

Preparing for Year End Accounts 2015

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Model Financial Report

- Consistency across the sector, comparability
- Compulsory
- Model: minimum to comply
- Additional disclosure: possible on top of model
- Must align with categories / line items in model
 - e.g. Grants – operating / capital (not current / recurrent)
- Necessary assessment made
 - e.g. Note 1 (z) pending accounting standards

Landfill provisions

- EPA:
 - Have the requirements to remediate been fully provided for?
- Council:
 - Is cost still appropriate?
 - review restoration cost inputs
 - actual expenditure vs forecasted
 - keep the provision under review
- Does Council have a contingent liability?
 - Has Council considered its potential exposure?

Capitalisation of fixed assets from WIP

- Capitalise WIP
 - upon project completion
 - most councils capitalise at year end
- Depreciable
 - when ready for use
 - e.g. ready for use in January 2015 but capitalise only on 30 June 2015
- Assess reasonableness of useful lives.

AASB 10 & 11 assessment

- AASB 10: change definition of “control”
- AASB 11: joint ventures
- Council: must conduct and document its assessment
- Ref: DTF checklist – guidance on AASB 10 assessment

Review debtor provision collectability

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- Review debtor provision at year end
 - general / specific
 - collectability
 - recovery action
 - write off?

Leave provision – consider impact of changes in discount rates

- Discount rate: bond rate decreased
- Leave provision: likely to increase as a result
- Impact considered?

Thank you!

For further information please contact:

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