NORTH WALES FIRE AND RESCUE AUTHORITY
IFRS TRANSITION
IMPACT ANALYSIS

High	Standard has been determined as high impact due to the size of the likely adjustment; volatility introduced into Income statement; or if the adoption of IFRS will have significant operational implications.
Medium	Standard has been assessed as medium impact if: a moderate adjustment is likely to be required; moderate fluctuation will be introduced into income statement; or if some operational or disclosure implications are likely to arise.
Low	Standard has been assessed as low impact if the adoption of IFRS will have probable little financial or operational impact.

International Standard	UK GAAP	Difference between UK GAAP and IFRS	Impact on Balance sheet	Impact on Revenue	Impact Rating
IAS 1 Presentation of Financial Statements	FRS 3, FRS 28	Under UK GAAP the core financial statements are the Income and Expenditure Account, STRGL, Balance Sheet and Cash Flow Statement. Under UK GAAP segment reporting is included on the face of the Income and Expenditure Account and 2 Balance Sheets are reported. There is no equivalent requirement to IAS1 under UK GAAP. IAS1 requires all entities reporting under IFRS to present: a balance sheet, income statement, statement of change in equity (SOCIE) or statement of recognised income and expense, cash flow statement, and notes comprising a summary of significant accounting policies and explanatory notes. Service information is included on the face of the income statement based on BVACOP. Additional segment reporting, based on internal management arrangements and including a subjective analysis and reconciliations are included in the notes. A third balance sheet is reported (as at the start of the comparative period). In the Balance Sheet, "fixed assets" become "non-current assets". Under the Code, the Authority will still have to produce a Statement of Movement on the General Fund Balance (SMGFB). 2009 2010 comparatives will be needed.	Significant changes to disclosure requirements and accompanying notes. Minimal or nil impact on measurement. Current/non-current distinction to be made for both assets and liabilities and this must be shown on the face of the balance sheet. Assets expected to be realised within one year or held for sale or consumption should be classified as current assets. Opening IFRS Balance Sheet as at the start of the comparative period will be needed.	IAS 1 specifies the minimum line items that should be included on the face of the balance sheet. More information will need to be collected than at present, e.g. subjective analysis.	Medium
IAS 2 Inventories	SSAP 9	IAS 2 allows the use of FIFO and weighted average cost formulae only, not LIFO. IAS2 and SSAP9 are similar. Under IAS2, where there are deferred payment terms for the purchase of inventories, this is regarded as a financing arrangement and the standard requires the difference between the price that would have been paid for "normal" credit terms and the actual amount paid to be recognised as an interest expense over the period of the financing.	Potential restatement of inventory figure on the balance sheet if deferred terms have been made available to the Authority.	Potential impact on finance cost line as interest expense is recharged to I&E from balance sheet. The amount recognised as an expense during the period to be disclosed together with any write-down of inventories to net realisable value with explanation for any reversals.	Low

IAS 7 Statement of Cash Flows	FRS 1	Under IAS 7 the Cash Flow Statement classifies cash into operating, investing and financing activities. Cash flows relate to movements in cash and cash equivalents (short term highly liquid investments that are readily converted into known amounts of cash, and subject to insignificant risk of changes in value, assumed to be when the instrument's maturity is less than or equal to 90 days). Under UK GAAP, cash equivalents were included in "management of liquid resources". IAS 7 requires a reconciliation between cash flow movements and net debt movement. The Code introduces the concept of inventories acquired or distributed at no or nominal cost should be measured at the lower of cost and current replacement cost.	Nil Impact.	Nil Impact.	Medium
IAS 8 Accounting Policies, Changes in Accounting Estimates and Errors	FRS 3, FRS 18	Under IAS 8 all material errors must be retrospectively corrected, whereas under UK GAAP, only fundamental errors had to be corrected. Material omissions or misstatements are material if they could, individually or collectively, influence the economic decisions that users make on the basis of the financial statements. IAS 8 requires more detailed disclosures for changes in accounting policies and corrections of errors. IAS 8 requires disclosure of the nature and amount of a change that has en effect in the current period or is expected to have an effect in future periods (except where impracticable). Under UK GAAP, this was only required in the current period.	Impact will be primarily going forward.	Impact will be primarily going forward.	Medium
IAS 10 Events After the Reporting Period	FRS 21	IAS10 outlines when an entity should adjust its financial statements for post balance sheet date events and the disclosures required. There are no significant differences under IFRS and UK GAAP.	Impact will be primarily going forward.	Impact will be primarily going forward.	Low
IAS 11 Construction Contracts	SSAP 9	This only relates to construction work that the Authority is doing on behalf of others; it does not cover assets under construction for the Authority's own purposes. It also covers long term contracts.	Not applicable.	Not applicable.	Low
IAS 12 Income Taxes	FRS 16, FRS 19	IAS 12 specifies the accounting for current and deferred tax. The differences will only affect group accounts.	Nil impact	Nil impact	Low
IAS 14 Segment Reporting	SSAP 25	Superseded by IFRS 8 for accounting periods beginning on or after 1st January 2009.	Nil impact	Nil impact	Low

