

‘EXAMPLE AGENCY’

2017-18 Model Financial Statement Supplement:

Presenting Restatements of Comparatives

As arising from:

**Retrospective Application of Changes in Accounting Policy,
Corrections of Material Prior Period Errors, and
Other Reclassifications**

FOR THE YEAR ENDED 30 JUNE 2018

**Model Financial Statement Supplement:
Presenting Restatements of Comparatives**

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APPLICATION

This supplement will only apply to an agency where:

- they are applying a change in an accounting policy retrospectively; or
- they have a material prior period error that is being corrected; or
- they have (or need to) restate their comparatives for any other reason (such as a reclassification of line items due to the fact that it is considered more useful to readers etc).

Please note that any agencies that **do not** have a need to restate comparatives, as per the above scenarios, will not have to apply the disclosures and commentary contained in this supplement. The disclosures, as presented in the 2017-18 Model Financial Statements (Model), are sufficient for these agencies.

Furthermore, changes in accounting estimates, although briefly referred to in this supplement, are not considered the subject of this supplement. Therefore, an agency with a change in an accounting estimate should refer to Note 3 and Appendix D *Change in Accounting Policy and Accounting Estimates, and Correction of a Prior Period Error* as appearing in the 2017-18 Model, for complete commentary of the disclosures required in such instances.

BACKGROUND

Financial Framework Management and Insurance Branch has prepared this supplement to provide agencies with a comprehensive guide to use if, and when, they are required to restate comparatives.

CHANGES IN ACCOUNTING POLICY

WHAT ARE THE CHANGES?

Accounting policies are the specific principles, bases, conventions, rules and practices applied by an agency in preparing and presenting financial statements.

Reference: AASB 108.5

Changes in an agency's accounting policies may occur from time to time, however, under AASB 108 *Accounting Policies, Changes in Accounting Estimates and Errors*, a change in an accounting policy shall only be made when:

- it is required by an Australian Accounting Standard; or
- it results in the financial statements providing reliable and more relevant information about the effects of transactions, other events or conditions on the agency's financial position, financial performance or cash flows.

Reference: AASB 108.14

The following are examples that are not changes in accounting policy:

- the application of an accounting policy for transactions, other events or conditions, that differ in substance from those previously occurring; and
- the application of a new accounting policy for transactions, other events or conditions, that did not occur previously or were immaterial.

Reference: AASB108.16

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Changes in Accounting Policy - continued

HOW ARE THE CHANGES ACCOUNTED FOR?

An agency shall account for a change in accounting policy resulting from the initial application of an Australian Accounting Standard in accordance with the specific transitional provisions, if any, in that Australian Accounting Standard. In the absence of any transitional provisions, or in the case where an agency voluntarily changes accounting policies, the change shall be applied retrospectively.

Reference: AASB 108.19 (a)(b)

Retrospective application is applying a new accounting policy to transactions, other events and conditions as if that policy had always been applied.

Reference: AASB 108.5

A voluntary change in accounting policy is to be accounted for retrospectively by adjusting the opening balance of each affected component of equity for the earliest prior period presented and restating comparative information.

References: AASB 108.19 (b), AASB 108.22

If it is impracticable for the agency to identify the effects of changing an accounting policy, AASB 108 requires that the accounting policy be applied to the carrying amounts of assets and liabilities as at the beginning of the earliest period for which application is practicable.

Reference: AASB 108.24

Applying a requirement is impracticable when the agency cannot apply it after making every reasonable effort to do so. For a particular prior period, it is impracticable to apply a change in an accounting policy retrospectively or to make a retrospective restatement to correct an error if:

- (a) the effects of the retrospective application or retrospective restatement are not determinable;
- (b) the retrospective application or retrospective restatement requires assumptions about what management's intent would have been in that period; or
- (c) the retrospective application or retrospective restatement requires significant estimates of amounts and it is impossible to distinguish objectively information about those estimates that:
 - (i) provides evidence of circumstances that existed on the date(s) as at which those amounts are to be recognised, measured or disclosed; and
 - (ii) would have been available when the financial statements for that prior period were authorised for issue; from other information.

Reference: AASB 108.5

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Changes in Accounting Policy - continued

WHAT DISCLOSURES ARE REQUIRED?

INITIAL APPLICATION OF AN AUSTRALIAN ACCOUNTING STANDARD

When initial application of an Australian Accounting Standard has an effect on the current reporting period or any prior reporting period, would have such an effect except that it is impracticable to determine the amount of the adjustment, or might have an effect on future periods, an Agency shall disclose:

- the title of the Australian Accounting Standard;
- when applicable, that the change in accounting policy is made in accordance with its transitional provisions;
- the nature of the change in accounting policy;
- when applicable, a description of the transitional provisions;
- when applicable, the transitional provisions that might have an effect on future periods;
- for the current period and each prior period presented, to the extent practicable, the amount of the adjustment for each financial statement line item affected;
- the amount of the adjustment relating to periods before those presented, to the extent practicable; and
- if retrospective application required by AASB 108.19(a) or (b) is impracticable for a particular prior period, or for periods before those presented, the circumstances that led to the existence of that condition and a description of how and from when the change in accounting policy has been applied.

Reference: AASB 108.28

Financial statements of subsequent periods need not repeat any of these disclosures.

VOLUNTARY CHANGES

Where a voluntary change in accounting policy has an effect in the current reporting period, previous periods or subsequent periods, the following must be disclosed:

- the nature of the change;
- the reasons why applying the new accounting policy provides reliable and more relevant information;
- the amount of any adjustment for current period and each prior period for each financial statement line item affected;
- the amount of the adjustment relating to prior reporting periods; and
- if retrospective application is impracticable for a particular reporting period or for prior reporting periods, a description of:
 - the circumstances that led to that condition; and
 - how, and from when, the change in accounting policy has been applied.

Financial statements of subsequent periods need not repeat any of these disclosures.

Reference: AASB 108.29

MATERIALITY CONSIDERATIONS

Restatements of comparative amounts are only required to be presented when the effects of the change in accounting policy are material.

Reference: AASB 108.5&6, *Framework*.25, 29 & 30 ACT Disclosure Policy

CORRECTIONS OF PRIOR PERIOD ERRORS

WHAT ARE THEY?

Prior period errors are omissions from, and misstatements in, the agency's financial statements for one or more prior periods arising from a failure to use, or misuse of, reliable information that:

- was available when financial statements for those periods were authorised for issue; and
- could reasonably be expected to have been obtained and taken into account in the preparation and presentation of those financial statements.

Such errors include the effects of mathematical mistakes, mistakes in applying accounting policies, oversights or misinterpretations of facts, and fraud.

Reference: AASB 108.5

Errors can arise in respect of the recognition, measurement, presentation or disclosure of elements of financial statements. Potential current reporting period errors discovered in that reporting period are corrected before the financial statements are authorised for issue.

Reference: AASB 108.41

However, material errors are sometimes not discovered until a subsequent period, and these prior period errors are corrected in the comparative information presented in the financial statements for that subsequent reporting period. If the error is not material in the prior year but is material in relation to the current year number then the appropriate adjustment should be made to the prior year results i.e. materiality is not only considered on prior year results but also on the current year.

Reference: ACT Disclosure Policy

HOW ARE THEY ACCOUNTED FOR?

Under AASB 108, an agency must correct a material prior period error(s) in the first financial statement authorised for issue after the discovery by:

- restating the comparative amounts for the reporting period(s) presented when the error(s) occurred; or
- if the error occurred before the earliest prior reporting period presented, restating the opening balances of assets, liabilities, and equity for the earliest prior period presented.

Reference: AASB 108.42 (a) & (b)

When it is impracticable to determine the period specific effects of an error on comparative information the agency shall restate the opening balances of assets, liabilities and equity for the earliest period for which retrospective restatement is practicable.

