MOORE

TECHNICAL UPDATE

A SUMMARY OF RECENT CHANGES TO FINANCIAL REPORTING REQUIREMENTS APPLICABLE FOR YEARS ENDING ON 30 JUNE 2021

THIS TECHNICAL UPDATE INCLUDES:

Summary tables of:

- Australian Accounting Standards and Interpretations mandatory for 30 June 2021; and
- Accounting Standards and Interpretations issued but not yet effective for 30 June 2021.

Discussion of significant[1]:

- Australian Accounting Standards and Interpretations mandatory for 30 June 2021; and
- Accounting Standards and Interpretations issued but not yet effective for 30 June 2021.

[1] Discussion based on 'Main features of this Standard' from each amending standard.

AUSTRALIAN ACCOUNTING STANDARDS AND INTERPRETATIONS MANDATORY FOR 30 JUNE 2021

The following standards and interpretations are mandatorily applicable for the first time for entities with years ending 30 June 2021.

REFERENCE	TITLE	APPLICABLE FOR REPORTING PERIODS BEGINNING ON OR AFTER
AASB 1059	Service Concession Arrangements: Grantors	1 January 2020
AASB 2018-6	Amendments to Australian Accounting Standards – Definition of a Business	1 January 2020
AASB 2018-7	Amendments to Australian Accounting Standards – Definition of Material	1 January 2020
AASB 2019-1	Amendments to Australian Accounting Standards – References to the Conceptual Framework	1 January 2020
AASB 2019-2	Amendments to Australian Accounting Standards – Implementation of AASB 1059	1 January 2020
AASB 2019-3	Amendments to Australian Accounting Standards – Interest Rate Benchmark Reform	1 January 2020
AASB 2019-5	Amendments to Australian Accounting Standards - Disclosure of the Effect of New IFRS Standards Not Yet Issued in Australia	1 January 2020
AASB 2019-7	Amendments to Australian Accounting Standards – Disclosure of GFS Measures of Key Fiscal Aggregates and GAAP/GFS Reconciliations	1 January 2020
AASB 2020-4	Amendments to Australian Accounting Standards – Covid-19-Related Rent Concessions	1 June 2020
AASB 2021-3	Amendments to Australian accounting Standards – Covid-19-Related Rent Concessions[2]	1 April 2021

[2] Included in this table as it directly impacts AASB 2020-4

AASB 1059 SERVICE CONCESSION ARRANGEMENTS: GRANTORS

This Standard addresses the accounting for a service concession arrangement by a grantor that is a public sector entity by prescribing the accounting for the arrangement from the grantor's perspective. The Standard is based on International Public Sector Accounting Standard IPSAS 32 Service Concession Arrangements: Grantor and is informed by AASB Interpretation 12 Service Concession Arrangements, which sets out the accounting for the operator in a public-to-private service concession arrangement. For example, the principles for recognition of a service concession asset are broadly consistent with AASB Interpretation 12.

The Standard applies to arrangements that involve an operator providing public services related to a service concession asset on behalf of a public sector grantor for a specified period of time and managing at least some of those services. An arrangement within the scope of this Standard typically involves an operator constructing the assets used to provide the public service or upgrading the assets (for example, by increasing their capacity) and operating and maintaining the assets for a specified period of time. Such arrangements are often described as build-operate transfer or rehabilitate-operate-transfer service concession arrangements or public-private partnerships (PPPs).

The Standard requires the grantor to:

a) recognise a service concession asset constructed, developed or acquired from a third party by the operator, including an upgrade to an existing asset of the grantor, when the grantor controls the asset. The grantor controls the asset if the grantor controls or regulates the services the operator must provide with the asset, to whom it must provide them and at what price, and if the grantor controls any significant residual interest in the asset at the end of the term of the arrangement;

b) reclassify an existing asset (including recognising previously unrecognised identifiable intangible assets and land under roads) as a service concession asset when it meets the criteria for recognition as a service concession asset;
c) initially measure a service concession asset constructed, developed or acquired by the operator or reclassified by the grantor at current replacement cost in accordance with the cost approach to fair value in AASB 13 Fair Value Measurement. Subsequent to the initial recognition or reclassification of the asset, the service concession asset is accounted for in

