



Circular Details	Circular No 22-36 / 6 December 2022 / A839669
Previous Circular	22-01 / 24 January 2022 / A796990
Who should read this	General Managers / Financial accounting business areas
Contact	Policy Team / (02) 4428 4100 / code@olg.nsw.gov.au
Action required	Council/Joint Organisations to implement

Local Government Code of Accounting Practice and Financial Reporting 2022-23 and related guidance material

What's new or changing

- The final Code of Accounting Practice and Financial Reporting (Code) is available to guide the preparation of councils' 2022-23 financial statements.
- A Joint Organisation (JO) Supplement to the Code is also available for preparing JO 2022-23 financial statements.
- The Office of Local Government (OLG) has consolidated guidance in relation to mandates of options and major policy decisions for NSW local government entities under Australian Accounting Standards.

What this will mean for your council/JO

- The Code must be used by councils and JOs to prepare their annual financial statements in accordance with the *Local Government Act 1993* and the *Local Government (General) Regulation 2005*.

Key points

- The Code has been prepared in accordance with the *Local Government Act 1993*, the Australian Accounting Standards and other requirements.
- Changes highlighted in yellow are new for 2022-23.
- Councils and JOs should carefully review the key changes in this year's Code, which are also detailed within the Summary of key changes to the Code 2022-23.
- The JO Supplement to the Code supports the preparation of JO financial statements.
- The introduction and overview of the Code provides guidance to JOs on the application of the JO Supplement.
- The Code has been developed in consultation with the Code Working Group, which involves key stakeholders, including the NSW Audit Office, council and JO representatives, external auditors and Local Government NSW.
- OLG has consolidated guidance in relation to mandates of options and major policy decisions for NSW Local Government entities under Australian Accounting Standards. This guidance supersedes Guidance to councils on transitioning to Australian Accounting Standards Board 9, 16, 15 and 1058 previously issued by OLG.

Where to go for further information

- OLG's website has the:
 - Code, comprising of five documents:
 1. General Purpose Financial Statements (Section 1)
 2. Joint Organisations Supplement (Section 2)
 3. Special Purpose Financial Statements (Section 3)
 4. Special Schedules (section 4)
 5. Appendices (Section 5)
 - Summary of key changes to the Code 2022-23
 - Mandates of options and major policy decisions for NSW Local Government entities under Australian Accounting Standards.

OLG's Accounting Practice page can be found here:

<https://www.olg.nsw.gov.au/councils/council-finances/financial-reporting/local-government-code-of-accounting-practice-and-financial-reporting/>

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