Reference: AASB 108.44

WHAT DISCLOSURES ARE REQUIRED?

In order to disclose the correction of a prior period error(s), an agency must disclose the following:

- the nature of the prior period error(s);
- for each prior period presented, to the extent practicable, the amount of the correction for each financial statement line item affected;
- the amount of the correction at the beginning of the earliest prior period presented; and
- if retrospective restatement is impracticable for a particular prior period, the circumstances that led to the existence of that condition and a description of how and from when the error has been corrected.

Financial statements of subsequent periods need not repeat any of these disclosures.

Reference: AASB 108.49

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What Disclosures are required - continued

MATERIALITY CONSIDERATIONS

Restatements of comparative amounts are only required to be presented when the effects of the correction of the prior period error are considered material.

Errors that are discovered which are not material, should be corrected in the current year without restatement of comparatives.

Reference: AASB 108.5 & 6, *Framework*.25, 29 & 30 ACT Disclosure Policy

CHANGES IN ACCOUNTING ESTIMATES

WHAT ARE THEY?

A change in accounting estimate is an adjustment of the carrying amount of an asset or a liability, or the amount of the periodic consumption of an asset, that results from the assessment of the present status of, and expected future benefits and obligations associated with, assets and liabilities. Changes in accounting estimates result from new information or new developments and, accordingly, are not corrections of errors.

Reference: AASB 108.5

HOW ARE THEY ACCOUNTED FOR?

The effect of a change in an accounting estimate, shall be recognised prospectively by including it in the Operating Statement in:

- the period of the change, if the change affects that period only; or
- the period of the change and future periods, if the change affects both.

Reference: AASB 108.36

WHAT DISCLOSURES ARE REQUIRED?

As changes in accounting estimates are applied prospectively, i.e. from the point of the change onwards and not retrospectively, they do not cause any restatements to be made of comparatives, and are therefore not disclosed in this supplement.

Agencies with changes in accounting estimates should refer to Note 3 and Appendix D *Change in Accounting Policy and Accounting Estimates, and Correction of a Prior Period Error* as appearing in the 2017-18 Model, for further commentary and examples of the disclosures required.

OTHER RECLASSIFICATIONS

WHAT ARE THEY?

From time to time, an agency will present their information in a different manner to how it was classified in prior years. Agencies are only allowed to do this when they consider that the new classification provides users with more reliable and relevant information.

If reclassification occurs in the current period, an agency should reclassify comparative amounts in order to maintain the comparability of periods.

This reclassification does not result from a change in accounting policy or a correction of an error, but is still subject to the further requirements as mentioned below.

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Other Classifications - continued

HOW ARE THEY ACCOUNTED FOR?

If reclassification occurs in the current period, an agency should reclassify comparative amounts in order to maintain the comparability across periods, unless reclassification in prior periods is impracticable.

This reclassification does not result from a change in accounting policy or a correction of an error, but is still subject to the disclosure requirements as mentioned below.

Reference: AASB 101.41

WHAT DISCLOSURES ARE REQUIRED?

When the agency reclassifies comparative amounts, the agency shall disclose:

- the nature of the reclassification;
- the amount of each item or class of items that is reclassified; and
- the reason for the reclassification.

Reference: AASB 101.41

When it is impracticable to reclassify comparative amounts, an agency shall disclose:

- the reason for not reclassifying the amounts; and
- the nature of the adjustments that would have been made if the amounts had been reclassified.

Reference: AASB 101.42

FURTHER REQUIREMENTS/CONSIDERATIONS

In addition to the individual disclosure requirements mentioned in each case above, the following requirements also apply to each case of restatement required:

ADDITIONAL BALANCE SHEET AND NOTE REQUIREMENTS

When an agency applies an accounting policy retrospectively or makes a retrospective restatement of items in its financial statements or when it reclassifies items in its financial statements, and the adjustment has a material effect on the information in the balance sheet, it shall present, as a minimum, three **balance sheets** as at:

- the end of the current period (i.e. 30 June 2018);
- the end of the preceding period (i.e. 30 June 2017); and
- the beginning of the preceding period (i.e. 1 July 2016 which is the same as 30 June 2016).

The agency will also need to disclose the information as required by AASB 108 (as referred to in previous paragraphs). However, related notes need only be presented for the end of the current period and the end of the preceding period.

Reference: AASB 101.40A-40D

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Additional Balance Sheet and Note Requirements - continued

Where a retrospective restatement has no impact on the second comparative year figures (i.e. the 2016 figures) then a column for the second comparative year is not required to be disclosed and a brief statement to that effect should be included in the Financial Statements. An example of wording that could be used for this brief statement is as follows:

‘Example Agency’ has made a retrospective restatement due to [a change in accounting policy/correction of prior period error], however, as this change only affected the 2017 financial year no column for the 2016 financial year has been provided.”

An agency must disclose a figure against each line item (where applicable) in the second comparative column (i.e. the 2016 column) of the balance sheet, rather than simply disclosing those line items that have been restated.

ADDITIONAL STATEMENT OF CHANGES IN EQUITY REQUIREMENTS

Each component of equity must be separately restated in accordance with AASB108.

Reference: AASB 101.106(b)

Retrospective adjustments and retrospective restatements are not changes in equity but they are adjustments to the opening balance of retained earnings, except when an Australian Accounting Standard requires retrospective adjustment of another component of equity.

Reference: AASB 101.110

These adjustments are disclosed for each prior period and the beginning of the period.

Reference: AASB 101.110

MATERIALITY CONSIDERATIONS

Only material prior period errors, changes in accounting policy and other reclassifications require comparatives to be restated and appropriate disclosure to be made in the statements and notes.

Reference: AASB 108.5 & 6 *Framework.25*

Taking into account AASB 108 paragraphs 5 and 6 and The Framework for the Preparation and Presentation of Financial Statements (the *Framework*) paragraphs 25, 29 and 30 agencies should apply their professional judgement when assessing all quantitative or qualitative considerations to indicate whether any situations, or parts thereof, are considered material.

Reference: AASB 108.5 & 6 *Framework.25, 29 & 30*

If one part of the restatement is considered material then the whole restatement is considered material and must be applied in an appropriate manner with the appropriate disclosures being made.

Agencies should correct any immaterial prior period errors or immaterial changes in accounting policy through their accounting system this year without restating any prior year comparatives. Agencies are however, encouraged to make the additional disclosures as indicated in this supplement, where any restatements have occurred.

Reference: ACT Disclosure Policy

PROCESS

When a situation is identified, which may lead to a restatement of comparatives to be made, the following process should be followed:

1. clearly identify the situation arising;
2. determine what type of restatement will be required (i.e. correction of an error / change in accounting policy / reclassification);
3. work out the financial statement line items affected and what period the restatements will affect;
4. if material, prepare appropriate disclosure for Note 3 and other Notes; and
5. adjust financial statements where necessary with restated figures and additional disclosures.

EXAMPLE OF PROCESS - CORRECTION OF AN ERROR

1. IDENTIFY THE SITUATION

On 1 February 2014, the Agency received Land, Buildings and Plant and Equipment from XYZ Department, as part of an Administration Arrangement (AA). These assets were acquired at no cost and taken up at the carrying amount of the transferor. All items were recorded in the books of the Agency at the date of the transfer except for one building (valued at \$250,000) and the corresponding piece of land (valued at \$150,000). On 30 June 2015, this building and land was revalued and their fair value was determined to be \$300,000 and \$235,000 respectively. However, the fair value of the building and land was not taken up in the books of 'Example Agency' at that date.

2. DETERMINE TYPE OF RESTATEMENT

Error

The example situation has given rise to errors in the financial statements because there was a failure to use reliable information that was available to use when the financial statements were being prepared. This oversight has caused misstatements in certain line items.

