

Agency Pink: Illustrative Statements

1. The illustrative statements for “Agency Pink” (a fictitious agency) comprise:

A) Accountability

- Remuneration and Staff Report
- Parliamentary Accountability Disclosures

B) Financial Statements

- Statement of Comprehensive Net Expenditure (SoCNE)
- Statement of Financial Position (SoFP)
- Statement of Cash Flows (SoCF)
- Statement of Changes in Taxpayers' Equity (SoCTE)
- Notes to the accounts

2. The agency statements are for illustration only and should only be followed as the circumstances of an individual agency dictate. The accounts do not show every line item which may be necessary in the circumstances of an individual agency and each agency should assess whether disclosures are relevant and material to its circumstances.
3. In line with the implementation of the Simplifying and Streamlining Accounts project, notes to the accounts will only be required for material balances. The removal of non-material balances, with a recognition that materiality is not restricted to just monetary value, will significantly streamline and simplify the accounts ensuring that the user is only presented with and can focus on relevant and material information. There will be no diminution of audit scope or depth, only the presentation of the information will be affected. However, specific notes should still be reported for those entities covered by Managing Public Money or Managing Public Money Northern Ireland, where additional disclosures are necessary to meet Parliamentary Accountability requirements. Entities should refer to the IASB Materiality Practice Statement 2 for further guidance on how to apply materiality to the financial statements.

Changes made from previous version

Statement/ note	Changes	Reason
Throughout	Additional line items and guidance notes added	To provide additional guidance, improve clarity and consistency emphasising that material transactions and balances should be separately identified in the primary statements and notes
Note 11	Illustrative disclosure added reconciling liabilities arising from financing activities	Amendments to IAS 7 (Disclosure Initiative) – early adoption permitted for 2017-18

A) Accountability

1. Remuneration Report

Entities should prepare the remuneration report as specified in the FReM.

2. Staff Report

- 1) Staff numbers and costs (and relevant disclosures) has been relocated to Remuneration and Staff Report.
- 2) Entities should provide an analysis of staff numbers and costs distinguishing between:
 - Staff with a permanent (UK) employment contract with the entity; and
 - Other staff engaged on the objectives of the entity (for example, short term contract staff, agency/temporary staff, locally engaged staff overseas and inward secondments where the entity is paying the whole or the majority of their costs). Where under any one category of 'other staff' is significant (by number or cost), that category should be separately disclosed.
3. Agencies should refer to the FReM and disclosures progmulated in PES papers for details of other elements that will be required to be disclosed in the staff report. These comprise of:
 - Staff composition
 - Off payroll disclosures
 - Consultancy costs
 - Sickness absence data
 - Number of SCS (or equivalent) staff by band
 - Staff policies applied in year
 - Other employee matters

2.1 Staff Costs

(This section is subject to audit)

					201X-1Y £000	201W-1X £000
	Permanently employed staff	Others	Ministers	Special advisers	Total	Total
Wages and salaries						
Social security costs						
Other pension costs						
Sub Total						
Less recoveries in respect of outward secondments						
Total net costs						

The following text is written in the context of membership of the Principal Civil Service Pension Scheme. Agencies should write the note in the context of the scheme of which they are members. The wording is illustrative only and, for application to the PCSPS, reference should be made to guidance issued by the Cabinet Office in its Employer Pension Note series for the recommended wording for the year in question.

The Principal Civil Service Pension Scheme (PCSPS) is an unfunded multi-employer defined benefit scheme in which *[insert employer's name]* is unable to identify its share of the underlying assets and liabilities. A full actuarial valuation was carried out as at 31 March 20 $[year]$. Details can be found in the resource accounts of the Cabinet Office: Civil Superannuation (www.civilservice-pensions.gov.uk).

For 201X-1Y, employers' contributions of £ 0,000,000 were payable to the PCSPS (201W-1X £0,000,000) at one of four rates in the range 0.0 to 0.0 per cent (201W-1X: 0.0 to 0.0 per cent) of pensionable pay, based on salary bands. The scheme's Actuary reviews employer contributions every four years following a full scheme valuation. The salary bands and contribution rates were revised for 20 $[year]$ - $[year]$ and will remain unchanged until 20 $[year]$ - $[year]$. The contribution rates reflect benefits as they are accrued, not when the costs are actually incurred, and reflect past experience of the scheme.

