

List of Amendments in the Draft 2016/17 Code

Reference	Amendment
Chapter One: Introduction	
1	Paragraphs 1.1.2, 1.1.4, 1.2.1 – 1.2.7, 1.7.1 Amendments for the Accounts and Audit Regulations 2015 and the Local Government (Accounts and Audit) Regulations (Northern Ireland) 2015.
2	Paragraphs 1.2.8 and 1.6.2 Updated for references to the CIPFA <i>Service Reporting Code of Practice</i> as the link between the Comprehensive Income and Expenditure Statement has been removed following the Telling the Story review (see paragraph 22 of FRAB 125 (09) (ii)).
Chapter Two: Concepts and Principles	
3	Section 2.1 (Concepts), paragraphs 2.1.1.3, 2.1.1.4, 2.1.2.3 – 2.1.2.4 and 2.1.2.20 Updates that emanate from the review of user requirements on the issue of the International Public Sector Accounting Standards Board's (IPSASB) <i>Conceptual Framework for General Purpose Financial Reporting by Public Sector Entities</i> (see paragraph 13 of FRAB 125 (09)(ii)).
4	Section 2.1 (Concepts), paragraphs 2.1.2.14 Updated for references to the CIPFA <i>Service Reporting Code of Practice</i> as the link between the Comprehensive Income and Expenditure Statement has been removed following the Telling the Story review (see paragraph 22 of FRAB 125 (09) (ii)).
5	Section 2.1 (Concepts), paragraphs 2.1.2.34 to 2.1.2.35 Updated for consequential amendments following the changes to the measurement requirements for the Highways Network Asset (see FRAB 125 (09)(i)).
6	Section 2.2 (Business Improvement District Schemes (England, Wales and Scotland); Business Rate Supplements (England); and Community Infrastructure Levy (England and Wales)), paragraph 2.2.2.11 Updated for references to the CIPFA <i>Service Reporting Code of Practice</i> as the link between the Comprehensive Income and Expenditure Statement has been removed following the Telling the Story review (see paragraph 22 of FRAB 125 (09) (ii)).
7	Section 2.3 (Government and Non-Government Grants), paragraph 2.3.2.11 As above

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8	Section 2.3 (Government and Non-Government Grants), paragraph 2.3.2.15	Removal of reference to FRS 30 <i>Heritage Assets</i> .
9	Section 2.8 (Tax Income (Council Tax, Residual Community Charges, Non-Domestic Rates (NDR) And Rates), paragraph 2.8.2.2)	Updated for references to the CIPFA <i>Service Reporting Code of Practice</i> as the link between the Comprehensive Income and Expenditure Statement has been removed following the Telling the Story review (see paragraph 22 of FRAB 125 (09) (ii)).
10	Section 2.10 (Fair Value Measurement), paragraphs, 2.10.1.2 – 2.10.1.3 and 2.10.2.16	Amended for the adaptation to IFRS 13 <i>Fair Value Measurement</i> to remove the scope exclusion on the fair value measurement disclosures for retirement benefit plan investments (see paragraph 7 of FRAB 125 (09) (ii)).
11	Section 2.10 (Fair Value Measurement), paragraph 2.10.2.27	Minor correction as “equity instruments” is not applicable to local authorities.
12	Section 2.10 (Fair Value Measurement), paragraph 2.10.2.30	The transitional requirements in these paragraphs are not applicable in the 2016/17 Code.
13	Section 2.10 (Fair Value Measurement), paragraph 2.10.4.1 10)	This sub-paragraph has been removed as it is no longer required. It has been replaced with the transitional reporting requirements for retirement benefit plan investments measured at fair value (see paragraph 7 of FRAB 125 (09)(ii)).
Chapter Three: Financial Statements		
14	Section 3.1 (Narrative Report), paragraphs 3.1.1.1 - 3.1.1.3, and 3.1.5.1 – 3.1.5.2	These amendments reflect the new reporting requirements as a result of the new narrative statement requirements in the Accounts and Audit Regulations 2015 for English authorities. The amendments include some minor augmentations.
15	Section 3.1 (Narrative Report), paragraph 3.1.1.6 and 3.1.5.4	Confirmation of the statutory reporting requirements for the management commentary for Scottish local authorities.
16	Section 3.1 (Narrative Report), paragraph 3.1.4.2	The introduction of a recommendation to cross refer from the Narrative Report to the new Expenditure and Funding Analysis to add context for that Analysis (see paragraph 21 of FRAB 125 (09)(i)) .
17	Section 3.1 (Narrative Report), paragraph 3.1.5.3	Confirmation of the statutory disclosure requirements for Welsh and Northern Irish