Therefore, comparatives, depending on the materiality of the prior period error, may need to be restated retrospectively in order to correct the misstatements, which appeared in the 2016-17 Financial Statements, and prevent them from being carried forward into 2017-18 Financial Statements.

3. MATERIALITY IMPACT AND FINANCIAL STATEMENT LINE ITEMS AFFECTED

In order to assess materiality, the agency needs to determine, amongst other qualitative considerations, the effect it has on each financial statement line item for any period it effects.

[For this purpose please refer to Appendix C for calculations supporting how the effect on the line items below were calculated].

Although this error is not material, at least quantitatively, for the purposes of this example, it has been considered to be material. Therefore, the disclosures concerning this error require full disclosure in the 2017-18 Financial Statements.

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3. Materiality Impact and Financial Statement line items affected - continued

Line Items Affected:

1 July 2016 Opening Comparative

As this error was made in a reporting period prior to the comparative period (i.e. 30 June 2017), the Balance Sheet opening balances as at 1 July 2016 were restated, in accordance with AASB 101 *Presentation of Financial Statements*, as follows:

- Property, plant and equipment was increased by \$520,000 to record the land and building that were not previously recorded in the Agency's Balance Sheet. This increase to property, plant and equipment was as follows:
 - land by \$235,000;
 - buildings by \$300,000; and
 - accumulated Depreciation on the Buildings by \$15,000.
- Accumulated Funds were increased by \$367,000.
- Asset Revaluation Surplus was increased by \$153,000, which was made up as follows:
 - an increase of \$85,000 for the Asset Revaluation Surplus for Land; and
 - an increase of \$68,000 for the Asset Revaluation Surplus for Buildings.

30 June 2017 Comparatives

In addition, this error was still uncorrected in the 2016-17 Financial Statements, and therefore, similar adjustments are required to be made to the balance sheet items in the 2017 comparative column. Therefore, this has resulted in the restatement of the following line items for the year ended 30 June 2017:

- Property, plant and equipment was increased by \$505,000 to record the land and building that were not previously recorded in the Agency's Balance Sheet and movement in Depreciation. This increase to property, plant and equipment was as follows:
 - land by \$235,000;
 - buildings by \$300,000; and
 - accumulated Depreciation on the Buildings by \$30,000 (\$15,000 for 2016 and \$15,000 for 2017).
 - Accumulated Funds were increased by \$352,000 (\$367,000 increase 2016, and \$15,000 decrease 2017).
 - Asset Revaluation Surplus was increased by \$153,000, which was made up as follows:
 - an increase of \$85,000 for the Asset Revaluation Surplus for Land; and
 - an increase of \$68,000 for the Asset Revaluation Surplus for Buildings.
- In addition to these items, the following adjustments to the operating statement are made:
- depreciation was increased by \$15,000;
 - operating (deficit) was increased by \$15,000.

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4. APPROPRIATE DISCLOSURE FOR NOTE 3 AND OTHER NOTES

[Please refer to Appendix B for Example Note Disclosures showing how this Error should be disclosed]
(Note that in the case of a change in accounting policy an agency also needs to disclose the adjustment to the financial statements for the current year as well - AASB 108.28 & 29)

Colours

Items appearing in the disclosures coloured **blue** are additional disclosures or 2016 figures that are required to be inserted.

Items appearing in the disclosures coloured **red** are 2017 figures that have been restated.

Please note that all items in an agency's financial statements should appear in the one font colour, and only appear differently in this supplement to allow the users to understand the differences arising from a restatement of comparatives.

The restatements, caused by this error, require disclosures to the following notes:

Notes which are always affected when any restatement of comparatives disclosures are required		
Note Title	Disclosures [Refer to corresponding numbered box appearing on the disclosure in Appendix B]	Disclosure information to include
Note 3. Change in Accounting Policy and Accounting Estimates, and Correction of a Prior Period Error.	<ol style="list-style-type: none"> 1. description of error; 2. line items affected; 3. restatement of comparative year (2017) <ul style="list-style-type: none"> o Operating Statement (Extract) o Balance Sheet (Extract) o Statement of Changes in Equity (Extract) o Depreciation and Amortisation expense note (Extract) o Property, plant and equipment note (Extract) 	<p>As in step 1 above</p> <p>As in step 3 above</p> <p>As in step 3 above</p>
Note 3. Change in Accounting Policy and Accounting Estimates, and Correction of a Prior Period Error.	<ol style="list-style-type: none"> 4. restatement of opening balance for the comparative year (2016) <ul style="list-style-type: none"> o Balance Sheet Extract o Property, plant and equipment note Extract 	As in step 3 above
Various notes affected by this example only		
Note Title	Disclosures [Refer to corresponding numbered box appearing on the disclosure in Appendix B]	Disclosure information to include
Note 26. Property, Plant and Equipment	<ol style="list-style-type: none"> 5. restated comparative figures (2017) 	As in step 3 above
Note 14. Depreciation and Amortisation Expense	<ol style="list-style-type: none"> 6. restated comparative figures (2017) 	As in step 3 above
Note 36. Equity	<ol style="list-style-type: none"> 7. inserted opening balance restatement section, and 8. included adjustment 	As in step 3 above

Most disclosures concerning restatements will be presented within an agency's financial statements in Note 3 *Change in Accounting Policy and Accounting Estimates, and Correction of a Prior Period Error*.

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5. ADJUST FINANCIAL STATEMENTS TO INCLUDE RESTATED AMOUNTS AND ADDITIONAL DISCLOSURES

[Please refer to Appendix A for Example Adjusted Financial Statements showing how this Error and the associated adjustments have affected the financial statements.]

Colours

Items appearing in the disclosures coloured **blue** are additional disclosures or 2016 figures that are required to be inserted.

Items appearing in the disclosures coloured **red** are 2017 figures that have been restated. Please note that all items in an agency’s financial statements should appear in the one font colour, and only appear differently in this supplement to allow the users to understand the differences arising from a restatement of comparatives.

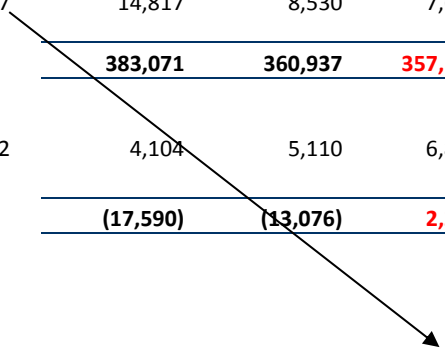
Statement Title	Disclosures [Refer to corresponding numbered box appearing on the disclosure in Appendix A]	Info to include
Operating Statement	9. restate 2017 Figures as necessary	Using numbers calculated in step 3 above
Statement of Changes in Equity	10. include additional opening balance restatement section. 11. restate individual items (i.e. ‘Operating Surplus/(Deficit)’ for this example)	Additional Disclosure. (See Appendix A) Using numbers calculated in step 3 above
Balance Sheet	12. restate any 2017 figures as necessary, 13. add additional comparative column which restates all 2016 balances. Please note that all line items needed to be stated, even though only Notes 26 Property, Plant and Equipment and Note 36 Equity have been altered (in this example). 14. include a foot note to the column indicating that for further information the user can refer to note 3.	Using numbers calculated in step 3 above Using prior year published financial statements (where lines have not been altered) and numbers calculated in step 3 above (for lines which have been altered).