Employees can opt to open a partnership pension account, a stakeholder pension with an employer contribution. Employers' contributions of £00,000 (201W-1X £00,000) were paid to $[an]$ $[one or more of a panel of]$ appointed stakeholder pension provider $[s]$. Employer contributions are age-related and range from 0.0 to 0.0 per cent (201W-1X: 0.0 to 0.0 per cent) of pensionable pay. Employers also match employee contributions up to x per cent of pensionable pay. In addition, employer contributions of £0,000 (0.0 per cent; 201W-1X: £0,000, 0.0 per cent) of pensionable pay, were payable to the PCSPS to cover the cost of the future provision of lump sum benefits on death in service and ill health retirement of these employees. Contributions due to the partnership pension providers at the reporting period date were £ $[x]$. Contributions prepaid at that date were £ $[y]$. $[Number]$ persons (201W-1X: $[number]$ persons) retired early on ill-health grounds; the total additional accrued pension liabilities in the year amounted to £0,000 (201W-1X: £ 0,000).

2.2 Average number of persons employed

(This section is subject to audit)

The average number of whole-time equivalent persons employed during the year was as follows.

		201X-1Y	201W-1X
		£000	£000
	<i>Permanently employed staff</i>	<i>Others</i>	<i>Total</i>
		<i>Total</i>	<i>Total</i>
Directly employed			
Other			
Staff engaged on capital projects			
Total			

2.3 Reporting of Civil Service and other compensation schemes - exit packages

(This section is subject to audit)

Comparative data to be shown (in brackets) for previous year.

<i>Exit package cost band</i>	<i>Number of compulsory redundancies</i>	<i>Number of other departures agreed</i>	<i>Total number of exit packages by cost band</i>
<£10,000			
£10,000 -			
£25,000			
£25,000 -			
£50,000			
£50,000 -			
£100,000			
£100,000-			
£150,000			
£150,000-			
£200,000			
<i>Total number of exit packages</i>			
<i>Total resource cost /£</i>			

Redundancy and other departure costs have been paid in accordance with the provisions of the Civil Service Compensation Scheme, a statutory scheme made under the Superannuation Act 1972. Exit costs are accounted for in full in the year of departure. Where the agency has agreed early retirements, the additional costs are met by the agency and not by the Civil Service pension scheme. Ill-health retirement costs are met by the pension scheme and are not included in the table.

[Agencies should provide additional text if any payments are not covered by the CSCS, for instance, ex-gratia payments agreed with the Treasury or scheme details where using another scheme.]

3. Parliamentary Accountability Disclosures

Agencies should refer to the FReM and disclosures promulgated in PES papers for details of other disclosures that will be required to be disclosed under the parliamentary accountability section.

3.1 Losses and special payments

This section is subject to audit

3.1.1 Losses Statement

Agencies should include a note on losses if the total value exceeds £300,000. Individual losses of more than £300,000 should be noted separately.

	201X-1Y	201W-1X
Total number of losses		
Total value of losses (£000)		
Details of cases over £300,000		
Cash losses		
[List cases]		

Comparatives need be given for category totals. The list of cases need only be provided for the current year.

Claims abandoned

[List cases]

Where the headings are not appropriate they do not need to be disclosed.

Administrative write-offs

[List cases]

Fruitless payments

[List cases]

Store Losses

[List payments]

3.1.2 Special Payments

Agencies should include a note on special payments if the total value exceeds £300,000. Individual payments of more than £300,000 should be noted separately. In the case of reporting on special payments which are severance payments, the detail to be disclosed should include the number of special severance payments made, the total amount paid out, and the maximum (highest), minimum (lowest) and median values of special payments made. Where an agency's reporting of severance payments does not include some or all of these details in circumstances in which doing so would conflict with a legal obligation arising as a result of the Data Protection Act 1998, or otherwise, this fact should also be disclosed.

	201X-1Y £000	201W-1X £000
Total number of special payments		
Total value of special payments (£000)		
Details of cases over £300,000		
[List cases]		

Comparatives need be given for category totals. The list of cases need only be provided for the current year.

3.1.3 Other notes

If agencies have made any other significant payments, including making gifts, these should be disclosed.

3.2 Fees and Charges

This section is subject to audit

Where the income and full cost of the service are material in the context of the financial statements agencies should provide the additional fees and charges disclosures as detailed in the FReM. The analysis should include the following information for each service:

- i. the financial objective (s) and performance against the financial objective(s);
- ii. the full cost and unit costs charged in year;
- iii. the total income received in year;
- iv. the nature/extent of any subsidies or overcharging

3.3 Remote Contingent Liabilities

In addition to contingent liabilities reported within the meaning of IAS 37, the agency also reports liabilities for which the likelihood of a transfer of economic benefit in settlement is too remote to meet the definition of contingent liability.

[Insert list with explanatory narrative]

B) Financial Statements

In line with the implementation of the Simplifying and Streamlining Accounts project, notes to the accounts will only be required for material balances. The removal of non-material balances, with a recognition that materiality is not restricted to just monetary value, will significantly streamline and simplify the accounts ensuring that the user is only presented with and can focus on relevant and material information. There will be no diminution of audit scope or depth, only the presentation of the information will be affected.

