

Schedule of Changes to the Statement of Accounts

	Accounts Reference	Issue
	Council Accounts	
1	<p>CIES Balance Sheet MiRS Note 14 Adjustments Between Accounting Basis and Funding Basis Note 28 Other Non-Current Liabilities Note 31 Unusable Reserves Note 50 Defined Benefit Scheme</p>	<p>Estimation of the Council's net liability to pay pensions depends on several complex judgements relating to: the discount rate used, the rate at which salaries are projected to increase, changes in retirement ages, mortality rates, pending cases which could affect the level of future benefits and expected returns on Pension Fund (Fund) investments.</p> <p>As referred to in the Audit Committee Report "Pre-Audit Statement of Accounts 2018-19", 20 June 2019, updates to expert advice received from the Council's Consulting Actuary, Hymans Robertson LLP, about its estimation of the Council's net liability to pay pensions, were required:</p> <p>a) Update of Pension Fund (Fund) asset values based on actual asset returns to 31 March 2019, rather than those in the pre-audit accounts projected by the Actuary from the position at December 2018 (as is usual practice). The Council understands that the actuary uses very broad categories of assets when projecting asset returns, which do not always match the Fund's specific allocations. Furthermore, the high level of uncertainty this year about the implications of Britain leaving the European Union also impacted on investment returns. The value of the Council's share of Fund assets decreased by £31.662m (increasing Fund net liabilities by the same amount).</p> <p>b) Inclusion of allowances in the Actuary's estimate of pension fund liabilities for 'the McCloud judgement' and 'GMP equalisation'. These were referred to in the Council's pre-audit accounts in Note 5, Assumptions Made and Other Estimation Uncertainty but were excluded from the Actuary's estimate of liabilities. This issue has been the subject of national discussion between external audit firms and actuarial firms, after the pre-audit statutory deadline. Inclusion of an allowance for these two matters has resulted in an increase in the Actuary's estimate of the Council's share of Fund liabilities of £14.317m (around 0.5% of gross Fund liabilities).</p>

2	<p>CIES Cash Flow Statement MiRS Note 7 Financing Income and Expenditure Note 9 Expenditure and Funding Analysis Note 10 Expenditure and Income Analysed By Nature Note 14 Adjustments Between Accounting Basis and Funding Basis Note 22 Financial Instruments Note 31 Unusable Reserves Note 44 Cash Flow note</p>	<p>Revision of the measurement of the Council's investments in pooled investment funds to Fair Value through Profit or Loss (FVPL), in accordance with IFRS 9 Financial Instruments, which was introduced for 2018-19. In the pre-audit accounts these funds were measured at Fair Value through Other Comprehensive Income (FVOCI), following a 2017-18 election made to measure them in this way. However, having considered evolving guidance on the treatment of such investments, this revision has been made. It should be noted that this revision has no impact on the Council's expenditure chargeable to the General Reserve balance because of a statutory temporary override that The Ministry of Housing, Communities and Local Government (MHCLG) has issued. The override is effective for financial years 2018-19 to 2022-23.</p>
3	<p>Note 18 Capital Expenditure and Capital Financing</p>	<p>Inclusion of an additional table disclosing the movement in the Capital Financing Requirement (CFR) from the start to the end of the year.</p>
4	<p>Note 31 Unusable Reserves</p>	<p>Inclusion of an additional table disclosing the movement in unusable reserves from the start to the end of the year.</p>
5	<p>Accounting Policies</p>	<p>Re-positioning of the Accounting Policies in the Statement of Accounts to place them after the Notes to the Core Financial Statements of the Council's accounts.</p>
6	<p>-</p>	<p>Minor changes to improve the presentation of the accounts, including the addition of sub-totals in certain tables and clarification of wording.</p>
	<p>Pension Fund Accounts</p>	
1	<p>Note 13 Investment Assets and Liabilities Note 15 Fair Value – Basis of Valuation</p>	<p>Re-categorisation of one investment holding from Pooled Investment Vehicles "Other quoted" to "Other unquoted", which affects the disclosure notes analysing categories of investment assets.</p>
2	<p>Note 15 Fair Value – Basis of Valuation</p>	<p>Inclusion of an additional table disclosing an assessment of the sensitivity of financial asset fair values of "Level 3" assets (unquoted Pooled Investment Vehicles and Properties).</p>

3	Note 2 Accounting Policies	Expansion of the accounting policy for the treatment of investment income in respect of properties
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Appendix 2

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