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		local authorities.
18	Section 3.4 (Presentation of Financial Statements), paragraphs 3.4.2.8, 3.4.2.17	Change to reflect the new recommended order of statements following the Telling the Story consultation.
19	Section 3.4 (Presentation of Financial Statements), paragraph 3.4.2.17 e), 3.4.2.26 – 3.4.2.27, 3.4.2.42, 3.4.3.47, 3.4.2.59 – 3.4.2.61, 3.4.2.83 – 87	Amendments to IAS 1 <i>Presentation of Financial Statements</i> under the IASB Disclosure Initiative.
20	Section 3.4 (Presentation of Financial Statements), paragraph 3.4.2.34	Deleted as no longer applicable.
21	Section 3.4 (Presentation of Financial Statements), removal of paragraphs 3.4.2.37 – 3.4.2.42	These paragraphs have been moved as a result of the reordering of the statements under the Telling the Story review and consultation.
22	Section 3.4 (Presentation of Financial Statements), paragraph 3.4.2.37 to 3.4.2.39 and 3.4.2.43	The new reporting requirements for the Comprehensive Income and Expenditure Statement and related notes under the Telling the Story review and consultation (see paragraph 22 of FRAB 125 (09)(ii)).
23	Section 3.4 (Presentation of Financial Statements), paragraphs 3.4.2.51 to 3.4.2.57	Amended and streamlined requirements for the Movement in Reserves Statement under the Telling the Story review and consultation.
24	Section 3.4 (Presentation of Financial Statements) paragraphs 3.4.2.59 c)	Introduction of new line on the face of the Balance Sheet for the Highways Network Asset (see paragraph 23 of FRAB 125 (09)(ii)).
25	Section 3.4 (Presentation of Financial Statements), paragraphs 3.4.2.91 – 3.4.2.101	The introduction of the new Expenditure and Funding Analysis and the rationalised segmental reporting requirements including confirmation of the transitional reporting requirements under the Telling the Story review and consultation (see paragraphs 21 and 23 of FRAB 125 (09)(ii)).
26	Section 3.4 (Presentation of the Financial Statements), paragraphs 3.4.2.92, last two sentences	Amendments under the <i>Annual Improvements to IFRSs 2010 – 2012 Cycle</i> IFRS 8 <i>Operating Segments</i> , Aggregation of operating segments.
27	Section 3.4 (Presentation of the Financial Statements), paragraph 3.4.4.1 6) 7), 3.4.5.1 and 3.4.5.2	Amendments for the Accounts and Audit Regulations 2015 and the Local Government (Accounts and Audit) Regulations (Northern Ireland) 2015.
28	Section 3.5 (Housing Revenue	Amendments to reflect the latest position in

	Account), 3.5.3.1 d)	relation to the Housing Wales Act 2014 as it relates to the Housing Subsidy.
29	Section 3.7 (Statements Reporting Reviews of Internal Controls), paragraph 3.7.1.1 - 3.7.4.2	Amendments for the Accounts and Audit Regulations 2015 and the Local Government (Accounts and Audit) Regulations (Northern Ireland) 2015.
30	Section 3.7 (Statements Reporting Reviews of Internal Controls) paragraphs 3.7.4.1 – 3.7.4.4 and removal of previous paragraph 3.7.4.4	Amendments to reflect the changes to the <i>Delivering Good Governance in Local Government Framework: 2016</i> to be published by CIPFA and SOLACE.
31	Chapter Three Section 3.8 (Events After the Reporting Period), paragraphs 3.8.2.2, 3.8.2.3 – 3.8.2.11	Amendments for the Accounts and Audit Regulations 2015 and the Local Government (Accounts and Audit) Regulations (Northern Ireland) 2015 including rationalisation of paragraph 3.8.2.11.
32	Section 3.9 (Related Party Disclosures), paragraphs 3.9.2.7, 3.9.4.2 and 3.9.4.4	Amendments relating to the Annual Improvements 2010 – 2012 Cycle, IAS 24 <i>Related Party Disclosures</i> , Key Management Personnel.
Chapter Four: Non-Current Assets		
33	Section 4.1 (Property, Plant and Equipment), paragraphs 4.1.1.3, 4.1.1.6, 4.1.2.2, 4.1.2.31, diagram after 4.1.2.33, 4.1.2.40, 4.1.2.55, 4.1.4.3, 5) and 4.1.4.4	Consequential amendments following the introduction of the new measurement requirements for the Highways Network Asset, including confirmation of the transitional requirements for that move.
34	Section 4.1 (Property, Plant and Equipment), paragraphs 4.1.1.6 and 4.1.2.33.	Amendments and new adaptation for the treatment of accumulated depreciation to remove the non-elimination option for property, plant and equipment items that are not included in the Highways Network Asset (see paragraph 11 of FRAB 125 (09)(ii)).
35	Section 4.1 (Property, Plant and Equipment), paragraph 4.1.2.18	Minor augmentation of the Code's criteria for the recognition of an item of property, plant and equipment.
36	Section 4.1 (Property, Plant and Equipment), paragraphs 4.1.2.45 and 4.1.3.9	Updated for references to the CIPFA <i>Service Reporting Code of Practice</i> as the link between the Comprehensive Income and Expenditure Statement has been removed following the Telling the Story review (see paragraph 22 of FRAB 125 (09) (ii)).
37	Section 4.5 (Intangible Assets), paragraph 4.5.2.19	As above.

