

Local Government Victoria update

Release of 2016-17 Model Accounts and Better Practice Guidance

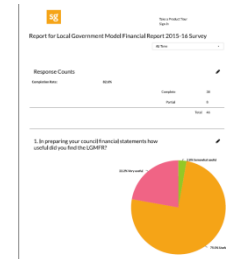
FINPro
Professional
Development
Day February
2017



Environment,
Land, Water
and Planning

Key inputs to the 2016-17 Model Accounts

- Importantly, from you, the one's who use the Model
- Survey responses from the Sector
- Direct feedback from *FINPRO* members @ the Annual Conference
- Council responses to Executive Director invitation



5. Any other comments or feedback in relation to the 2015-16 LGMR?

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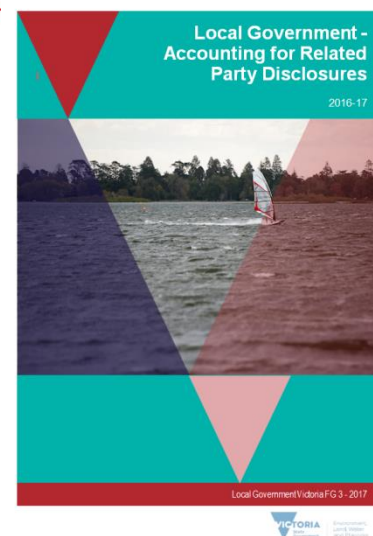
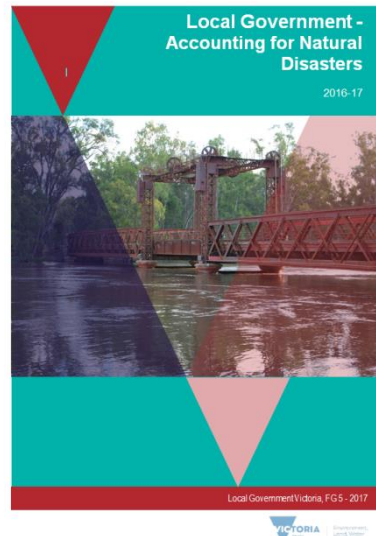
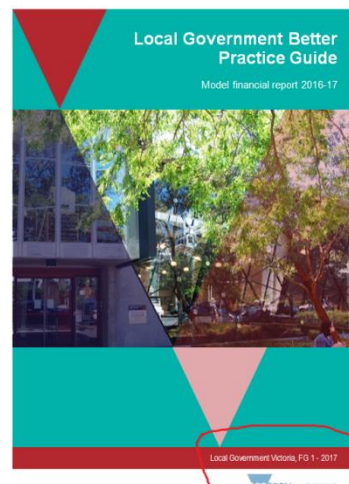
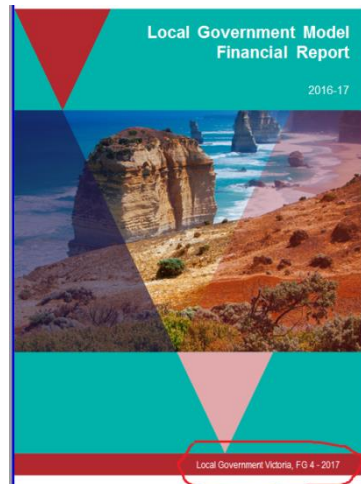
Whilst your feedback is important, we also require the assistance of technical experts.

We thank all members of the Working Group



2016-17 update of Model Accounts

A new *suite* of publications to be released by LGV



What has changed in the Better Practice Guide?

- **Additional guidance/ clarification on**
 - Timing requirements on the inclusion of Capital Works expenditure
 - Heritage assets
 - Asset recognition thresholds and useful lives
 - Clarification of impairment test requirements
 - Pending Accounting Standards
 - Potential credit risks associated with community groups

Additional external reference:

Acknowledgement of the Australian National Audit Office
better practice guide on Public Sector Financial
Statements: High quality reporting through Good
Governance and Processes

..and the odd typo and spelling mistakes

What has changed in the Model Accounts?

– Updated

- Note 3 to include interest on rates and charges as a line item
- Summary in Note 23 to a concise movement schedule
- Note 35 to reflect latest available information on superannuation disclosures
- Note 38 to reflect the application of AASB 124 *Related Party Disclosures* to the public sector for the first time in 2016-17 including Key Management Personnel terminology

And there is more:

Additional text on pending accounting standards

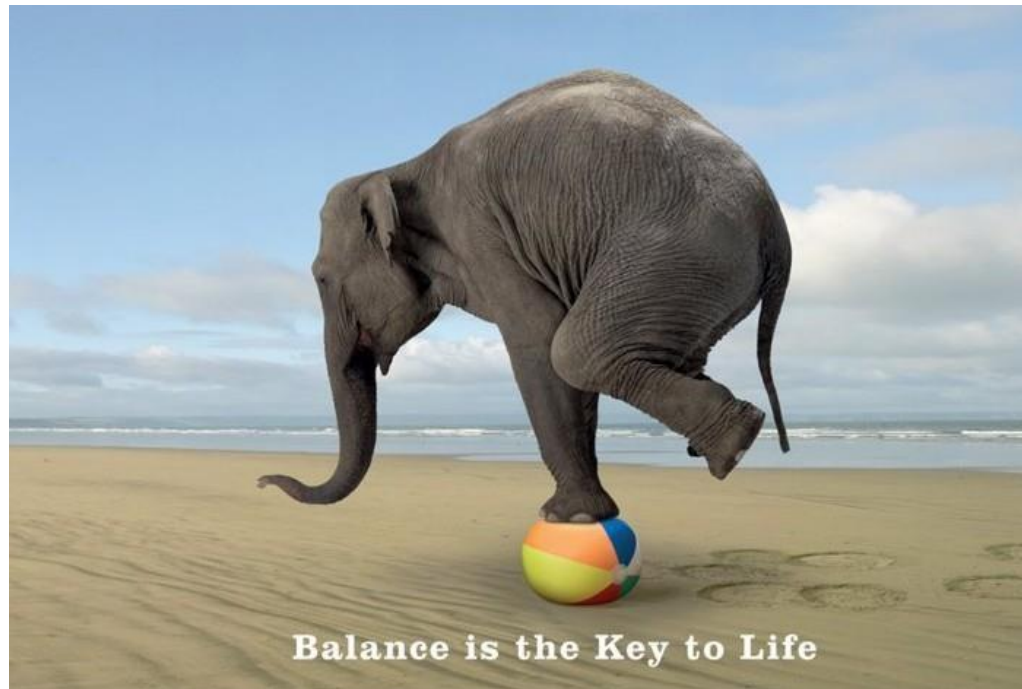
AASB 15 (Revenue from contracts with customers)
AASB 16 (Leases)

Specific new guidance

Accounting for Related Party Disclosures
Accounting for Landfill
Accounting for Natural Disasters (Updated)

Model Accounts and Related Guidance

Have we got the balance right between prescription and your own professional judgement?



We believe so, but if not, we hope you will tell us and we will do it all again next year

What support is available?

Regional Forums will again be available for your staff
(dates and venues to be announced)

The Model Accounts and Related Guidance are
available at www.delwp.vic.gov.au



**Thank you and best wishes
for 30 June**