code).

2.1.5 Statutory Disclosure Requirements

2.1.5.1 There are no statutory disclosure requirements in relation to the concepts and principles.

2.1.6 Changes since the 2018/19 Code

2.1.6.1 The Concepts section of the 2018/19 Code has been updated to reflect the replacement of the IASB Conceptual Framework (2010) with a revised IASB Conceptual Framework (2018).