IAS 16 Property, Plant and Equipment	FRS 15	IAS16 capitalises subsequent expenditure on an asset using the same criteria as the initial spend, that is, when it is probable the future economic benefits associated with the item will flow to the entity and the cost of the item can be measured reliably. FRS 15 on the other hand requires capitalisation of subsequent expenditure only when the expenditure improves the condition of the asset beyond its previously assessed standard of performance. IAS 16 states that if fixed assets are acquired in exchange for a non-monetary asset, the cost of the asset acquired is measured at fair value unless the exchange lacks commercial substance, or neither the fair value of the asset received or given up can be reliably measured. Where an organisation adopts a policy of valuations, there is a key difference in principal between IAS 16 and FRS15. IAS 16 requires revaluations to be at fair value. It states that fair value is usually determined from market based evidence, which is generally taken to mean open market value.	Potential for significant restatement of revaluation reserve if revaluation losses have previously been taken to reserves in excess of any revaluation surplus. Potential for significant change in annual depreciation arising from component depreciation and changes in residual values.	Potential for significant change in annual depreciation arising from component depreciation and changes in residual values. Revaluation losses previously included in revaluation reserve should be corrected in opening balance sheet.	High
		FRS 15 uses the 'value to business model' and requires revaluations to 'current value', which is defined as being the lower of replacement cost and recoverable amount. IAS 16 adopts a simpler approach to recognising revaluation losses to FRS15. Revaluation losses that are due to a clear consumption of economic benefits are charged to income and expenditure under FRS15, whereas under IAS16, if there is a previous revaluation surplus on that asset, the revaluation loss is first charged against the surplus to the extent of that surplus, with the balance of the loss then being charged to I&E. There is a need to clearly distinguish between revaluation losses and impairment losses.			
		Non-specialised operational and non-operational land and buildings should be carried at fair value, but the Code allows these assets to be carried forward at the existing use value. For assets of a specialised nature where there is no market evidence, an estimate of fair value can be based on Depreciated Replacement Cost (DRC), the valuation being that of a Modern Equivalent Asset (MEA) using the "instant build" approach. Provided that it meets the location requirements of the service being provided, an alternative site may be valued, which differs from the "like for like" approach currently used for DRC valuations. Land and buildings should be accounted for separately, and land is assumed to have an infinite life. The Code states that assets under construction should be valued at historic cost.			

		Surplus assets should be valued at fair value which is considered to be open market value. Where the asset is not held for generating cashflows, the value in use is the PV of the asset's remaining service potential, assumed to be at least equal to the cost of replacing that service potential and used as a measure of fair value. If the asset is of a specialist nature, then DRC can be used as an estimate of fair value. Assets that have been transferred to the Authority at nil or less than fair value consideration should be valued at fair value, with a credit in the Donated Asset Reserve (under SORP this was the Government Grants Deferred Account).			
		A component of property, plant and equipment is an item that has a cost that is significant in relation to the total cost of the asset and should be depreciated individually over their useful lives. On transition to the Code, component accounting only needs to be applied when a component is replaced or part enhanced, when the old component should also be derecognised, and so there is no adjustment required to the 31 March 2009 or 2010 balance sheets. When an asset is revalued, an entry is required between the Revaluation Reserve and the Capital Adjustment Account which represents the difference between depreciation based on historic cost and the revalued amount.			
IAS 17 Leases	SSAP 21	IAS 17 has a wider definition of a finance lease than SSAP 21. It is likely that more leases will be treated as finance leases than under UK GAAP. Property leases will be classified and accounted for as separate leases of land and buildings. The land element is treated as an operating lease unless title is expected to pass to the lessee at the end of the lease term. The Code requires the Authority to account for leases under IFRS in its opening balance sheet as at 1 April 2009.This may lead to part of an existing lease being reclassified from operating to finance and vice versa. Where an operating lease is reclassified as a finance lease an asset and a liability need to be recognised equal to the fair value of the asset. If the fair value is not known, it may be estimated as the present value of the minimum lease payments. It is also possible that some finance leases will be reclassified as operating leases.	Certain assets will come on balance sheet and others will become off balance sheet.	The depreciation charges will change as a result of assets coming on and off balance sheet. Payments on finance leases will have to be split between repaying the liability and the finance charge.	High
		Payments made on the lease up to 31 March 2009 will need to be apportioned between the finance charge and the repayment of the liability (under UK GAAP this was all charged to the general fund). Depreciation will need to be calculated on the asset as well as revaluations.			