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APPENDIX A: RESTATED FINANCIAL STATEMENTS

‘Example Agency’					
OPERATING STATEMENT					
For the Year Ended 30 June 2018					
Reference		Note No.	Actual 2018 \$’000	Original Budget 2018 \$’000	Restated Actual 2017 \$’000
AASB 101.85	Income				
AASB 101.82(a)	<i>Revenue</i>				
AASB 101.85 and AASB 1004.63(a)	Government Payment for Outputs	4	304,815	303,354	295,430
AASB 101.85	User Charges	5	29,650	22,467	27,016
AASB 101.85	Interest	6	1,975	687	1,180
AASB 118.35 (b) (iii) AASB 101.85	Resources Received Free of Charge	7	2,025	116	610
AASB 1004.62 AASB 101.85	Other Revenue	8	4,945	238	4,204
AASB 101.82 (a)	<i>Total Revenue</i>		343,410	326,862	328,440
AASB 101.85	<i>Gains</i>				
AASB 101.34 (a) AASB 101.85	Gains on Investments	9	1,970	2,689	2,630
AASB 101.85	Other Gains	10	15,997	13,200	21,500
AASB 101.85	<i>Total Gains</i>		17,967	15,889	24,130
AASB 101.85	Total Income		361,377	342,751	352,570
AASB 101.85	Expenses				
AASB 101.85 & 102	Employee Expenses	11	74,794	75,153	72,114
AASB 101.85 & 102	Superannuation Expenses	12	11,912	12,039	11,132
AASB 101.85 & 102	Supplies and Services	13	110,750	92,045	108,018
AASB 101.85 & 102	Depreciation and Amortisation	14	97,039	98,089	93,564
AASB 101.85 & 102	Grants and Purchased Services	15	72,348	73,665	62,928
AASB 101.82 (b) AASB 101.85 & 102	Borrowing Costs	16	1,411	1,416	1,749
AASB 101.85 & 102	Other Expenses	17	14,817	8,530	7,669
AASB 101.85	Total Expenses		383,071	360,937	357,174
AASB 101.82 (c)	Share of Operating Profit from Joint Venture accounted for using the Equity Method	42	4,104	5,110	6,831
AASB 101.-81A(a)	Operating Surplus/(Deficit)		(17,590)	(13,076)	2,227
AASB 101.85	Other Comprehensive Income <i>Items that will not be reclassified subsequently to profit or loss</i>				
AASB 101.82A(a)(i)	Increase/(Decrease) in Asset Revaluation Surpluses		27,396	18,847	182,058
AASB 101.82A(b)(i)	Increase/(Decrease) in Asset Revaluation Surpluses Attributable to Joint Ventures		2,500	-	2,000
	Total Other Comprehensive Income		29,896	18,847	184,058
AASB 101.81(A)(c)	Total Comprehensive Income		12,306	5,771	186,285
The above Operating Statement should be read in conjunction with the accompanying notes.					

**9. restated
2017 figures**



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Appendix A: Restated Financial Statements- continued

‘Example Agency’						
BALANCE SHEET						
As at 30 June 2018						
Reference		Note	Actual	Original	Restated	Restated
		No.	2018	Budget	Actual	Actual
			\$’000	\$’000	2017	2016
					\$’000	\$’000
AASB 101.60	Current Assets					
AASB 101.54 (i)	Cash and Cash Equivalents	21	19,879	10,029	8,471	2,904
AASB 101.54 (h)	Receivables	22	6,267	3,080	2,596	2,028
AASB 101.54 (g)	Inventories	24	1,852	2,284	1,965	2,165
AASB 101.54 (j)	Assets Held for Sale	25	5,021	1,100	750	177
AASB 101.55	Other Assets	30	2,164	4,650	2,312	2,465
AASB 101.55	Total Current Assets		35,183	21,143	16,094	9,739
AASB 101.60	Non-Current Assets					
AASB 101.54 (h)	Receivables	22	25,221	16,979	16,385	14,197
AASB 101.54 (d)	Investments	23			1,141	311
AASB 101.54 (e)	Investment – Joint Venture	42			73,581	60,595
AASB 101.54 (a)	Property, Plant and Equipment	26	3,699,882		3,699,882	3,526,170
AASB 101.54 (b)	Investment Properties	27			25,751	17,315
AASB 101.54 (c)	Intangible Assets	28	635	1,918	720	820
AASB 101.55	Capital Works in Progress	29	73,393	49,468	57,123	35,485
AASB 101.55	Other Assets	30	413	294	625	822
AASB 101.55	Total Non-Current Assets		3,911,270	3,884,886	3,875,208	3,655,715
AASB 101.55	Total Assets		3,946,453	3,906,029	3,891,302	3,665,454
AASB 101.60	Current Liabilities					
AASB 101.54 (k)	Payables	31	10,108	15,682	10,360	10,174
AASB 101.54 (m)	Interest-Bearing Liabilities	32	384	314	428	272
AASB 101.54 (m)	Finance Leases	32	2,800	2,451	2,855	2,694
AASB 101.54 (l)	Employee Benefits	33	30,437	22,009	22,486	18,917
AASB 101.54 (l)	Other Provisions	34	5,194	2,243	1,246	-
AASB 101.55	Other Liabilities	35	9,379	11,896	5,820	4,282
AASB 101.55	Total Current Liabilities		58,302	54,595	43,195	36,339
AASB 101.60	Non-Current Liabilities					
AASB 101.54 (k)	Payables	31	2,581	3,997	2,582	2,543
AASB 101.54 (m)	Interest-Bearing Liabilities	32	7,740	9,083	8,676	10,619
AASB 101.54 (m)	Finance Leases	32	4,200	5,010	4,283	4,042
AASB 101.54 (l)	Employee Benefits	33	1,123	721	798	585
AASB 101.54 (l)	Other Provisions	34	1,732	1,154	416	-
AASB 101.55	Other Liabilities	35	407	214	255	225
AASB 101.55	Total Non-Current Liabilities		17,783	20,179	17,010	18,014
AASB 101.55	Total Liabilities		76,085	74,774	60,205	54,353
	Net Assets		3,870,368	3,831,255	3,831,097	3,611,101
	Equity					
	Accumulated Funds		3,484,770	3,487,015	3,490,625	3,470,432
	Asset Revaluation Surpluses	36	246,113	219,985	216,217	32,159
	Other Reserves		139,485	124,255	124,255	108,510
	Total Equity		3,870,368	3,831,255	3,831,097	3,611,101

13.
restated opening
balance column

12.
restated
figures in red

14. foot
note for
additional
column

1) See Note 3 for details. The above Balance Sheet should be read in conjunction with the accompanying notes.

**Model Financial Statement Supplement:
Presenting Restatements of Comparatives**

Appendix A: Restated Financial Statements- continued

'Example Agency'

**STATEMENT OF CHANGES IN EQUITY
For the Year Ended 30 June 2018**

Reference	Accumulated Funds	Asset	Other	Total	Original		
		Revaluation	Reserves	Equity			
	Actual	Surplus	Actual	Actual	Budget		
	Note	2018	2018	2018	2018		
	No.	\$'000	\$'000	\$'000	\$'000		
		Balance at the Beginning of the Reporting Period	3,490,625	216,217	124,255	3,831,097	3,794,482
		Comprehensive Income					
AASB 101.106(d)(i)		Operating Surplus/(Deficit)	(17,590)	-	-	(17,590)	(13,076)
AASB 101.106(d)(ii)		Increase/(Decrease) in Asset Revaluation Surpluses					
	36	-	29,896	-	-	29,896	18,847
		Other Comprehensive Income	-	-	-	-	-
AASB 101.106 (a)		Total Comprehensive (Deficit)/ Income	(17,590)	29,896	-	12,306	5,771
		Transfers to/(from) reserves	(15,230)	-	15,230	-	-
		Transactions Involving Owners Affecting Accumulated Funds					
AASB 101.106 (d)(iii)		Capital Injections	13,500	-	-	13,500	15,952
AASB 101.106 (d)(iii)		Capital (Distributions)	(5,500)	-	-	(5,500)	(5,000)
AASB 101.106 (d)(iii)		Net Assets transferred in as part of an Administrative Restructure					
	38	19,195	-	-	-	19,195	20,050
AASB 101.106 (d)(iii)		Net Assets transferred out as part of an Administrative Restructure					
	38	-	-	-	-	-	-
AASB 101.107 AASB 101.106 (d)(iii)		Dividend Approved	(230)	-	-	(230)	-
		Total Transactions Involving Owners Affecting Accumulated Funds	26,965	-	-	26,965	31,002
		Balance at the End of the Reporting Period	3,484,770	246,113	139,485	3,870,368	3,831,255
The above Statement of Changes in Equity should be read in conjunction with the accompanying notes.							

