

**BARS GAAP – Draft BARS pages for Accounting Changes and Error Corrections,
effective for 2024 reporting.**

DRAFT PAGES FOR REVIEW – DO NOT USE AS IMPLEMENTATION GUIDANCE

GAAP Basis BARS Manual – pending December 2024 update

REPORTING

Note X-Accounting Changes and Error Corrections

A template for this note is not available. See “Instructions to preparer:” for disclosures that may be required.

INSTRUCTIONS TO PREPARER

Include changes in accounting principles, changes in accounting estimates, changes to or within the reporting entity, and error corrections in previously issued financial statements as defined at [{BARS XXX Link}](#). See the Government Accounting Standards Board (GASB) *Codification of Governmental Accounting and Financial Reporting Standards* (Cod.) Section (Sec.) [2250 —Additional Financial Reporting Considerations](#) for more details.

For all accounting changes and error corrections, the note disclosure should include:

- a. A narrative description, specific details are included with each category below
- b. Tabular format that reconciles beginning balances as previously reported to beginning balances as adjusted or restated for each reporting unit for each accounting change and/or error correction

Specific narrative requirements for each accounting change and/or error correction are listed below:

Change in accounting principle:

- a. The nature of the change including:
 - i. Identification of the financial statement line item affected
 - ii. Identification of the new pronouncement implemented
- b. The reason for the change; if not because of the implementation of a new pronouncement, include an explanation of why the new accounting principle is preferable

Change in accounting estimate:

- a. The nature of the change, including the identification of the line items affected
- b. The reason for the change to an input, if applicable, unless the change in measurement is required by a GASB pronouncement.

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Change to or within the reporting entity:

- a. The nature of the change
- b. The reason for the change

Error correction:

- a. The nature of the error and the correction, including the periods affected by the error
- b. Identification of the financial statement line items that are affected by the error
- c. The effect on the prior period's change in net position, fund balance, or fund net position, as applicable, had the error not occurred

Examples:

Example – Change to or within the reporting entity: During fiscal year 20XX, the (government type) experienced a(change to OR within the financial reporting entity) which resulted in adjustments to the (beginning net position OR fund net position) as identified in Column (X) of the table below.

Example – Error correction: During fiscal year 20XX, the (government type) identified (describe error). The effect of that error is shown in Column (X) of the table below.

Sample table on next page.

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Table format example:

	12/31/20XX As previously reported	Change in accounting principle	Change to or within the financial reporting entity	Error correction	12/31/20XX As restated/adjusted
Government-wide					
Governmental Activities					
Business-type Activities					
Total primary government					
Governmental Funds					
Major Funds:					
General Fund					
Fund 1					
Nonmajor Funds					
Total Governmental Funds					