Row headings in this statement should be based on an agency's material sources of income and expenditure. Where an agency considers that an alternative format is required to improve the understanding of the body's financial performance, they should seek the approval of the relevant authority.

Statement of Comprehensive Net Expenditure

for the year ended 31 March 201Y

		201X-1Y	201Y-1W
	Note (if material)	£000	£000
Income from sale of goods and services			
Other operating income			
Total operating income			
Staff costs	3		
Purchase of goods and services	3		
Depreciation and impairment charges	3/5/6		
Provision expense			
Other operating expenditure			
Total operating expenditure			
Net operating expenditure			
Finance income			
Finance expense			
Net expenditure for the year			
Other comprehensive net expenditure			
Items which will not be reclassified to net operating costs:			
- Net gain/loss on revaluation of property, plant and equipment			
- Net gain/loss on revaluation of intangible assets			
- Actuarial gain/loss on pension scheme liabilities			
Items which may be reclassified to net operating costs:			
- Net gain/loss on revaluation of investments			
Comprehensive net expenditure for the year			

Statement of Financial Position

In line with the implementation of the Simplifying and Streamlining Accounts project, agencies will still be responsible for adding sub-headings to the statement as necessary.

As at 31 March 201Y

	Note (if material)	201X-1Y £000	201Y-1W £000
Non-current assets:			
Property, plant & equipment	x		
Investment properties			
Intangible assets			
Trade and other receivables			
Financial assets			
Total non-current assets			
Current assets			
Assets classified as held for sale			
Inventories			
Trade & other receivables			
Other current assets			
Financial assets			
Cash & cash equivalents			
Total current assets			
Total assets			
Current liabilities			
Trade and other payables			
Provisions			
Other liabilities			
Retirement benefit obligations			
Total current liabilities			
Total assets less current liabilities			
Non-current liabilities			
Provisions			
Other payables			
Financial liabilities			
Total non-current liabilities			

Total assets less total liabilities	
Taxpayers' equity and other reserves:	
General Fund	
Revaluation Reserve	
Total equity	

(Signed) (Accounting Officer)

[date]

Statement of Cash Flows

for the year ended 31 March 201Y

In line with the implementation of the Simplifying and Streamlining Accounts project, agencies will still be responsible for adding sub-headings to the statement as necessary.

		201X-1Y	201W-1X
	Note (if material)	£000	£000
Cash flows from operating activities			
Net operating expenditure	SoCNE		
Adjustments for non-cash transactions			
(Increase)/Decrease in trade and other receivables ¹			
(Increase)/Decrease in inventories			
Increase/(Decrease) in trade and other payables ¹			
Use of provisions			
Net cash inflow/(outflow) from operating activities			
Cash flows from investing activities			
Purchase of non-financial assets ²			
Proceeds from disposal of non-financial assets			
Purchase of financial assets ²			
Proceeds from disposal of financial assets			
Net cash inflow/outflow from investing activities			
Cash flows from financing activities³			
From the Consolidated Fund (Supply) – current year ³			
From the Consolidated Fund (Supply) – prior year ⁴			
From the Consolidated Fund (non-Supply) ⁵			
Net financing from the National Insurance Fund			
Net financing from the Contingencies Fund and National Loans Fund			
Capital element of payments in respect of finance leases and on-balance sheet (SoFP) PFI contracts ⁶			

<i>Net financing</i>	
Net increase/(decrease) in cash and cash equivalents in the period before adjustment for receipts and payments to the Consolidated Fund	
Payments of amounts due to the Consolidated Fund ⁷	
Net increase/(decrease) in cash and cash equivalents in the period after adjustment for receipts and payments to the Consolidated Fund	
Cash and cash equivalents at the beginning of the period	
Cash and cash equivalents at the end of the period	

1. *Less movements in receivables relating to items not passing through the Statement of Comprehensive Net Expenditure. Movements include: agency's balances with the Consolidated Fund; and payables linked to financing – NLF loans (principal and interest), capital debtors, finance leases and PFI and other service concession arrangements*
2. *Where the purchases for asset classes are material (e.g. PPE, intangibles or share purchases) these should be disclosed separately*
3. *A reconciliation of liabilities from financing activities will need to be included as per IAS 7 – See Note 11*
4. *This is the amount received from the Consolidated Fund in respect of the current year.*
5. *This is the amount received from the Consolidated Fund that relates to the prior year.*
6. *This is the financing associated with Consolidated Fund Standing Services and should equal the figure shown as Standing Services in the General Fund note.*
7. *Capital expenditure in respect of finance leases and on-balance sheet (SoFP) PFI contracts and other service concession arrangements adjusted for relevant receivables and payables.*
8. *Cash paid over to the Consolidated Fund under any category.*