**Model Financial Statement Supplement:
Presenting Restatements of Comparatives**

Appendix A: Restated Financial Statements - continued

'Example Agency' Statement of Changes in Equity - Continued For the Year Ended 30 June 2017					
Reference	Note No.	Accumulated Funds Actual 2017 \$'000	Asset Revaluation Surplus Actual 2017 \$'000	Other Reserves Actual 2017 \$'000	Total Equity Actual 2017 \$'000
		3,470,065	32,006	108,510	3,610,581
AASB 101.106 (b)		-	-	-	-
AASB 101.106 (b)		367	153	-	520
		3,470,432	32,159	108,510	3,611,101
Comprehensive Income					
AASB 101.106(d)(i)		2,227	-	-	2,227
AASB 101.106(d)(ii)	36	-	184,058	-	184,058
		-	-	-	-
AASB 101.106 (a)		2,227	184,058	-	186,285
		(15,745)	-	15,745	-
Transactions Involving Owners Affecting Accumulated Funds					
AASB 101.106 (d)(iii)		7,500	-	-	7,500
AASB 101.106 (d)(iii)		(17,453)	-	-	(17,453)
AASB 101.106 (d)(iii)	38	43,894	-	-	43,894
AASB 101.106 (d)(iii)	38	-	-	-	-
AASB 101.107 AASB 101.106 (d)(iii)		(230)	-	-	(230)
		33,711	-	-	33,711
		3,490,625	216,217	124,255	3,831,097
The above Statement of Changes in Equity should be read in conjunction with the accompanying notes.					

10. opening balance
restatement section

11. restated figures

APPENDIX B: NOTE DISCLOSURES

NOTE 3. CHANGE IN ACCOUNTING POLICY AND ACCOUNTING ESTIMATES, AND CORRECTION OF A PRIOR PERIOD ERROR

Reference	Note 3. Change in Accounting Policy and Accounting Estimates, and Correction of a Prior Period Error
<p>AASB 108.49 (a)</p> <p>AASB 108.49 (b)(i) & (c)</p>	<p style="text-align: right; border: 1px solid black; padding: 2px; display: inline-block;">1. description of error</p> <p>Correction of Prior Period Errors</p> <p>On 1 February 2014, the Agency received Land, Buildings and Plant and Equipment from XYZ Department, as part of an Administration Arrangement (AA). These assets were acquired at no cost and taken up at the carrying amount of the transferor. All items were recorded in the books of the Agency at the date of the transfer except for one building (valued at \$250,000) and the corresponding piece of land (valued at \$150,000). On 30 June 2015, this building and land were revalued and their fair value was determined to be \$300,000 and \$235,000 respectively. However, the fair value of the building and land was not taken up in the books of 'Example Agency' at that date.</p> <p>As this error was made in a reporting period prior to the comparative period, the Balance Sheet balances as at 30 June 2016 were restated as follows:</p> <ul style="list-style-type: none"> • Property, plant and equipment was increased by \$520,000 to record the land and building that were not previously recorded in the Agency's Balance Sheet. This increase to property, plant and equipment was as follows: <ul style="list-style-type: none"> ○ land by \$235,000; ○ buildings by \$300,000; and ○ accumulated Depreciation on the Buildings by \$15,000. • Accumulated Funds were increased by \$367,000. • Asset Revaluation Surplus was increased by \$153,000, which was made up as follows: <ul style="list-style-type: none"> ○ an increase of \$85,000 for the Asset Revaluation Surplus for Land; and ○ an increase of \$68,000 for the Asset Revaluation Surplus for Buildings. <p>In addition, the balance sheet balances were still understated as at 30 June 2017, so this error resulted in the restatement of the following line items for the year ended 30 June 2017:</p> <ul style="list-style-type: none"> ○ land by \$235,000; ○ buildings by \$300,000; and ○ accumulated Depreciation on the Buildings by \$30,000 (\$15,000 for 2016 and \$15,000 for 2017). • Accumulated Funds were increased by \$352,000. • Asset Revaluation Surplus was increased by \$153,000, which was made up as follows: <ul style="list-style-type: none"> ○ an increase of \$85,000 for the Asset Revaluation Surplus for Land; and ○ an increase of \$68,000 for the Asset Revaluation Surplus for Buildings. • Depreciation was increased by \$15,000. • Operating (Deficit) was increased by \$15,000. <p style="text-align: right; border: 1px solid black; padding: 2px; display: inline-block;">2. line items affected and by how much</p>

**Model Financial Statement Supplement:
Presenting Restatements of Comparatives**

Appendix B: Note Disclosures - continued

Reference	Note 3. Change in Accounting Policy and Accounting Estimates, and Correction of a Prior Period Error - Continued																																																																																																																
AASB 108.28&29	<p>The below section in Note 3 titled, 'Restatement of Financial Statements as a result of Change in Accounting Policy and Correction of an Error' shows the restatement of each line item effected by the error. Note that in the case of a change in accounting policy an Agency also needs to disclose the impact on the current period (2017-18)</p> <p>Restatement of Financial Statements as a Result of Change in Accounting Policy and Correction of an Error</p>																																																																																																																
	<p>30 June 2017 Comparative year</p> <div style="float: right; border: 1px solid black; padding: 2px;">3. restatement of comparative year figures</div> <table border="1" style="width: 100%; border-collapse: collapse;"> <thead> <tr> <th style="text-align: left;">Financial Statement Line Item / Balance Affected</th> <th style="text-align: left;">Note</th> <th style="text-align: right;">Actual 2017 \$'000</th> <th style="text-align: right;">Change in Acc. Policy Adj \$'000</th> <th style="text-align: right;">Correction of Error Adj \$'000</th> <th style="text-align: right;">Restated Actual 2017 \$'000</th> </tr> </thead> <tbody> <tr> <td colspan="6">Operating Statement (Extract)</td> </tr> <tr> <td colspan="6">Expenses</td> </tr> <tr> <td>Depreciation and</td> <td></td> <td style="text-align: right;">93,549</td> <td></td> <td style="text-align: right;">15</td> <td style="text-align: right;">93,564</td> </tr> <tr> <td>Total Expenses</td> <td></td> <td style="text-align: right;">357,159</td> <td></td> <td style="text-align: right;">15</td> <td style="text-align: right;">357,174</td> </tr> <tr> <td>Operating Surplus /(Deficit)</td> <td></td> <td style="text-align: right;">2,242</td> <td></td> <td style="text-align: right;">(15)</td> <td style="text-align: right;">2,227</td> </tr> <tr> <td colspan="6">Balance Sheet (Extract)</td> </tr> <tr> <td colspan="6">Non-Current Assets</td> </tr> <tr> <td>Property, Plant and</td> <td style="text-align: center;">26</td> <td style="text-align: right;">3,699,377</td> <td style="text-align: center;">-</td> <td style="text-align: right;">505</td> <td style="text-align: right;">3,699,882</td> </tr> <tr> <td>Total Non-Current Assets</td> <td></td> <td style="text-align: right;">3,874,703</td> <td style="text-align: center;">-</td> <td style="text-align: right;">505</td> <td style="text-align: right;">3,875,208</td> </tr> <tr> <td>Total Assets</td> <td></td> <td style="text-align: right;">3,890,797</td> <td style="text-align: center;">-</td> <td style="text-align: right;">505</td> <td style="text-align: right;">3,891,302</td> </tr> <tr> <td>Total Liabilities</td> <td></td> <td style="text-align: right;">3,830,592</td> <td style="text-align: center;">-</td> <td style="text-align: right;">505</td> <td style="text-align: right;">3,831,097</td> </tr> <tr> <td colspan="6">Equity</td> </tr> <tr> <td>Accumulated Funds</td> <td></td> <td style="text-align: right;">3,490,273</td> <td style="text-align: center;">-</td> <td style="text-align: right;">352</td> <td style="text-align: right;">3,490,625</td> </tr> <tr> <td>Net Revaluation Surpluses</td> <td></td> <td style="text-align: right;">216,064</td> <td style="text-align: center;">-</td> <td style="text-align: right;">153</td> <td style="text-align: right;">216,217</td> </tr> <tr> <td>Total Equity</td> <td></td> <td style="text-align: right;">3,830,592</td> <td style="text-align: center;">-</td> <td style="text-align: right;">505</td> <td style="text-align: right;">3,831,097</td> </tr> <tr> <td colspan="6">Statement of Changes in Equity (Extract)</td> </tr> <tr> <td>Operating Surplus/(Deficit)</td> <td></td> <td style="text-align: right;">2,242</td> <td style="text-align: center;">-</td> <td style="text-align: right;">15</td> <td style="text-align: right;">2,227</td> </tr> </tbody> </table>						Financial Statement Line Item / Balance Affected	Note	Actual 2017 \$'000	Change in Acc. Policy Adj \$'000	Correction of Error Adj \$'000	Restated Actual 2017 \$'000	Operating Statement (Extract)						Expenses						Depreciation and		93,549		15	93,564	Total Expenses		357,159		15	357,174	Operating Surplus /(Deficit)		2,242		(15)	2,227	Balance Sheet (Extract)						Non-Current Assets						Property, Plant and	26	3,699,377	-	505	3,699,882	Total Non-Current Assets		3,874,703	-	505	3,875,208	Total Assets		3,890,797	-	505	3,891,302	Total Liabilities		3,830,592	-	505	3,831,097	Equity						Accumulated Funds		3,490,273	-	352	3,490,625	Net Revaluation Surpluses		216,064	-	153	216,217	Total Equity		3,830,592	-	505	3,831,097	Statement of Changes in Equity (Extract)						Operating Surplus/(Deficit)		2,242	-	15
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Last year's published Financial Statement 2017 figures