accordance with AASB 116 Property, Plant and Equipment or AASB 138 Intangible Assets, as appropriate, except as specified in this Standard;

d) recognise a corresponding liability measured initially at the fair value (current replacement cost) of the service concession asset, adjusted for any other consideration between the grantor and the operator. The liability is recognised using either or both of the following models:
   I. the financial liability model – this model applies where the grantor has an obligation to deliver cash or another financial asset to the operator for the delivery of the service concession asset. This model requires the grantor to allocate the payments to the operator under the contract and account for them according to their substance as payments relating to the liability recognised or charges for services provided by the operator; and
   II. the grant of a right to the operator model – this model applies where the grantor grants the operator the right to earn revenue from third-party users of the service concession asset. This model requires the grantor to recognise a liability reflecting the unearned portion of the revenue arising from the exchange of the assets between the grantor and the operator. The grantor recognises revenue over the period of the service concession arrangement according to the substance of the arrangement and reduces the liability as the revenue is recognised; and

e) disclose sufficient information to enable users of financial statements to understand the nature, amount, timing and uncertainty of assets, liabilities, revenue and cash flows arising from service concession arrangements, by considering the disclosure of information such as the following:
   I. a description of the arrangements;
   II. significant terms of the arrangements that may affect the amount, timing and uncertainty of future cash flows;
   III. the nature and extent of the grantor's rights and obligations (such as rights to receive specified services and assets from the operator, and obligations to provide the operator with access to service concession assets or other revenue-generating assets) and renewal and termination options; and
   IV. changes in arrangements during the reporting period.

AASB 2018-6
AMENDMENTS TO AUSTRALIAN ACCOUNTING STANDARDS – DEFINITION OF A BUSINESS

The Standard amends AASB 3 to clarify the definition of a business, assisting entities to determine whether a transaction should be accounted for as a business combination or as an asset acquisition. The amendments:

(a) clarify that to be considered a business, an acquired set of activities and assets must include, at a minimum, an input and a substantive process that together significantly contribute to the ability to create outputs;

(b) remove the assessment of whether market participants are capable of replacing any missing inputs or processes and continuing to produce outputs;

(c) add guidance and illustrative examples to help entities assess whether a substantive process has been acquired;

(d) narrow the definitions of a business and of outputs by focusing on goods and services provided to customers and by removing the reference to an ability to reduce costs; and

(e) add an optional concentration test that permits a simplified assessment of whether an acquired set of activities and assets is not a business.

AASB 2018-7
AMENDMENTS TO AUSTRALIAN ACCOUNTING STANDARDS – DEFINITION OF MATERIAL

The Standard principally amends AASB 101 and AASB 108. The amendments refine the definition of material in AASB 101. The amendments clarify the definition of material and its application by improving the wording and aligning the definition across AASB Standards and other publications. The amendment also includes some supporting requirements in AASB 101 in the definition to give it more prominence and clarifies the explanation accompanying the definition of material.

AASB 2019-1
AMENDMENTS TO AUSTRALIAN ACCOUNTING STANDARDS – REFERENCES TO THE CONCEPTUAL FRAMEWORK

This Standard sets out amendments to Australian Accounting Standards, Interpretations and other pronouncements to reflect the issuance of the Conceptual Framework for Financial Reporting (Conceptual Framework) by the AASB.

If an entity is required to apply the Conceptual Framework, it cannot identify as a non-reporting entity under SAC 1. The entity will therefore need to prepare general purpose financial statements that comply with Australian Accounting Standards.