IAS 18 Revenue	FRS 5 (AN G)	IAS 18 identifies the circumstances when revenue recognition criteria will be met. There are no significant differences between IFRS and UK GAAP.	Nil Impact.	Nil Impact.	Low
IAS 19 Employee Benefits	FRS 17 and part of FRS 12	IAS 19 covers a wider range of benefits than UK GAAP and it requires short-term benefits to be accrued as earned. Short-term benefits include wages and salaries, compensated balances, bonuses, and non-monetary benefits considered to fall due wholly within 12 months following the period when the service was rendered by the employee. An accrued expense should be recognised where there is a liability to pay wages, salaries and social security benefits at the year end. The cost of all benefits during employment should be accounted for in the period in which the benefit is earned by the employee. The main impact is likely to be in relation to holiday pay. Benefits such as holiday pay will need to be accrued where these are material.	Possible impact on General Fund in transition year in particular. It is likely that there will be mitigation.	The in year accrual movements will impact on revenue. It is likely that there will be mitigation.	High
IAS 20 Accounting for Government Grants and Disclosure of Government Assistance	SSAP 4	IAS 20 prescribes the accounting treatment of government grants and disclosures on other government assistance. IAS 20 allows government grants to be offset against fixed assets, but the Code specifically withdraws the option.	Nil Impact.	Nil Impact.	Low
IAS 21 The Effects of Changes in Foreign Exchange Rates	FRS 23	The Code requires that both the functional and presentational currencies for local authority accounts are pounds sterling. There are no significant differences under IFRS.	Nil Impact.	Nil Impact.	Low
IAS 23 Borrowing Costs	FRS 15	IAS 23 requires entities to capitalise borrowing costs relating to qualifying assets. This was optional under UK GAAP. IAS 23 has been withdrawn under the Code for local authorities.	Nil Impact.	Nil Impact.	Low
IAS 24 Related Party Disclosures	FRS 8	IAS 24 does not include all the exemptions within FRS 8 and the SORP, and so additional disclosures may be necessary. For a local authority there is no need for a remuneration report, and the SORP does not include management compensation in the definition of a related party transaction.	Nil Impact.	Additional related party disclosures may be required.	Medium
IAS 26 Accounting and Reporting by Retirement Benefit Plans	IAS 26	Not applicable.	Nil Impact.	Nil Impact.	Low

IAS 27 Consolidated and Separate Financial Statements	FRS 2	IAS 27 defines a subsidiary as "an entity, including an unincorporated entity such as a partnership that is controlled by another entity (known as the parent)". Control is defined as the "power to govern the financial and operating policies of an entity so as to obtain benefits from its activities". There are minor differences to the definition of the group boundary between IFRS and UK GAAP and the Authority will need to reassess group relationships to determine whether these come into the boundary.	Introduction of an entity's balance sheet entries into the Balance Sheet.	Introduction of an entity's revenue entries into the Revenue Account.	Medium
IAS 28 Investments in Associates	FRS 9	IAS 28 defines an associate as "an entity, including and unincorporated entity such as a partnership, over which the investor has significant influence and that is neither a subsidiary nor an interest in a joint venture". Significant influence is defined as "the power to participate in the financial and operating policy decisions of the investee but is not control or joint control over those policies". The IAS focuses on the power to participate and exercise as opposed to UK GAAP focuses on "the ability to exercise" significant influence. The definitions of associates are different and may cover a wide range of bodies. Consolidation of jointly controlled entities may be on a different basis. There will be a need to reassess the Authority's group boundary, and where necessary consolidate additional bodies into group accounts.	Introduction of Associate's balance sheet entries into the Balance Sheet. The change could mean differences in interpretation of entities brought into the group.	Introduction of Associate's revenue entries into the Revenue Account. The change could mean differences in interpretation of entities brought into the group.	Medium
IAS 29 Financial Reporting in Hyperinflationary Economies	FRS 24	HM Treasury will notify classification of the economy as hyperinflationary if appropriate.	Nil Impact.	Nil Impact.	Low
IAS 31 Interests In Joint Ventures	FRS 9	The definition of a joint venture is wider than under UK GAAP, and includes JANEs that are identified by the following types of joint ventures: jointly controlled entities, jointly controlled operations and jointly controlled assets. IAS 31 defines a joint venture as "a contractual arrangement whereby two or more parties undertake an economic activity which is subject to joint control". The definitions of joint ventures are different and may cover a wide range of bodies. Consolidation of jointly controlled entities may be on a different basis. There will be a need to reassess the Authority's group boundary, and where necessary consolidate additional bodies into group accounts.	Introduction of Joint Venture's balance sheet entries into the Balance Sheet.	Introduction of Joint Venture's revenue entries into the Revenue Account.	Medium
IAS 32 Financial Instruments: Presentation	FRS 25	The Authority has already complied with IAS 32 under UK GAAP in 2007-2008.	Nil Impact.	Nil Impact.	Low
IAS 33 Earnings Per Share	FRS 22	Not relevant to local authorities.	Nil Impact.	Nil Impact.	Low