Figures now appearing in 2017 comparative column this year

If an agency has no changes in accounting policy or prior period error adjustments, the corresponding column may be deleted. It is only shown here in this example to indicate layout if needed.

**Model Financial Statement Supplement:
Presenting Restatements of Comparatives**

Appendix B: Note Disclosures - Continued

Reference	Note 3. Change in Accounting Policy and Accounting Estimates, and Correction of a Prior Period Error - Continued					
	Restatement of Financial Statement as a Result of Change in Accounting Policy and Correction of an Error					
	4. restatement of comparative year opening					
	1 July 2016 (Comparative year opening balances)					
	Financial Statement Line Item / Balance Affected	Note	Actual 2016 \$'000	Change in Acc. Policy Adj \$'000	Correction of Error Adj \$'000	Restated Actual 2016 \$'000
	Balance Sheet (Extract)					
	Non-Current Assets					
	Property, Plant and Equipment	26	3,525,650	-	520	3,526,170
	Total Non-Current Assets		3,655,195	-	520	3,655,715
	Total Assets		3,664,934	-	520	3,665,454
	Net Assets		3,610,581	-	520	3,611,101
	Equity					
	Accumulated Funds		3,470,065	-	367	3,470,432
	Asset Revaluation Surpluses		32,006	-	153	32,159
	Total Equity		3,610,581	-	520	3,611,101

**Model Financial Statement Supplement:
Presenting Restatements of Comparatives**

Appendix B: Note Disclosures – Continued

NOTE 26. PROPERTY, PLANT AND EQUIPMENT

Reference	Note 26. Property, Plant and Equipment	
	<p>Property, plant and equipment includes the following classes of assets – land, buildings, leasehold improvements, plant and equipment, infrastructure assets, and community and heritage assets. Property, plant and equipment do not include assets held for sale or investment property.</p> <ul style="list-style-type: none"> • Land includes leasehold land held by the Agency, but excludes land under infrastructure. • Buildings include office buildings warehouses, and land improvements. Land Improvements include parking lots, retaining walls and purpose built children’s playground structures adjoining a building. • Leasehold improvements represent fit-outs in leased buildings. • Plant and equipment includes motor vehicles under a finance lease, mobile plant, air conditioning and heating systems, office and computer equipment, furniture and fittings, and other mechanical and electronic equipment. • Infrastructure assets held by the Agency include bridges, stormwater drains, footpaths and street lighting. Land under infrastructure is not included in infrastructure assets. • Heritage assets held by the Agency include art, historical buildings and memorials. • Community assets held by the Agency include public parks and gardens, public sporting reserves, public nature reserves and land under infrastructure. 	
	2018 \$'000	Restated 2017 ^a \$'000
	Land and Buildings	
AASB 116.73 (a)	Land at Fair Value ^b	44,874 26,146
	Total Land Assets	44,874 26,146
AASB 116.73 (a) & (d)	Buildings at Fair Value ^c	93,575 72,759
AASB 116.73 (d)	Less: Accumulated Depreciation	(7,295) (5,087)
AASB 116.73 (d)	Less: Accumulated Impairment Losses	(2,204) (554)
	Total Written Down Value of Buildings	84,076 67,118
	Total Land and Written Down Value of Buildings	128,950 93,264
	Leasehold Improvements	
AASB 116.73 (a) & (d)	Leasehold Improvements at Fair Value	10,152 9,552
AASB 116.73 (d)	Less: Accumulated Depreciation	(4,346) (3,594)
AASB 116.73 (d)	Less: Accumulated Impairment Losses	- -
	Total Written Down Value of Leasehold Improvements	5,806 5,958
	<p>a) The amounts have been restated for the error set out in Note 3 relating to the recognition of land and buildings.</p> <p>b) The increase in land resulted from the Agency purchasing land in order to build a new warehouse for the storage of large items of plant and equipment and land to build a shopfront. The increase also resulted from a revaluation of the Agency’s existing land, which occurs once every 3 years.</p> <p>c) The increase in buildings resulted from two buildings located in Fyshwick and Canberra City being completed and transferred out of Capital Works in Progress. The increase also resulted from a revaluation of the Agency’s existing buildings, which occurs once every 3 years, and from a surplus building being transferred to the Agency from the Property Group which will be used in the delivery of municipal services.</p>	