Statement of Changes in Taxpayers' Equity

In line with the implementation of the *Simplifying and Streamlining Accounts* project proposes a change to this statement which removes unnecessary complexity and a significant amount of extraneous detail that does not assist the user, while retaining those elements that are essential to reflect the funded nature of agencies. Agencies will retain the flexibility and freedom to add additional headings as necessary for their individual circumstances.

for the year ended 31 March 201Y

	Note (if material)	General Fund £000	Revaluation Reserve £000	Taxpayers' equity £000
Balance at 31 March 201W				
Net parliamentary funding				
Auditors Remuneration	3			
Comprehensive net expenditure for the year	SoCNE			
Revaluation gains and losses				
Other reserves movements including transfers				
Balance at 31 March 201X				
Net parliamentary funding				
Auditors Remuneration	3			
Comprehensive net expenditure for the year	SoCNE			
Revaluation gains and losses				
Other reserves movements including transfers				
Balance at 31 March 201Y				

Agencies should insert additional lines and columns as necessary to capture all transactions passing through reserves.

Notes to the Agency's Accounts

1. Statement of accounting policies

The notes to the financial statements provide additional detail to users on the accounting policies of the entity and the numbers included in the core financial statements. In line with the implementation of the Simplifying and Streamlining Accounts project notes should only be included where additional information is material - i.e. where its omission or misstatement could influence the economic decisions of users taken on the basis of the financial statements. In the public sector context materiality can be by nature and context as well as in value, and the decisions of users can be of a non-economic nature.

HM Treasury does not require agencies to produce notes where the information is immaterial to the user and the Financial Reporting Manual clearly notes that disclosures should be limited to those necessary for an understanding of the entity's circumstances or are necessary to meet Parliamentary Accountability requirements.

Significant accounting policies should be disclosed particularly in the event of a change in policy or in relation to a material item. The accounting policy for a particular item within the financial statements may be disclosed within the note for that item.

Accounting policies – The notes to the accounts must include a statement that the accounts have been prepared in accordance with International Financial Reporting Standards (IFRS) as adapted and interpreted by this Manual. Executive agencies that are not whole departments and ALBs must also include a note that the accounts have been prepared under a direction issued by [relevant authority] under [reference to appropriate legislation].

2. Statement of Operating Expenditure by Operating Segment

Narrative to disclose:

- factors used to identify the reportable segments;
- the types of activities for which each reportable segment attracts funding;
- how reportable segments are reported to the Chief Operating Decision Maker;
- a description of each segment and how it fits into the agency's activities;
- any differences between information in the statement of operating costs by operating segment and primary financial statements;
- the basis of accounting for any transactions between reportable segments;
- changes from prior year segment identification methods; and
- reliance on major customers.

	201X-1Y				201W-1X			
	[Reportable Segment 1]	[Reportable Segment2]	[Reportable Segment3]	Total	[Reportable Segment 1]	[Reportable Segment 2]	[Reportable Segment 3]	Total
	£000	£000	£000	£000	£000	£000	£000	£000
Gross Expenditure								
Income								
Net Expenditure								
Total assets								
Total liabilities*								
Net assets*								
Other information*								

*In accordance with IFRS 8, if total liabilities, net assets or additional information is reported separately to the Chief Operating Decision Maker, disclosure should be made in the resource accounts as to the nature of this information.

Agencies should also provide reconciliations of:

- the total of the reportable segments' net expenditure to total net expenditure per the SoCNE if different;
- the total of the reportable segments' assets to the agency's assets per the SoFP if different;
- the total of the reportable segments liabilities to the agency's liabilities per the SoFP if they are reported separately to the Chief Operating Decision Maker and are different.

Note 2.1 Reconciliation between Operating Segments and SoCNE

	201X-1Y £000	201W-1X £000
Total net expenditure reported for operating segments		
Reconciling items: <i>[List separately]</i>		
Total net expenditure per the Statement of Comprehensive Net Expenditure		

Note 2.2 Reconciliation between Operating Segments and SoFP

	201X-1Y £000	201W-1X £000
Total assets reported for operating segments		
Reconciling items: <i>[List separately]</i>		
Total assets per Statement of Financial Position		
<i>If liabilities are reported:</i>		
Total liabilities reported for operating segments		
Reconciling items: <i>[List separately]</i>		
Total liabilities per Statement of Financial Position		
Total net assets per Statement of Financial Position		

3. Other Expenditure

Entities should provide an analysis of operating costs as recorded in the Statement of Comprehensive Net Expenditure in separate notes to the financial statements. This should include, service charges under PFI contracts, the individual components of non-cash items, and an analysis of other significant expenditure items. A brief summary of staff costs should also be included with a reference to more detailed disclosures (per 5.3.27 b) in the Accountability Report.