IAS 34 Interim Financial Reporting	None	Not relevant to local authorities.	Nil Impact.	Nil Impact.	Low
IAS 36 Impairment of Assets	FRS 11	IAS 36 ensures that assets are carried at no more than their recoverable amount and measures impairment by comparing the carrying value with the higher of fair value less costs to sell (equivalent to net selling price) and value in use. The Code requires impairment to be assessed annually. The Code requires indicators to reverse an impairment to be the same for tangible and intangible assets, but under UK GAAP, indicators were set out separately. IAS 36 requires more extensive disclosure, including narrative on the testing processes and the tests made. Under UK GAAP, impairment losses due to clear consumption of economic benefits on a revalued asset are recognised in the Income and Expenditure Account. Under IFRS, all impairment losses on revalued assets are to be recognised in the Revaluation Reserve up to the amount in the Revaluation Reserve for each individual asset. When impairment considered need to look at cashflows, not profits at leisure centres, industrial units and the theatres.	Nil impact as principle of the IAS already adopted in 2008-2009, but impairment figures may be higher.	Nil impact as principle of the IAS already adopted in 2008-2009, but impairment figures may be higher. No budgetary impact as losses are reversed out of General Fund.	Medium
IAS 37 Provisions, Contingent Liabilities and Contingent Assets	FRS 12 and IAS 19	Provisions need to be recorded at their present value using the appropriate discount rate. There are no significant differences under IFRS and UK GAAP.	The Provisions figure in the Balance Sheet will be slightly reduced because of the effects of discounting.	Nil impact	Low
IAS 38 Intangible Assets	SSAP 13 and FRS 10	Under UK GAAP, internally generated intangible assets are only capitalised where there is an active market for the asset. Under IFRS, internally generated intangible assets are capitalised where the recognition criteria are met, which may result in the recognition of more internally generated intangible assets. The criteria are as follows: it must be possible to separate the asset from the entity, the entity must control the asset, there must be future economic benefit from the asset, it must be probable that the economic benefits will flow to the entity, and the cost of the asset can be measured reliably. Under IFRS, the intangible asset will be initially measured at cost. All revaluations should be charged initially to the revaluation reserve. Under IFRS there is no maximum useful life but under UK GAAP, FRS 10 suggested that the useful life of intangible assets is 20 years or less.	The number of internally generated intangible assets recorded on the Balance Sheet will change.	Depreciation charges will be changed.	Medium
IAS 39 Financial Instruments: Recognition and Measurement	FRS 4, 5, 12	IAS 39 is almost identical to the SORP (FRS 26) that the Authority implemented in 2007-2008.	Nil Impact.	Nil Impact.	Low