5. restated
2017 figures

**Model Financial Statement Supplement:
Presenting Restatements of Comparatives**

Appendix B: Note Disclosures - Continued

Reference	Note 26. Property, Plant and Equipment - Continued	2018 \$'000	Restated 2017 ^a \$'000
	Plant and Equipment		
AASB 116.73 (a) & (d)	Plant and Equipment at Cost	19,514	19,801
AASB 116.73 (d)	Less: Accumulated Depreciation	(10,075)	(10,149)
AASB 116.73 (d)	Less: Accumulated Impairment Losses	(1,380)	(430)
	Total Written Down Value of Plant and Equipment	8,059	9,222
	Infrastructure Assets		
AASB 116.73 (a) & (d)	Infrastructure Assets at Fair Value	5,214,396	5,182,146
AASB 116.73 (d)	Less: Accumulated Depreciation	(1,805,736)	(1,719,847)
AASB 116.73 (d)	Less: Accumulated Impairment Losses	-	-
	Total Written Down Value of Infrastructure Assets	3,408,660	3,462,299
	Community and Heritage Assets		
AASB 116.73 (a) & (d)	Community and Heritage Assets at Fair Value ^b	172,899	152,150
AASB 116.73 (d)	Less: Accumulated Depreciation	(28,161)	(23,011)
AASB 116.73 (d)	Less: Accumulated Impairment Losses	-	-
	Total Written Down Value of Community and Heritage Assets	144,738	129,139
	Total Written Down Value of Property, Plant and Equipment	3,696,213	3,699,882
	a) The amounts have been restated for the error set out in Note 3 relating to the recognition of land and buildings.		
	b) The increase in Community and Heritage assets has resulted from a revaluation of Community and Heritage assets undertaken by 'Example Agency'. The increase is also a result of a restructure of administrative arrangements, whereby 'Example Agency' received, amongst other assets, a number of public parks and gardens from ABC Department. Please refer to Note 38 <i>Restructure of Administrative Arrangements</i> for further details.		
	Assets under a Finance Lease		
	Assets under a finance lease are included in the asset class to which they relate in the above disclosure. Assets under a finance lease are also required to be separately disclosed as outlined below.		
	Carrying Amount of Assets under a Finance Lease	2018 \$'000	2017 \$'000
	Plant and Equipment under a Finance Lease	5,044	5,480
	Accumulated Depreciation of Plant and Equipment under a Finance Lease	(2,604)	(2,108)
AASB 117.31 (a)	Total Written Down Value of Plant and Equipment under a Finance Lease	2,440	3,372
	Total Written Down Value of Assets under a Finance Lease	2,440	3,372
	Valuation of Non-Current Assets		
AASB 116.77 (a) & (b)	'XYZ Valuers', an independent valuer, performs all revaluations of the Agency's assets. The latest valuation of infrastructure assets was performed as at 30 June 2017. The latest valuation of land, buildings, and Community and Heritage Assets was performed as at 30 June 2018.		
	Plant and Equipment Pledged as Security		
AASB 116.74 (a)	The carrying amount of Plant and Equipment pledged separately and specifically as security for liabilities at 30 June 2018 was \$194,000 (\$157,000 in 2017).		

**Model Financial Statement Supplement:
Presenting Restatements of Comparatives**

Appendix B: Note Disclosures - Note 26. Property, Plant and Equipment - Continued

Reconciliation of Property, Plant and Equipment								
The following table shows the movement of Property, Plant and Equipment during 2017-18.								
Reference		Land \$'000	Buildings \$'000	Leasehold Improvements \$'000	Plant and Equipment \$'000	Infrastructure Assets \$'000	Community and Heritage Assets \$'000	Total \$'000
AASB 116.73 (e)	Carrying Amount at the Beginning of the Reporting Period (Restated- see Note 3)	26,146	67,118	5,958	9,222	3,462,299	129,139	3,699,882
AASB 116.73 (e) (i)	Additions	6,400	5,820	600	5,682	32,250	-	50,752
AASB 116.73 (e) (ii)	Assets Classified as Held for Sale	-	-	-	(5,318)	-	-	(5,318)
AASB 116.73 (e) (iv)	Revaluation Increment/(Decrement)	8,660	12,776	-	-	-	7,610	29,046
AASB 116.73 (e) (iv)	Impairment Losses Recognised in Other Comprehensive Income	-	(1,650)	-	-	-	-	(1,650)
AASB 116.73 (e) (vii)	Depreciation	-	(2,208)	(752)	(2,100)	(85,889)	(5,650)	(96,599)
AASB 116.73 (e) (ix)	Acquisition/(Disposal) through Administrative Restructuring	1,640	1,260	-	-	-	15,640	18,540
AASB 116.73 (e) (ix)	Acquisition/(Disposal) from Transfers	3,120	1,560	-	-	-	(871)	3,809
AASB 116.73 (e) (v)	Impairment Losses Recognised in the Operating Surplus/(Deficit)	-	-	-	(950)	-	-	(950)
AASB 116.73 (e) (vi)	Reversal of Impairment Losses Recognised in the Operating Surplus/(Deficit)	-	-	-	-	-	-	-
AASB 116.73 (e) (ix)	Other Movements	(1,092)	(600)	-	1,523	-	(1,130)	(1,299)
AASB 116.73 (e)	Carrying Amount at the End of the Reporting Period	44,874	84,076	5,806	8,059	3,408,660	144,738	3,696,213

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Appendix B: Note Disclosures Note 26. Property, Plant and Equipment - Continued

Reference	Reconciliation of Property, Plant and Equipment - Continued							
	The following table shows the movement of Property, Plant and Equipment during 2016-17.							
		Land \$'000	Buildings \$'000	Leasehold Improvements \$'000	Plant and Equipment \$'000	Infrastructure Assets \$'000	Community and Heritage Assets \$'000	Total \$'000
AASB 116.73 (e)	Carrying Amount at the Beginning of the Reporting Period (Restated- see Note 3)	19,343	59,352	5,863	8,710	3,335,400	97,502	3,526,170
AASB 116.73 (e) (i)	Additions	1,548	4,054	665	4,022	28,418	-	38,707
AASB 116.73 (e) (ii)	Assets Classified as Held for Sale	-	-	-	(2,050)	-	-	(2,050)
AASB 116.73 (e) (iv)	Revaluation Increment/(Decrement)	-	-	-	-	182,612	-	182,612
AASB 116.73 (e) (iv)	Impairment Losses Recognised Directly in Other Comprehensive Income	-	(554)	-	-	-	-	(554)
AASB 116.73 (e) (vii)	Depreciation	-	(1,903)	(570)	(2,640)	(84,131)	(4,120)	(93,364)
AASB 116.73 (e) (ix)	Acquisition/(Disposal) through Administrative Restructuring	3,205	5,875	-	-	-	31,048	40,128
AASB 116.73 (e) (ix)	Acquisition/(Disposal) from Transfers	2,821	925	-	-	-	5,510	9,256
AASB 116.73 (e) (v)	Impairment Losses Recognised in the Operating Surplus/(Deficit)	-	-	-	(430)	-	-	(430)
AASB 116.73 (e) (vi)	Reversal of Impairment Losses Recognised in the Operating Surplus/(Deficit)	-	-	-	-	-	-	-
AASB 116.73 (e) (ix)	Other Movements	(771)	(631)	-	1,610	-	(801)	(593)
AASB 116.73 (e)	Carrying Amount at the End of the Reporting Period	26,146	67,118	5,958	9,222	3,462,299	129,139	3,699,882

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Appendix B: Note Disclosures – Continued

NOTE 14. DEPRECIATION AND AMORTISATION

Reference	Note 14. Depreciation and Amortisation	2018 \$'000	2017 \$'000
	Depreciation		
	Buildings	2,208	1,903
	Infrastructure Assets	85,889	84,131
	Plant and Equipment	2,100	2,640
	Community and Heritage Assets	5,650	4,120
	Leasehold Improvements	752	570
AASB 116.75(a)	Total Depreciation	96,599	93,364
	Amortisation		
	Intangible Assets	440	200
AASB 138.118(d)	Total Amortisation	440	200
	Total Depreciation and Amortisation	97,039	93,564
	Revision in Accounting Estimates		
AASB 116.51 AASB 108.34 & 39	The useful lives of some community and heritage assets were reassessed resulting in the depreciation expense increasing by \$140,000.		
	Change in Depreciation due to a Revision of Carrying Amount		
AASB 116.51 AASB 108.39	The residual value of plant and equipment was revised and subsequently increased as it was considered that some items of plant and equipment could be sold for an amount greater than originally anticipated. As a result, the depreciation on the plant and equipment was also revised and consequently decreased by \$180,000 in the current reporting period.		