Under the streamlining project there is no longer a need to separately classify administration and programme costs. However entities should ensure they are able to provide a breakdown to their auditors.

	201X-1Y	201W-1X
	£000	£000
Note		
<i>The following expenditure items (if material) must be listed individually within this note, although not necessarily in this order. Best practice suggests that the items are presented in descending order of magnitude.</i>		
Staff Costs ¹		
Wages and Salaries		
Social Security Costs		
Other Pension Costs		
Rentals under operating leases		
Interest charges		
PFI service charges		
Research and Development expenditure		
Non-cash items		
Depreciation		
Amortisation		
Loss on disposal of property, plant and equipment		
Auditors' remuneration and expenses		
Provision provided for in year	15	
Borrowing costs of provisions (Unwinding of discount on provisions)	15	
<i>In addition, other expenditure should be analysed and any significant items listed individually as part of this table. You should NOT insert a shoulder heading of 'other' and then provide a separate note analysing 'other'.</i>		
Total		

During the year the Agency purchased the following non-audit services from its auditor, [name Auditor, e.g. the National Audit Office] [list services received with details of cost]

¹ Further analysis of staff costs is located in the Staff Report [on page XX] or in the [Accountability Report]

4. Income

All reporting entities should provide an analysis of operating income, together with commentary where appropriate, that enables users of the financial statements to understand the nature of the entity's operating income.

Income should be analysed by type (sales of services; sales of goods; interest; royalties; and dividends) as required by IAS 18 with any significant items listed individually (examples might be sales of publications, passport fees). Non-cash Income should be disclosed separately where material.

Care should be taken in describing the Income so that a reader of the accounts can understand what it is that the agency does to earn the Income. Descriptions on their own of 'fees and charges from external customers' and 'fees and charges from internal customers' are not helpful.

	201X-1Y	201W-1X
	£000	£000
	Total	Total
Income source 1		
Income source 2, etc		
Total		

4.1 Consolidated Fund Income

The following statement should be included where separate trust statements are published for the agency:

Consolidated Fund income shown in note 4 above does not include any amounts collected by the agency where it was acting as agent of the Consolidated Fund rather than as principal. Full details of income collected as agent for the Consolidated Fund are in the agency's Trust Statements published separately from but alongside these financial statements.

Otherwise, where the agency collects income on behalf of the Consolidated Fund and doesn't prepare a Trust statement, disclosure should be made in the note in the format below:

Consolidated Fund income shown in note 6 above does not include any amounts collected by the agency where it was acting as agent for the Consolidated Fund rather than as principal. The amounts collected as agent for the Consolidated Fund (which are otherwise excluded from these financial statements) were:

	201X-1Y	201W-1X
	£000	£000
Taxes and licence fees		
Fines and penalties		
Other Income		
Less:		
Costs of collection – where deductible		
Uncollectible debts		
Amount payable to the Consolidated Fund		
Balance held at the start of the year		
Payments into the Consolidated Fund		
Balance held on trust at the end of the year		

A description of the main income streams should be included together with any other explanations that may be necessary to provide a full understanding of the reported transactions.

5. Property, plant and equipment

	Land £000	Buildings £000	Dwellings £000	Information Technology £000	Plant & Machinery £000	Furniture & Fittings £000	Payments on Account & Assets under Construction £000	Total £000
Cost or valuation								
At 1 April 201X								
Additions								
Donations								
Disposals								
Impairments								
Reclassifications and Transfers								
Revaluations								
At 31 March 201Y								
Depreciation								
At 1 April 201X								
Charged in year								
Disposals								
Impairments								
Reclassifications and Transfers								
Revaluations								
At 31 March 201Y								
Carrying value at 31 March 201X								
Carrying value at 31 March 201Y								
Asset financing:								
Owned								
Finance leased								
PFI and other service concession arrangements								
Carrying value at 31 March 201Y								

The headings used to analyse assets and sources of financing should reflect the agency's material items.

If relevant, agencies should disclose the value and category of any donated assets during the year. Where the assets were donated by a related party, the name should be given.

Agencies should disclose the names and qualifications of the valuers of any assets, what assets they valued, and the date on which they were valued during the year. If relevant, the note should also state that property, plant and equipment are valued using indices.