IAS 40 Investment Property	SSAP 19	Investment Property will be carried at fair value rather than the lower of net current replacement cost and net realisable value (usually open market value), and so there is likely to be no change in valuation. Revaluations will be taken to surplus or deficit on provision of services rather than the Revaluation Reserve, and investment properties will not be depreciated. Under IAS 40 a property interest held by a lessee under an operating lease may be accounted for as an investment property if it otherwise would meet the investment property definition. The lease is accounted for as a finance lease and fair value is determined. This option is not available under UK GAAP.	Investment Properties will be recorded at Fair Value.	Revaluations will be taken to surplus or deficit on provision of services.	Medium
IAS 41 Agriculture	None	Limited application to local authorities.	Nil Impact.	Nil Impact.	Low
IFRS 1 First-time Adoption of International Financial Reporting Standards	FRS 28	The following needs to be done in the opening IFRS statement of financial position as a starting point for accounting under IFRS: recognise all the required assets and liabilities, derecognise the appropriate assets and liabilities, reclassify items that were recognised under UK GAAP as one type of asset, liability or component of equity but are different types under IFRS, and apply the Code in measuring all assets and liabilities. The Code gives limited exemptions from this, and it prescribes that changes are applied retrospectively unless one of the following exemptions applies: IFRIC 4 (determining whether an arrangement contains a lease), IFRIC 1 (changes in decommissioning, restoration and similar liabilities), and IAS 23 (borrowing costs).	Recognition of certain new assets, derecognition of certain existing assets and reclassification of certain items.	Depreciation charges will be different as a result of the recognition and derecognition of assets.	High
IFRS 2 Share-based Payment	FRS 20	IFRS 2 is not relevant to single entity local authority financial statements.	Nil Impact.	Nil Impact.	Low
IFRS 3 Business Combinations	FRS 6, 7, 10	IFRS 3 requires business combinations to be accounted for using the acquisition method, which differs from UK GAAP that allowed merger accounting. The standard is not likely to be relevant.	Nil Impact.	Nil Impact.	Low
IFRS 4 Insurance Contracts	None	Limited application to local authorities.	Nil Impact.	Nil Impact.	Low

IFRS 5 Non-current Assets Held for Sale and Discontinued Operations	FRS 3	Under UK GAAP, assets classified as surplus are measured at market value, are exempt from depreciation and following reclassification as a surplus asset the amount of any subsequent revaluation gains is not restricted. Under IFRS, assets classified as held for sale are measured at the lower of carrying amount and fair value (market value), and are not subject to depreciation. Following reclassification as held for sale, the amount of any subsequent revaluation gains should not be in excess of previous impairment losses. This may result in greater profits on disposal. To be classified as held for sale, an asset must be non-operational and available for sale immediately in its current condition, the sale must be highly probable, it must be actively marketed for sale at a reasonable price, and must be expected to be sold within a year. Held for sale assets do not include abandoned or scrapped assets. For an operation to be categorised as discontinued, activities must cease completely and the results should be shown separately in the Income Statement and Balance Sheet.	Assets may have to be revalued in the Balance Sheet and moved to Current Assets.	More gains on disposal may be recognised.	Medium
IFRS 6 Exploration for and Evaluation of Mineral Assets	None	This is not likely to be relevant.	Nil impact	Nil impact	Low
IFRS 7 Financial Instruments: Disclosures	FRS 29	There are no significant differences between IFRS 7 and UK GAAP.	Nil impact	Nil impact	Low
IFRS 8 Operating Segments	SSAP 25	Under IFRS operating segments are defined on the same basis as for internal reporting to the "chief operating decision maker" of the entity for the purpose of allocating resources and assessing performance. IFRS 8 Supersedes IAS 14 for accounting periods beginning on or after January 2009. Under IFRS 8 the same approach is also used when disclosing information, and so the amounts reported in the financial statements are those used by management, with an explanation of the basis and a reconciliation to the related amounts in the financial statements.	Nil impact	Nil impact on revenue, but there will an increase in the content of the financial statement with a segmental revenue analysis and associated reconciliations.	Medium
IFRIC 1 Changes in Existing Decommissioning, Restoration and Similar Liabilities	Covered by FRS 12	Provisions need to be recorded at their present value using the appropriate discount rate. Decommissioning costs will need to be part of the Year 1 costs. There are no significant differences under IFRS and UK GAAP.	Nil Impact.	Nil Impact.	Low
IFRIC 2 Members' Shares in Co-operative Entities and Similar Instruments	UITF 39	Limited application to local authorities.	Nil Impact.	Nil Impact.	Low