AASB 2019-2
AMENDMENTS TO AUSTRALIAN ACCOUNTING STANDARDS – IMPLEMENTATION OF AASB 1059

This Standard makes amendments to AASB 16 and AASB 1059 to:

a) amend the modified retrospective method set out in paragraph C4 of AASB 1059 as follows:
    i. specify the financial liability should be recognised at fair value at the date of initial application;
    ii. initially measure the Grant of a Right to the Operator (GORTO) liability representing the unearned portion of any revenue arising from the receipt of a service concession asset based on the current replacement cost of the service concession asset at the date of initial application adjusted to reflect the remaining concession period relative to the total period of the arrangement, rather than relative to the remaining economic life of the service concession asset;
    iii. measure a liability representing any third-party unearned revenue arising from the receipt of additional consideration from the operator for access to an existing asset of the grantor that has been reclassified as a service concession asset at the proceeds received, adjusted to reflect the remaining period of the service concession arrangement relative to the total period of the arrangement;

b) modify AASB 16 to provide a practical expedient to grantors of service concession arrangements so that AASB 16 would not need to be applied to assets that would be recognised as service concession assets under AASB 1059; and
c) include editorial amendments to the application guidance and implementation guidance accompanying AASB 1059.

AASB 2019-3
AMENDMENTS TO AUSTRALIAN ACCOUNTING STANDARDS – INTEREST RATE BENCHMARK REFORM

The Standard amends AASB 7, AASB 9 and AASB 139 to modify some specific hedge accounting requirements to provide relief from the potential effects of the uncertainty caused by the interest rate benchmark reform. In addition, the amendments require entities to provide additional information about their hedging relationships that are directly affected by these uncertainties.

AASB 2019-5
AMENDMENTS TO AUSTRALIAN ACCOUNTING STANDARDS - DISCLOSURE OF THE EFFECT OF NEW IFRS STANDARDS NOT YET ISSUED IN AUSTRALIA

This Standard makes amendments to AASB 1054 by adding a disclosure requirement for an entity intending to comply with IFRS Standards to disclose the information specified in paragraphs 30 and 31 of AASB 108 Accounting Policies, Changes in Accounting Estimates and Errors on the potential effect of an IFRS Standard that has not yet been issued by the AASB. This will ensure that for-profit publicly accountable entities complying with Australian Accounting Standards can assert compliance with IFRS Standards.

AASB 2019-7
AMENDMENTS TO AUSTRALIAN ACCOUNTING STANDARDS – DISCLOSURE OF GFS MEASURES OF KEY FISCAL AGGREGATES AND GAAP/GFS RECONCILIATIONS

This Standard makes amendments to AASB 1049 to:

a) provide optional relief, for the General Government Sector (GGS) financial statements and the whole of government financial statements (including the Public Non-Financial Corporations (PNFC) and Public Financial Corporations (PFC) sectors), from:
   I. disclosure of the key fiscal aggregates measured in accordance with the ABS GFS Manual where they differ from the key fiscal aggregates measured consistently with Australian Accounting Standards, which are disclosed pursuant to paragraph 16 of AASB 1049; and
   II. a reconciliation of the two measures of key fiscal aggregates; and

b) where the entity elects to adopt the optional relief – require additional disclosure to explain how each key fiscal aggregate is calculated and how it differs (not necessarily quantitatively) from its corresponding GFS measure.

AASB 2020-4
AMENDMENTS TO AUSTRALIAN ACCOUNTING STANDARDS – COVID-19-RELATED RENT CONCESSIONS

This Standard amends AASB 16 to provide a practical expedient that permits lessees not to assess whether rent concessions that occur as a direct consequence of the covid-19 pandemic and meet specified conditions are lease modifications and, instead, to account for those rent concessions as if they were not lease modifications.

AASB 2021-3
AMENDMENTS TO AUSTRALIAN ACCOUNTING STANDARDS – COVID-19-RELATED RENT CONCESSIONS BEYOND 30 JUNE 2021

This Standard amends AASB 16 to extend by one year the application period of the practical expedient added to AASB 16 by AASB 2020-4 Amendments to Australian Accounting Standards – Covid-19-Related Rent Concessions. The practical expedient permits lessees not to assess whether rent concessions that occur as a direct consequence of the covid-19 pandemic and meet specified conditions are lease modifications and, instead, to account for those rent concessions as if they were not lease modifications. This Standard extends the practical expedient to rent concessions that reduce only lease payments originally due on or before 30 June 2022, provided the other conditions for applying the practical expedient are met.