See the FReM and IAS 16 for additional disclosure requirements

	Land £000	Buildings £000	Dwellings £000	Information Technology £000	Plant & Machinery £000	Furniture & Fittings £000	Payments on Account & Assets under Construction £000	Total £000
Cost or valuation							-	
At 1 April 201W								
Additions								
Donations								
Disposals								
Impairments								
Reclassifications and Transfers								
Revaluations								
At 31 March 201X								
Depreciation								
At 1 April 201W								
Charged in year								
Disposals								
Impairments								
Reclassifications and Transfers								
Revaluations								
At 31 March 201X								
Carrying value at 31 March 201W								
Carrying value at 31 March 201X								
Asset financing:								
Owned								
Finance leased								
PFI and other service concession arrangements								
Carrying value at 31 March 201X								

6. Intangible assets

									201X-1Y
	Information Technology	Software Licences	Websites	Development Expenditure	Licences, Trademarks & Artistic Originals	Patents	Goodwill	Payments on Account & Assets under Construction	Total
	£000	£000	£000	£000	£000	£000	£000	£000	£000
Cost or valuation									
At 1 April 201X									
Additions									
Donations									
Disposals									
Impairments									
Reclassifications and Transfers									
Revaluations									
At 31 March 201Y									
Amortisation									
At 1 April 201X									
Charged in year									
Disposals									
Impairments									
Reclassifications and Transfers									
Revaluations									
At 31 March 201Y									
Carrying value at 31 March 201X									
Carrying value at 31 March 201Y									
Asset financing:									
Owned									
Finance Leased									
Contracts									
Carrying value at 31 March 201Y									

	201W-1X								
	Information Technology	Software Licences	Websites	Development Expenditure	Licences, Trademarks & Artistic Originals	Patents	Goodwill	Payments on Account & Assets under Construction	Total
	£000	£000	£000	£000	£000	£000	£000	£000	£000
Cost or valuation									
At 1 April 201W									
Additions									
Donations									
Disposals									
Impairments									
Reclassifications and Transfers									
Revaluations									
At 31 March 201X									
Amortisation									
At 1 April 201W									
Charged in year									
Disposals									
Impairments									
Reclassifications and Transfers									
Revaluations									
At 31 March 201X									
Carrying value at 31 March 201W									
Carrying value at 31 March 201X									
Asset financing:									
Owned									
Finance leased									
Contracts									
Carrying value at 31 March 201X									

The headings and rows used to analyse assets and sources of financing should reflect the agency's material items.

If relevant, agencies should disclose the value and category of any donated assets during the year. Where the assets were donated by a related party, the name should be given.

See IAS 38 for additional disclosure requirements

7. Investment Properties

Where material, departments should disclose investment properties in line with IAS 40 as interpreted for the public sector context in the FReM.

8. Financial Instruments

As the cash requirements of Agency Pink are met through the Estimate process, financial instruments play a more limited role in creating and managing risk than would apply to a non-public sector body. The majority of financial instruments relate to contracts to buy non-financial items in line with the Agency's expected purchase and usage requirements and the Agency is therefore exposed to little credit, liquidity or market risk.

*ONLY where the Agency is exposed to risk should the appropriate IFRS 7 disclosures be made. **Material financial risk includes significant credit risk from receivables.** Disclosures should be given only where they are necessary because the Agency holds financial instruments that are complex or play a significant role in the financial risk profile of the Agency. In such cases Agencies should explain the significance of such instruments as required by IFRS 7 and disclose the carrying values following the requirements of the FReM and IAS 32 and IAS 39 and within the IFRS 7 headings to the extent they are relevant. Where the Agency does not face significant financial risks, then it is sufficient to make a statement to that effect –similar to that above.*

9. Impairments

Where material, agencies should insert a note that reports the total impairment charge for the year, showing how much has been charged direct to the Statement of Comprehensive Net Expenditure and how much has been taken through the revaluation reserve.

10. Inventories

Where material, agencies should provide a note analysing inventories by significant categories. See IAS 2 for further disclosure requirements

	201X-1Y £000	201W-1X £000
<i>[List separately]</i>		

10. Trade receivables, financial and other assets

	201X-1Y £000	201W-1X £000
Amounts falling due within one year:		
Trade receivables		
Deposits and advances		
Other receivables		
Prepayments and accrued Income		
Current part of PFI prepayment		
Current part of NLF loan		
Amounts falling due after more than one year:		
Trade receivables		
Other receivables		
Deposits and advances		
Prepayments and accrued Income		

Included within trade payables is £000 (201W-1X: £,000) that will be due to the Consolidated Fund once the debts are collected.

11. Cash and cash equivalents

Entities shall disclose the opening position, the net change in balances and the closing position separately for cash and cash equivalents. Where applicable, the closing position should be further analysed between balances held with the Government Banking Service (GBS) and balances held in commercial banks. Agencies should refer to the FReM and IAS 7 for further guidance on disclosures

	201X-1Y £000	201W-1X £000
Balance at 1 April		
Net change in cash and cash equivalent balances		
Balance at 31 March		
The following balances at 31 March were held at:		
Government Banking Service		
Commercial banks and cash in hand		
Short term investments		
Balance at 31 March		

11.1 Reconciliation of liabilities arising from financing activities (For those early adopting in 2017-18)

Amendments to IAS 7 introduced a requirement for an entity to provide disclosures that enabled users of the financial statements to evaluate changes in liabilities arising from financing activities, including both cash and non-cash changes. The liabilities disclose should be tailored to each entity's financing activities. IAS 7 does not mandate a template but below is a suggestion of how this requirement could be met. Entities are free to disclose the requirements of IAS 7 in other formats including net debt reconciliations. Narrative disclosures are also permitted, especially where there are no/minimal movements in year. Comparative information is not required in the first year of application of the amendment.