NOTE 36. EQUITY

Reference	Note 36. Equity	2018 \$'000	2017 \$'000
AASB 101.106 (d) AASB 116.77 (f) AASB 101.79 (b)	Asset Revaluation Surplus The Asset Revaluation Surplus is used to record the increments and decrements in the value of property, plant and equipment. Balance at the Beginning of the Reporting Period	216,217	32,006
	Net Effect of Change in Accounting Policy	-	-
	Net Effect of a Correction of an Error	-	153
	Restated Balance at the Beginning of the Reporting Period	216,217	32,159
AASB 116.Aus 39.1	Increment in Land due to Revaluation	8,660	-
AASB 116.Aus 39.1	Increment in Buildings due to Revaluation	12,776	-
AASB 136.60	Decrement in Buildings due to Impairment Loss	(1,650)	(554)
AASB 116.Aus 39.1	Increment in Community and Heritage Assets due to Revaluation	7,610	-
AASB 116.Aus 39.1	Increment in Infrastructure Assets due to Revaluation	-	182,612
	Increment in Joint Venture Asset Revaluation Surplus	2,500	2,000
	Total Increase / (Decrease) in the Asset Revaluation Surplus	29,896	184,058

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APPENDIX C CALCULATIONS

Illustrative Calculation of a Prior Period Error

In order to demonstrate the calculations behind the disclosures made in Note 3 (as appearing in Appendix B), further data is provided below. This data is not required to be disclosed in order to satisfy AASB 108, however it will demonstrate the level of analysis which may be required in order to restate any comparative figures.

Financial Statement Line Item / Balance Affected	2017 \$'000	Balance Adjustment	2016 \$'000	2015 \$'000	2014 \$'000
	Ref		Ref	Ref	Ref
Effect on Expenses					
Depreciation and Amortisation	15 (h)		15 (g)	13 (d)	5 (c)
Effect on Operating (Deficit)	(15)		(15)	(13)	(5)
Effect on Assets					
Land	235	235	235	235 (e)	150 (a)
Buildings	300	300	300	300 (f)	250 (b)
Accumulated Depreciation	(30) (h)	(15)	(15) (g)	-	(5) (c)
Total Effect on Assets	505	520	520	535	395
Effect on Equity					
Accumulated Funds	352	367	367	382	395
Asset Revaluation Surplus - Buildings	68	68	68	68 (f)	-
Asset Revaluation Surplus - Land	85	85	85	85 (e)	-
Total Effect on Equity	505	520	520	535	395

Value on Transfer

- (a) On 1 February 2014, the Land had a book value of \$150,000 and had an indefinite useful life.
(b) On 1 February 2014, the Building had a book value of \$250,000 and had a useful life of 20 years.

Depreciation Notes and Calculations

- (c) Depreciation for 2014 is $\$250,000 / 20 \text{ years} / 12 \text{ months} \times 5 \text{ months} = \$5,208$
(d) Depreciation for 2015 (prior to revaluation) is $\$250,000 / 20 \text{ years} = \$12,500 \text{ pa}$
(g) Depreciation for 2016 (post revaluation) is $\$300,000 / 20 \text{ years} = \$15,000 \text{ pa}$
(h) Depreciation for 2017 (post revaluation) is $\$300,000 / 20 \text{ years} = \$15,000 \text{ pa}$

Revaluations

- (e) On 30 June 2015, the land was revalued. The fair value was assessed at \$235,000 with an indefinite useful life. Prior to revaluation the book value was \$150,000. Therefore, an Asset Revaluation Surplus of \$85,000 has been raised.
(f) On 30 June 2015, the building was revalued. The fair value was assessed at \$300,000 with a remaining useful life of 20 years. Prior to revaluation, the book value was \$232,292. Therefore, an Asset Revaluation Surplus of \$67,708 has been raised.

**Model Financial Statement Supplement:
Presenting Restatements of Comparatives**

Appendix C: calculations – Continued

This calculation is provided in order to work out all restated amounts that need to appear in the statements and associated notes. However, this part is not required to be disclosed in the financial statements.

Illustrative Calculation of a Prior Period Error - Continued						
	2017			2016		
	Published Financial Statements	Adjustment	Restated Actual	Published Financial Statements	Adjustment	Restated Actual
Land and Buildings						
Land at Fair Value ^a	25,911	235	26,146	19,108	235	19,343
Total Land Assets	25,911	235	26,146	19,108	235	19,343
Buildings at Fair Value ^b	72,459	300	72,759	62,236	300	62,536
Less: Accumulated Depreciation	(5,057)	(30)	(5,087)	(3,169)	(15)	(3,184)
Less: Accumulated Impairment Losses	(554)	-	(554)	-	-	-
Total Written Down Value of Buildings	66,848	270	67,118	59,067	285	59,352
Total Land and Written Down Value of Buildings	92,759	505	93,264	78,175	520	78,695
Leasehold Improvements						
Leasehold Improvements at Fair Value	9,552	-	9,552	8,887	-	8,887
Less: Accumulated Depreciation	(3,594)	-	(3,594)	(3,024)	-	(3,024)
Less: Accumulated Impairment Losses	-	-	-	-	-	-
Total Written Down Value of Leasehold Improvements	5,958	-	5,958	5,863	-	5,863
Plant and Equipment						
Plant and Equipment at Cost	19,801	-	19,801	16,769	-	16,769
Less: Accumulated Depreciation	(10,149)	-	(10,149)	(8,059)	-	(8,059)
Less: Accumulated Impairment Losses	(430)	-	(430)	-	-	-
Total Written Down Value of Plant and Equipment	9,222	-	9,222	8,710	-	8,710
Infrastructure Assets						
Infrastructure Assets at Fair Value	5,182,146	-	5,182,146	4,971,116	-	4,971,116
Less: Accumulated Depreciation	(1,719,847)	-	(1,719,847)	(1,635,716)	-	(1,635,716)
Less: Accumulated Impairment Losses	-	-	-	-	-	-
Total Written Down Value of Infrastructure Assets	3,462,299	-	3,462,299	3,335,400	-	3,335,400
Community and Heritage Assets						
Community and Heritage Assets at Fair Value ^c	152,150	-	152,150	116,393	-	116,393
Less: Accumulated Depreciation	(23,011)	-	(23,011)	(18,891)	-	(18,891)
Less: Accumulated Impairment Losses	-	-	-	-	-	-
Total Written Down Value of Community and Heritage Assets	129,139	-	129,139	97,502	-	97,502
Total Written Down Value of Property, Plant and Equipment	3,699,377	505	3,699,882	3,525,650	520	3,526,170
Total Non-Current Assets	3,874,703	505	3,875,208	3,655,195	520	3,655,715
Total Assets	3,890,797	505	3,891,302	3,664,934	520	3,665,454
Net Assets	3,830,592	505	3,831,097	3,610,581	520	3,611,101
Equity						
Accumulated Funds	3,490,273	352	3,490,625	3,470,065	367	3,470,432
Asset Revaluation Surpluses	216,064	153	216,217	32,006	153	32,159
Total Equity	3,830,592	505	3,831,097	3,610,581	520	3,611,101

**Model Financial Statement Supplement:
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Appendix C: calculations - Continued

Illustrative Calculation of a Prior Period Error - Continued						
	2017			2016		
	Published Financial Statements	Adjustment	Restated Actual	Published Financial Statements	Adjustment	Restated Actual
Depreciation						
Buildings	1,888	15	1,903	NA	-	NA
Infrastructure Assets	84,131	-	84,131	NA	-	NA
Plant and Equipment	2,640	-	2,640	NA	-	NA
Community and Heritage Assets	4,120	-	4,120	NA	-	NA
Leasehold Improvements	570	-	570	NA	-	NA
Total Depreciation	93,349	15	93,364	NA	-	NA
Amortisation						
Intangible Assets	200	-	200	NA	-	NA
Total Amortisation	200	-	200	NA	-	NA
Total Depreciation and Amortisation	93,549	15	93,564	NA	-	NA