Whilst the application date applies to annual periods beginning on or after 1 April 2021. Earlier application is permitted, including in financial statements not authorised for issue at the date this Standard was issued.

ACCOUNTING STANDARDS AND INTERPRETATIONS ISSUED BUT NOT YET EFFECTIVE FOR 30 JUNE 2021

The following standards and interpretations have been issued but are not yet effective for entities with years ending 30 June 2021.

REFERENCE	TITLE	APPLICABLE FOR REPORTING PERIODS BEGINNING ON OR AFTER
AASB 17	Insurance Contracts	1 January 2023
AASB 2014-10	Amendments to AASB 10 Consolidated financial statements and AASB 128 Investments in associates and joint ventures	1 January 2022[3]
AASB 2020-1	Amendments to Australian Accounting Standards – Classification of Liabilities as Current or Non-current	1 January 2023
AASB 2020-2	Amendments to Australian Accounting Standards – Removal of Special Purpose Financial Statements for Certain For-Profit Private Sector Entities	1 July 2021
AASB 1060	General Purpose Financial Statements – Simplified Disclosures for For-Profit and Not-for-Profit Tier 2 Entities (Appendix C)	1 July 2021
AASB 2020-3	Amendments to Australian Accounting Standards – Annual Improvements 2018–2020 and Other Amendments	1 January 2022
AASB 2020-5	Amendments to Australian Accounting Standards – Insurance Contracts	1 January 2021
AASB 2020-6	Amendments to Australian Accounting Standards – Classification of Liabilities as Current or Non-current – Deferral of Effective Date	1 January 2022
AASB 2020-7	Amendments to Australian Accounting Standards – Covid-19-Related Rent Concessions: Tier 2 Disclosures	1 July 2021
AASB 2020-8	Amendments to Australian Accounting Standards – Interest Rate Benchmark Reform – Phase 2	1 January 2021
AASB 2020-9	Amendments to Australian Accounting Standards – Tier 2 Disclosures: Interest Rate Benchmark Reform (Phase 2) and Other Amendments	1 July 2021
AASB 2021-1	Amendments to Australian Accounting Standards – Transition to Tier 2: Simplified Disclosures for Not-for-Profit Entities	1 July 2021
AASB 2021-2	Amendments to Australian Accounting Standards – Disclosure of Accounting Policies and Definition of Accounting Estimates	1 January 2023

[3] In December 2015 the IASB decided to defer the application date of this amendment until such time as the IASB has finalised its research project on the equity method. However, the AASB cannot legally issue amendments without an operative date. It has therefore initially deferred the application date to 1 January 2018 and subsequently extended this to 1 January 2022.
Even though the amendments are not yet mandatory, they can be applied early if an entity elects to do so.

AASB 17
INSURANCE CONTRACTS

AASB 17 Insurance Contracts establishes principles for the recognition, measurement, presentation and disclosure of insurance contracts issued.

AASB 2014-10
AMENDMENTS TO AASB 10 CONSOLIDATED FINANCIAL STATEMENTS AND AASB 128 INVESTMENTS IN ASSOCIATES AND JOINT VENTURES

This Standard amends AASB 10 and AASB 128 to address an inconsistency between the requirements in AASB 10 and those in AASB 128 (August 2011), in dealing with the sale or contribution of assets between an investor and its associate or joint venture. The amendments require:

a) a full gain or loss to be recognised when a transaction involves a business (whether it is housed in a subsidiary or not); and
b) a partial gain or loss to be recognised when a transaction involves assets that do not constitute a business, even if these assets are housed in a subsidiary.

This Standard also makes an editorial correction to AASB 10.