	201X	Cash flows	Non-Cash Changes				201Y
			Acquisition	Forex Movements	Fair value changes	Other changes	
Supply							
Long term borrowings (e.g. National Loans Fund)							
Lease Liabilities							
PFI Liabilities							
Assets held to hedge long term borrowings							
Total liabilities from financing activities							

	201W	Cash flows	Non-Cash Changes				201X
			Acquisition	Forex Movements	Fair value changes	Other changes	
Supply							
Long term borrowings							
Lease Liabilities							
PFI Liabilities							
Assets held to hedge long term borrowings							
Total liabilities from financing activities							

12. Trade payables, financial and other liabilities

	201X-1Y £000	201W-1X £000
Amounts falling due within one year		
VAT		
Other taxation and social security		
Trade payables		
Other payables		<i>Other payables should be analysed and any significant items disclosed separately</i>
Accruals		
Deferred Income		
Current part of finance leases		
Current part of imputed finance lease element of on balance sheet PFI contracts		
Current part of NLF loans		
Amounts falling due after more than one year:		
Other payables, accruals and deferred Income		
Finance leases		
Imputed finance lease element of on-balance sheet PFI contracts		
NLF loans		

13. Provisions for liabilities and charges

Key provisions should be analysed. Headings might include 'legal', 'nuclear decommissioning' etc

	Provision 1 £000	Provision 2 £000	Total £000
Balance at 1 April 201X			
Provided in the year			
Provisions not required written back			
Provisions utilised in the year			
Change in discount rate			
Unwinding of discount			
Balance at 31 March 201Y			

Analysis of expected timing of discounted flows

	Provision 1 £000	Provision 2 £000	Total £000
Not later than one year			
Later than one year and not later than five years			
Later than five years			
Balance at 31 March 201Y			

Agencies should include brief details of material provisions and an indication of the contents of the 'Other' column where used.

14. Retirement benefit obligations

Departments should provide a note analysing movements in net pension liabilities. See IAS 19 Employee Benefits for specific disclosure requirements. IAS 19 has been adapted and interpreted for the public sector context in the FReM.

15. Commitments under leases

Where material, agencies should disclose commitments under leases. Agencies should refer to IAS 17 for further details on disclosure requirements

15.1 Operating leases

Total future minimum lease payments under operating leases are given in the table below for each of the following periods.

	201X-1Y £000	201W-1X £000
Obligations under operating leases for the following periods comprise:		
Land		
Not later than one year		
Later than one year and not later than five years		
Later than five years		
Buildings		
Not later than one year		
Later than one year and not later than five years		
Later than five years		
Other:		
Not later than one year		
Later than one year and not later than five years		
Later than five years		

15.2 Finance leases

Total future minimum lease payments under finance leases are given in the table below for each of the following periods.

	201X-1Y £000	201W-1X £000
Obligations under finance leases for the following periods comprise:		
Buildings		
Not later than one year		
Later than one year and not later than five years		
Later than five years		
Less interest element		
Present Value of obligations		
Other		
Not later than one year		
Later than one year and not later than five years		
Later than five years		
Less interest element		
Present Value of obligations		

16. Commitments under PFI contracts

16.1 Off-balance sheet (SoFP)

For each material PFI or other service concession contract, this note should:

- state what the contract is for and note that the property is not an asset of the Agency;
- give the estimated capital value; and
- give details of any prepayments, reversionary interests, etc. and how they are accounted for.
- disclose the total payments to which they are committed for each of the following periods.

The total amount charged in the Statement of Comprehensive Net Expenditure in respect of off-balance sheet (SoFP) PFI or other service concession transactions was £s,000 (201W-11: £s,000). Total future minimum payments under off-balance sheet PFI and other service concession arrangements are given in the table below for each of the following periods:

	201X-1Y £000	201W-1X £000
Not later than one year		
Later than one year and not later than five years		
Later than five years		
	<hr/>	<hr/>
	<hr/>	<hr/>

16.2 On-balance sheet (SoFP)

Agencies should ensure they disclose total commitments which consist of:

- Imputed finance lease charges; and
- Ongoing service elements committed – these are considered to be charges made to the statement of comprehensive net expenditure (excluding interest).

