

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

**DRAFT PAGES FOR REVIEW – DO NOT USE AS IMPLEMENTATION GUIDANCE**

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**Cash 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.*

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**INSTRUCTIONS TO PREPARER:**

Include changes in accounting principles, changes to or within the reporting entity, and error corrections in previously issued financial statements as defined at **BARS XXX**.

For all accounting changes and error corrections, the circumstance surrounding each change should be separately disclosed by:

- a. A narrative of the change or error, as detailed below
- b. A formatted table detailing the impact of each change or error that reconciles to the adjustment totals in BARS Codes 388.XX and 588.XX

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

Change in accounting principle:

- a. Identification of the new accounting standard implemented as required by the BARS Manual

Change to or within the financial reporting entity:

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

Error correction:

- a. Identification of the error and the correction, including the period(s) affected by the error
- b. Identification of the line items that are affected by the error
- c. The effect (amount) on the prior period’s cash and investment balance, had the error not occurred

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*Examples:*

*Example – change in accounting principle: During fiscal year 20XX, the (government type) implemented (describe accounting standard) as required by the BARS Manual. The effect of that accounting standard is shown in Column (X) of the table below.*

*Example – change in financial reporting entity: During fiscal year 20XX, the (government type) reported Fund XXX as (fund type) whereas in (prior fiscal year) it was reported as Fund XXX as (fund type). This change has occurred due to (describe reason for the change). The effect of the change in reporting entity is shown in the table below, see column (X).*

*Example – error correction: During fiscal year 20XX, the (government type) identified (describe error). This error causes the beginning cash balance to be restated by (dollar amount) less/more than previously reported. The effect of that error is shown in Column (X) of the table below.*

*Table format example:*

|             | 12/31/20XX<br>As previously<br>reported | Change in<br>accounting<br>principle | Change to or<br>within the<br>financial<br>reporting<br>entity | Error<br>correction | 12/31/20XX<br>As<br>restated/adjusted |
|-------------|---|--------------------------------------|--|---------------------|---------------------------------------|
| Fund 1      |   |                                      |  |                     |                                       |
| Fund 2      |   |                                      |  |                     |                                       |
| Total Funds |   |                                      |  |                     |                                       |