

**Please note that the tracked change amendments to paragraph 3.12.1 in the Draft Code of Practice on the Highways Network Asset should be as below:**

3.12.1 The accounting entries for the Highways Network Asset, including the relevant provisions as an item of property, plant and equipment are detailed in the *Highways Network Asset Accounting Guidance for Practitioners*. It is important for accountants to note that the Revaluation Reserve cannot have a negative balance for ~~individual components~~the Highways Network Asset. This means that revaluation losses can only be posted to the Revaluation Reserve up to the value of any previous gains posted for that ~~component~~asset. The disclosures require revaluation gains and losses to be reported separately for those recognised in the Revaluation Reserve and those recognised in the Surplus or Deficit on the Provision of Services in the Comprehensive Income and Expenditure Statement.