Where there are other charges in the contracts, these should be attributed to capital, interest or service elements, unless considered material to be reported separately. Agencies are reminded to refer to the disclosure requirements provided in IAS 17, IFRIC 12 and SIC 29 when producing PFI and other service concession arrangement disclosures.

The total amount charged in the Statement of Comprehensive Net Expenditure in respect of the service element of on-balance sheet PFI or other service concession transactions was £s,000 (201W-11: £s,000). Total future obligations under on-balance sheet PFI and other service concession arrangements are given in the table below for each of the following periods:

	201X-1Y £000	201W-1X £000
Minimum lease payments:		
Due within one year		
Due later than one year and not later than five years		
Due later than five years		
Total	<hr/>	<hr/>
Less interest element	<hr/>	<hr/>
Present value	<hr/>	<hr/>
Service elements due in future periods:		
Due within one year		
Due later than one year and not later than five years		
Due later than five years		
	<hr/>	<hr/>
Total service elements due in future periods	<hr/>	<hr/>
Total Commitments	<hr/>	<hr/>

17. Capital commitments

	201X-1Y £000	201W-1X £000
Contracted capital commitments at 31 March 201Y not otherwise included in these accounts		
<i>[List separately]</i>		
Total		

18. Other financial commitments

The agency has entered into non-cancellable contracts (which are not leases or PFI (and other service concession arrangement) contracts), for *[state what service is being provided to the agency]*. The total payments to which the agency is committed are as follows *[agencies may decide that this disclosure is not necessary if the totals can be easily identified by a reader from the notes above]*:

	201X-1Y £000	201W-1X £000
Not later than one year		
Later than one year and not later than five years		
Later than five years		
Total		

19. Contingent liabilities disclosed under IAS 37

The Agency has the following contingent liabilities *(list with explanatory narrative)*.

The Agency has entered into the following unquantifiable contingent liabilities *(list with explanatory narrative including why the contingent liability is unquantifiable)*.

Guarantees, indemnities and letters of comfort should normally be issued by departments rather than agencies or other designated bodies. Where, exceptionally, an agency or other designated body has given a guarantee, indemnity or letter of comfort and it is significant in relation to the department, details should be noted here.

20. Related-party transactions

The Agency should disclose here its parent and other bodies sponsored by its parent. These bodies are regarded as related parties with which the Agency has had various material transactions during the year.

In addition, the Agency has had [a small number of] [various material] transactions with other government departments and other central government bodies.

No board member, key manager or other related parties has undertaken any material transactions with the Agency during the year. [If there have been material transactions, they should be disclosed.]

If not disclosed elsewhere in the annual report and accounts, entities shall disclose the name of each of its subsidiaries, or provide a web link to where this information is available. If the entity has significant holdings in undertakings other than subsidiary undertakings, then the following must be disclosed:

- The name of the undertaking;

- If the undertaking is incorporated outside the UK, the country in which it is incorporated, or, if it is unincorporated, the address of its principal place of business;
- The identify of each class of shares in the undertaking held by the company and the proportion of the nominal value of the shares of that class represented by those shares; and
- If the entity holds more than 50% of the nominal value of the shares in the undertaking, the aggregate amount of the capital and reserves of the undertaking as at the end of its financial year and its profit or loss for that year, if material.

21. Third-party assets

These are assets for which an entity acts as custodian or trustee but in which neither the entity nor government more generally has a direct beneficial interest. Third party assets are not public assets, and should not be recorded in the primary financial statements. Material third party assets should be disclosed.

Where significant the note should differentiate between:

- Third party monies and listed securities: the minimum level of numerical disclosure required is a statement of closing balances at financial year-end. For listed securities, this will be the total market value. Optionally, when considered significant by the entity and at its discretion, further disclosures may be made, including gross inflows and outflows in the year and the number and types of securities held;
- Third party physical assets and unlisted securities: disclosure may be by way of narrative note. For physical assets, the note should provide information on the asset categories involved. Such disclosure should be sufficient to give users of the financial statements an understanding of the extent to which third-party physical assets and unlisted securities are held by the entity; and
- In the event that third party monies are found to have been in a public bank account at the end of an accounting year, commentary should be included in the note on cash at bank and in hand and in the disclosures above on the amount of third party monies held in the bank account.

The assets held at the reporting period date to which it was practical to ascribe monetary values comprised [insert as relevant, for example: monetary assets, such as bank balances and monies on deposit, and listed securities]. They are set out in the table below.

	201X-1Y £000	201W-1X £000
Monetary assets such as bank balances and monies on deposit		
Listed securities		
Total		

22. Events after the reporting period date

The Agency should insert here, if relevant, a note that reports the non-adjusting events after the reporting period date that are of such importance that non-disclosure would affect the ability of users to make proper evaluations and decisions.

The Agency should disclose the date when the financial statements were authorised for issue and who gave the authorisation.

See IAS 10 for further guidance