AASB 2020-1
AMENDMENTS TO AUSTRALIAN ACCOUNTING STANDARDS – CLASSIFICATION OF LIABILITIES AS CURRENT OR NON-CURRENT

This Standard amends AASB 101 to clarify requirements for the presentation of liabilities in the statement of financial position as current or non-current. For example, the amendments clarify that a liability is classified as non-current if an entity has the right at the end of the reporting period to defer settlement of the liability for at least 12 months after the reporting period. The meaning of settlement of a liability is also clarified.

AASB 2020-2
AMENDMENTS TO AUSTRALIAN ACCOUNTING STANDARDS – REMOVAL OF SPECIAL PURPOSE FINANCIAL STATEMENTS FOR CERTAIN FOR-PROFIT PRIVATE SECTOR ENTITIES

This Standard makes amendments to the Standards (via AASB 1057 Application of Australian Accounting Standards) and the Conceptual Framework for Financial Reporting (Conceptual Framework) so that they apply explicitly to:

a) for-profit private sector entities that are required by legislation to prepare financial statements that comply with either Australian Accounting Standards or accounting standards (with the previous limitation to entities with public accountability removed); and
b) other for-profit private sector entities that are required only by their constituting document or another document to prepare financial statements that comply with Australian Accounting Standards, provided that the relevant document was created or amended on or after 1 July 2021.

The Conceptual Framework is also amended to apply to other for-profit entities (including for-profit public sector entities) that elect to prepare general purpose financial statements and as a result apply the Conceptual Framework and the consequential amendments to other pronouncements set out in this Standard, as well as in AASB 2019-1.

The applicability of the Framework for the Preparation and Presentation of Financial Statements and Statement of Accounting Concepts SAC 1 Definition of the Reporting Entity is amended so that they continue to apply to for-profit entities that do not need to apply the Conceptual Framework (eg for-profit public sector entities and those whose constituting document was created or amended before 1 July 2021), as well as to not-for-profit entities (subject to exceptions stated in the Standards).

Consequential amendments are made to various Standards, including amending the applicability of the 'reporting entity' definition in AASB 1057 so that it is not relevant to the entities to which this Standard is applicable (all of which would apply the Conceptual Framework). As a consequence, the ability of such an entity to prepare special purpose financial statements is removed and it will need to prepare general purpose financial statements that comply with Australian Accounting Standards (or accounting standards, under legislative requirements). This Standard also adds an Appendix to AASB 1053 Application of Tiers of Australian Accounting Standards to provide relief from restating comparative information for entities that elect to early adopt the requirements in this Standard.

AASB 1060
GENERAL PURPOSE FINANCIAL STATEMENTS – SIMPLIFIED DISCLOSURES FOR FOR-PROFIT AND NOT-FOR-PROFIT TIER 2 ENTITIES (APPENDIX C)

This Standard sets out a new, separate disclosure Standard to be applied by all entities that are reporting under Tier 2 of the Differential Reporting Framework in AASB 1053. This Standard has been developed based on a new methodology and principles to be used in determining the Tier 2 disclosures that are necessary for meeting user needs, to replace the current Reduced Disclosure Requirements (RDR) framework. The methodology and principles applied are outlined in the Basis for Conclusions to this Standard.

This Standard does not change:

- which entities are permitted to apply Tier 2 reporting requirements; and
- the recognition and measurement requirements of Tier 2, which are the same as for Tier 1.

The disclosures that are relevant to Tier 2 entities are set out in this separate Standard. Disclosure requirements set out in the body or appendix of other Standards will no longer be shaded or unshaded in relation to Tier 2 requirements.

While entities that comply with this Standard need to apply the recognition and measurement requirements in other Standards, they are exempt from the disclosure requirements in specified paragraphs in other Standards. Tier 2 entities are also not required to comply with other Standards that deal only with presentation and disclosure. Consequential amendments to the relevant Standards are set out in Appendix C.

While this Standard includes certain presentation requirements, these do not result in presentations or classifications that are different to those required for Tier 1 entities. The only exception is the option not to include a separate statement of changes in equity in certain circumstances, as set out in paragraph 26 of the Standard.