38	Section 4.7 (Impairment of Assets), paragraph 4.7.2.21	As above.
39	New Section 4.11 (Highways Network Asset)	Introduction of new definition, recognition, measurement and derecognition requirements for the Highways Network Asset (see FRAB 125 (09) (i).
Chapter Six: Employee Benefits		
40	Section 6.5 (Accounting and Reporting by Pension Funds), whole of section subject to review.	Amendments as a result of the review of the Accounting and Reporting by Pension Funds section of the Code. These amendments include: <ul style="list-style-type: none"> • update to the format of the fund account and the net asset statement to be consistent with the new 2015 Pensions SORP, • confirmation of the new disclosure requirements for retirement benefit plan investments measured at fair value Recommendations for a new disclosure on investment management transaction costs, • a new Annex setting out the application of other sections of the Code, • other minor drafting improvements, • amendments updating references to Scottish Government Circular 6/2015.
Chapter Seven: Financial Instruments		
42	Section 7.1 (Introduction, Scope, Recognition And Initial Measurement, Hedge Accounting, Derivatives And Embedded Derivatives And Definitions), paragraph 7.1.8.1.	The minor consequential amendments to the definitions section to reflect the amendments in the <i>Annual Improvements to IFRSs 2010 – 2012 Cycle</i> relating to the Accounting for Contingent Consideration in a Business Combination.
Chapter Eight: Liabilities		
43	Section 8.2 (Provisions, Contingent Liabilities and Contingent Assets), paragraph 8.2.1.3	The minor consequential amendments to the definitions section to reflect the amendments in the <i>Annual Improvements to IFRSs 2010 – 2012 Cycle</i> relating to the Accounting for Contingent Consideration in a Business Combination.
44	Section 8.2 (Provisions, Contingent Liabilities and Contingent Assets), paragraphs 8.2.3.2 – 8.2.3.4	Minor amendments for Statutory Guidance in Scottish Government Finance Circular 4/2015, Accounting for Equal Pay and Severance.

Chapter Nine: Group Accounts		
45	Paragraph 9.1.1.3	The introduction of an interpretation of IAS 27 <i>Separate Financial Statements</i> where the option to equity account for investments in subsidiaries, associated or joint ventures is withdrawn.
46	Paragraphs 9.1.2.52 and 9.1.2.64	Updated for the amendment to IFRS 11 <i>Joint Arrangements – Accounting for Acquisitions of Interests in Joint Operations</i> including reference to the transitional provisions.
Appendices		
47	Appendix B: Sources and Legislation	Updated for legislative changes.
48	Appendix C: Changes in Accounting Policies: Disclosures in the 2015/16 and 2016/17 financial statements	Confirmation of the reporting requirements for the impact of the changes in accounting policies in the 2015/16 and 2016/17 financial statements. Appendix C is substantially redrafted each year.
49	Appendix D: New or Amended Standards Introduced to the 2016/17 Code	Deleted old Appendix D as no longer required and new Appendix introduced listing new or amended International Financial Reporting Standards.
48	Appendix E: Accounting for Schools in Local Authorities in England and Wales, paragraph E.1.2	Minor augmentation to confirm that the schools assets recognised must meet the definition of an asset.
Amendments throughout the Code		
50	Code	The general updating requirements for the Code for dates and cross references as necessary.
51	From Chapter Two	The end of each section of the Code includes a paragraph which is updated for the changes made since the 2015/16 Code. This is a normal part of the updating process of the Code.