IFRIC 4 Determining Whether an Arrangement Contains a Lease	Covered by IFRS 5. UITF 28	There will be a need to assess whether an arrangement contains the substance of a lease. An assessment will be required of whether fulfilment of the arrangement is dependent on the use of a specific asset(s) and whether the arrangement conveys the right to use the asset. Where this is the case, a lease will have to be recognised and accounted for in accordance with the lease provisions.	A possibility that new assets will be introduced to the Balance Sheet.	Any new assets introduced will be depreciated.	High
IFRIC 5 Rights to Interests Arising from Decommissioning, Restoration and Environmental Rehabilitation Funds	None	Limited application to local authorities.	Nil Impact.	Nil Impact.	Low
IFRIC 6 Liabilities Arising from Participating in a Specific Market - Waste Electrical and Electronic Equipment	UITF 45	Limited application to local authorities.	Nil Impact.	Nil Impact.	Low
IFRIC 7 Applying the Restatement Approach under IAS 29 Financial Reporting in Hyperinflationary Economies	None	HM Treasury will notify classification of the economy as hyperinflationary if appropriate.	Nil Impact.	Nil Impact.	Low
IFRIC 8 Scope of IFRS 2	UITF 41	IFRIC 8 is not relevant to single entity local authority financial statements.	Nil Impact.	Nil Impact.	Low
IFRIC 9 Reassessment of Embedded Derivatives	UITF 42	The Council has already complied under UK GAAP in 2007-2008.	Nil Impact.	Nil Impact.	Low
IFRIC 10 Interim Financial Reporting and Impairment	None	Limited application to local authorities.	Nil Impact.	Nil Impact.	Low
IFRIC 11 IFRS 2 Group and Treasury Share Transactions	UITF 44	IFRIC 11 is not relevant to single entity local authority financial statements.	Nil Impact.	Nil Impact.	Low

IFRIC 12 Service Concession Arrangements	FRS 5 (AN F)	IFRIC 12 states that grantors must recognise infrastructure provided under service concession arrangements within the scope of the standard as property, plant and equipment. This means that existing infrastructure assets under PFI contracts and previously accounted for as "off balance sheet" are likely to become "on balance sheet" under IFRS.	Nil Impact as the Authority has no PFI schemes.	Nil Impact	Low
IFRIC 13 Customer Loyalty Programmes	FRS 5 (AN G)	Limited application to local authorities.	Nil Impact.	Nil Impact.	Low
IFRIC 14 IAS 19 – The Limit on a Defined Benefit Asset, Minimum Funding Requirements and their Interaction	None	See IAS 19 on employee benefits	See IAS 19	See IAS 19	High
IFRIC 15 Agreements for the Construction of Real Estate	None	Limited application to local authorities.	Nil Impact.	Nil Impact.	Low
IFRIC 16 Hedges of a Net Investment in a Foreign Operation	None	Not relevant to local authorities.	Nil Impact.	Nil Impact.	Low
IFRIC 17 Distributions of Non-cash Assets to Owners	None	Not relevant to local authorities.	Nil Impact.	Nil Impact.	Low
IFRIC 18 Transfers of Assets from Customers	None	Not relevant to local authorities.	Nil Impact.	Nil Impact.	Low
SIC 7 Introduction of the Euro	UITF 21	The Code requires that both the functional and presentational currencies for local authority accounts are pounds sterling.	Nil Impact.	Nil Impact.	Low
SIC 10 Government Assistance – No Specific Relation to Operating Activities	None	Limited application to local authorities.	Nil Impact.	Nil Impact.	Low
SIC 12 Consolidation – Special Purpose Entities	Covered by FRS 5	Limited application to local authorities.	Nil Impact.	Nil Impact.	Low
SIC 13 Jointly Controlled Entities – Non-Monetary Contributions by Venturers	UITF 31	See IAS 31 on joint ventures	See IAS 31	See IAS 31	Medium

SIC 15 Operating Leases – Incentives	UITF 28	Limited application to local authorities, lease holidays may be relevant.	Nil Impact.	Nil Impact.	Low
SIC 21 Income Taxes - Recovery of Revalued Non-Depreciable Assets	Covered by FRS 19	Limited application to local authorities.	Nil Impact.	Nil Impact.	Low
SIC 25 Income Taxes – Changes in the Tax Status of an Enterprise or its Shareholders	Covered by FRS 16 and FRS 19	Limited application to local authorities.	Nil Impact.	Nil Impact.	Low
SIC 27 Evaluating the Substance of Transactions in the Legal Form of a Lease	Covered by FRS 5	See IFRIC 4	See IFRIC 4	See IFRIC 4	High
SIC 29 Disclosure – Service Concession Arrangements	Covered by FRS 5 (AN F)	See IFRIC 12	PFI Nil Impact	See IFRIC 12 Nil Impact	Low
SIC 31 Revenue – Barter Transactions Involving Advertising Services	UITF 26	Limited application to local authorities.	Nil Impact.	Nil Impact.	Low
SIC 32 Intangible Assets – Web Site Costs	UITF 29	See IAS 38.	See IAS 38	See IAS 38	Medium