AASB 2020-3
AMENDMENTS TO AUSTRALIAN ACCOUNTING STANDARDS – ANNUAL IMPROVEMENTS 2018–2020 AND OTHER AMENDMENTS

This Standard amends:

a) AASB 1 to simplify the application of AASB 1 by a subsidiary that becomes a first-time adopter after its parent in relation to the measurement of cumulative translation differences;
b) AASB 3 to update a reference to the Conceptual Framework for Financial Reporting without changing the accounting requirements for business combinations;
c) AASB 9 to clarify the fees an entity includes when assessing whether the terms of a new or modified financial liability are substantially different from the terms of the original financial liability;
d) AASB 116 to require an entity to recognise the sales proceeds from selling items produced while preparing property, plant and equipment for its intended use and the related cost in profit or loss, instead of deducting the amounts received from the cost of the asset;
e) AASB 137 to specify the costs that an entity includes when assessing whether a contract will be loss-making; and
f) AASB 141 to remove the requirement to exclude cash flows from taxation when measuring fair value, thereby aligning the fair value measurement requirements in AASB 141 with those in other Australian Accounting Standards.

AASB 2020-5
AMENDMENTS TO AUSTRALIAN ACCOUNTING STANDARDS – INSURANCE CONTRACTS

This Standard amends AASB 17 to:

a) reduce the costs of applying AASB 17 by simplifying some of its requirements;
b) make an entity's financial performance relating to insurance contracts easier to explain; and
c) ease the transition to AASB 17 by deferring its effective date to annual periods beginning on or after 1 January 2023 instead of 1 January 2021 and by providing additional optional relief to reduce the complexity in applying AASB 17 for the first time.

The amendments to AASB 4 permit eligible insurers to continue to apply AASB 139 Financial Instruments: Recognition and Measurement until they are required to apply AASB 9 Financial Instruments alongside AASB 17.

Editorial corrections made to IFRS 17 Insurance Contracts by the IASB are also incorporated into the amendments in this Standard.

AASB 2020-6
AMENDMENTS TO AUSTRALIAN ACCOUNTING STANDARDS – CLASSIFICATION OF LIABILITIES AS CURRENT OR NON-CURRENT – DEFERRAL OF EFFECTIVE DATE

This Standard amends AASB 101 to defer requirements for the presentation of liabilities in the statement of financial position as current or non-current that were added to AASB 101 in AASB 2020-1 Amendments to Australian Accounting Standards – Classification of Liabilities as Current or Non-current (March 2020). Those requirements will now apply mandatorily to annual reporting periods beginning on or after 1 January 2023 instead of 1 January 2022, with earlier application permitted.

The deferred amendments, for example, clarified that a liability is classified as non-current if an entity has the right at the end of the reporting period to defer settlement of the liability for at least 12 months after the reporting period. The meaning of settlement of a liability was also clarified in those amendments.

AASB 2020-7
AMENDMENTS TO AUSTRALIAN ACCOUNTING STANDARDS – COVID-19-RELATED RENT CONCESSIONS: TIER 2 DISCLOSURES

This Standard adds new disclosure requirements to AASB 1060 (paragraph 146A) that:

a) require entities reporting under the Tier 2 – Simplified Disclosures framework that have applied the practical expedient for COVID-19-related rent concessions in AASB 16 to make the same disclosures as required under AASB 16 paragraph 60A;
b) exempt these entities from having to comply directly with AASB 16 paragraph 60A; and

c) provide relief for these entities from complying with AASB 1060 paragraph 106(b), being the equivalent paragraph to AASB 108 Accounting Policies, Changes in Accounting Estimates and Errors, paragraph 28(f).

AASB 2020-8
AMENDMENTS TO AUSTRALIAN ACCOUNTING STANDARDS – INTEREST RATE BENCHMARK REFORM – PHASE 2

This Standard amends the Standards listed to help entities to provide financial statement users with useful information about the effects of the interest rate benchmark reform on those entities' financial statements.
As a result of these amendments, an entity:

a) will not have to derecognise or adjust the carrying amount of financial instruments for changes required by the reform, but will instead update the effective interest rate to reflect the change to the alternative benchmark rate;
b) will not have to discontinue its hedge accounting solely because it makes changes required by the reform, if the hedge meets other hedge accounting criteria; and
c) will be required to disclose information about new risks arising from the reform and how it manages the transition to alternative benchmark rates.

AASB 2020-9
AMENDMENTS TO AUSTRALIAN ACCOUNTING STANDARDS – TIER 2 DISCLOSURES: INTEREST RATE BENCHMARK REFORM (PHASE 2) AND OTHER AMENDMENTS

AASB 2020-8 Amendments to Australian Accounting Standards – Interest Rate Benchmark Reform – Phase 2 (September 2020) amended AASB 7 Financial Instruments: Disclosures, AASB 9 Financial Instruments and other Standards to assist entities in recognising the effects of interest rate benchmark reform in their financial statements.

This Standard provides relief for entities reporting under the Tier 2 – Simplified Disclosures framework from disclosing the financial effects of their initial application of the amendments in AASB 2020-8 pursuant to AASB 1060

paragraph 106(b), being the equivalent paragraph to AASB 108 Accounting Policies, Changes in Accounting Estimates and Errors paragraph 28(f).
This Standard also makes various editorial corrections to AASB 1060.

AASB 2021-1
AMENDMENTS TO AUSTRALIAN ACCOUNTING STANDARDS – TRANSITION TO TIER 2: SIMPLIFIED DISCLOSURES FOR NOT-FOR-PROFIT ENTITIES

This Standard amends AASB 1060 to provide not-for-profit entities with optional relief from presenting comparative information in the notes to the financial statements where the entity did not disclose the comparable information in its most recent previous general purpose financial statements. This relief is available for not-for-profit entities transitioning from either Tier 1: Australian Accounting Standards or Tier 2: Australian Accounting Standards – Reduced Disclosure Requirements to Tier 2: Australian Accounting Standards – Simplified Disclosures for a reporting period prior to the entity's mandatory application of AASB 1060.
Amendments to AASB 1053 highlight that the relief set out in Appendix E of AASB 1053 is available only to for profit private sector entities.

AASB 2021-2
AMENDMENTS TO AUSTRALIAN ACCOUNTING STANDARDS – DISCLOSURE OF ACCOUNTING POLICIES AND DEFINITION OF ACCOUNTING ESTIMATES

This Standard amends:

a) AASB 7, to clarify that information about measurement bases for financial instruments is expected to be material to an entity's financial statements;
b) AASB 101, to require entities to disclose their material accounting policy information rather than their significant accounting policies;
c) AASB 108, to clarify how entities should distinguish changes in accounting policies and changes in accounting estimates;
d) AASB 134, to identify material accounting policy information as a component of a complete set of financial statements; and
e) AASB Practice Statement 2, to provide guidance on how to apply the concept of materiality to accounting policy disclosures.

MOORE AUSTRALIA

At Moore Australia, it's not about us. It's all about you. When it comes to providing personalised and commercially astute audit, accounting, tax and business advisory services, it simply can't be anything else.

Our focus is about understanding you, your business, your needs, your challenges and most importantly, how you define success.

At Moore Australia, we're here to help you thrive in a changing world. We are mid-market specialists, so we truly understand your operating envionment. What's more, all of our people are long-standing members of their local business communities and when we work with you, we immerse ourselves in your world. We treat your business like it's ours and we give you all the time you need when you need it. We share our skills, expertise and knowledge, examining every detail and leaving nothing unnoticed.

So when you think about Moore Australia, think of us delivering the personal service and local market knowledge that you want, backed by a leading national and international network of expertise, knowledge and advice that you need to succeed. It's that simple.

CONTACT US

Find your nearest member firm at
www.moore-australia.com.au

Or email:
ma@moore-australia.com.au

MOORE

www.moore-australia.com.au