



22 May 2020

Dear {Goes By},

Welcome to *In balance*, designed to provide you with the latest developments in financial reporting.

Our publication "[Applying IFRS - Accounting considerations of coronavirus outbreak](#)" provides extensive guidance on accounting considerations when preparing financial statements in 2020. This has been updated in April to include latest developments such as the IASB's educational documents on IFRS 16 and 9 and the proposed amendments to IFRS 16.

To communicate the financial effects of the coronavirus outbreak, entities may consider using a variety of Alternative Performance Measures (APMs). However, users of financial statements may be confused or misled if the APMs are not accompanied by appropriate descriptions and disclosures. Our publication "[Applying IFRS - Impact of coronavirus on APMs and disclosures](#)" highlights relevant IFRS requirements. The guidance in ASIC's recent FAQs and [regulatory guide 230](#) is relevant to such a consideration.

We will host an EY Financial Reporting Outlook as a series of focused video presentations during the week of 25 May 2020. [Register today](#).

[EY Atlas Client Edition](#) is our accounting research platform that provides users access to a range of tools, content and financial reporting information. We are offering a 90-day free trial, and for current subscribers a 90-day free extension.

Kind regards,  
Frank

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## Quick links

- [EY's IFRS website](#)
- [EY's Australian IFRS home page](#)
- [Illustrative Australian Company's financial report for 31 December 2019 \(and 30 June 2020\)](#)
- [EY International GAAP® 2020](#)

## Hot topics



### EY Publication: "[Applying IFRS - Accounting considerations of the coronavirus outbreak \(Updated April 2020\)](#)"

Our publication on accounting considerations of the coronavirus outbreak has been updated for latest developments such as the IASB's educational documents on IFRS 16 and 9 and proposed amendments to IFRS 16.



### EY Publication: "[Applying IFRS - Impact of coronavirus on APMs and disclosures](#)"

This publication highlights IFRS requirements when communicating the impact of the coronavirus outbreak using alternative performance measures (APMs) and disclosures.



### ASIC's [FAQ on COVID-19 implications for financial reporting and audit, and decision to extend the financial reporting deadlines](#)

ASIC has released [FAQs](#) about financial reporting and audit matters relating to the impact of the COVID-19 pandemic. These FAQs may be updated in response to emerging issues and changing circumstances.

ASIC has also communicated its decision to [extend the deadline](#) for both listed and unlisted entities to lodge financial reports by one month for certain balance dates.



### **Staff paper updated: Modifications to Australian Accounting Standards for Not-for-Profit Entities**

The AASB has updated this staff paper to provide a better understanding about the extent and rationale of modifications made to Australian Accounting Standards for entities in the NFP private and public sectors. The updates reflect changes to the standards since May 2017.

**IFRS news**

### **IASB consults on amendments to IFRS 16 to help companies with covid-19-related rent concessions**

The IASB has issued "[Exposure Draft Covid-19-Related Rent Concessions](#)" to amend IFRS 16 to ease the accounting for covid-19-related rent concessions such as rent holidays and temporary rent reductions. This permits lessees to not consider these concessions as lease modifications in certain circumstances.

The AASB has proposed similar amendments to AASB 16 by issuing [ED 300](#).

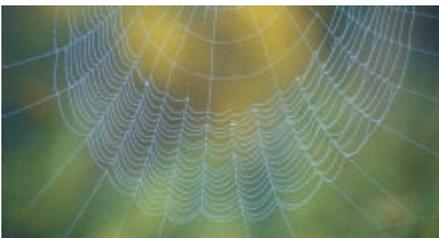
Our [IFRS Developments issue 168](#) provides a summary of this proposal.



### **IASB proposes deferring IAS 1 amendments' effective date due to covid-19**

In response to the covid-19 pandemic, the IASB is proposing to defer the effective date of amendments to IAS 1 on Classification of Liabilities as current or non-current by one year to 1 January 2023.

The AASB has issued [ED 301](#) to offer the same relief to Australian preparers.



### **April 2020 IASB update**

The summary of the April IASB meeting is now available. Podcasts for [IFRS 17](#) and [other matters](#) discussed are also available.

The IASB also held a [supplementary meeting](#) to discuss the impact of the covid-19 pandemic. Our [IFRS developments issue 167](#) summarises this discussion.



### **April 2020 IFRS interpretations committee update**

The April 2020 IFRS IC update is now available.



### **IFRS 17 insurance contracts - why annual cohorts?**

The IASB chair explains the reasons for the Board's decision that annual cohorts are necessary to provide useful information about an insurance company's financial performance, in particular about changes in profitability over time.

**EY Publications**

### **New Australian accounting pronouncements for 30 June 2020 year-end reports**

Our publication "New Australian accounting pronouncements for 30 June 2020 year-end reports" provides an overview of the Australian accounting pronouncements issued as of 30 April 2020.



We have released our Good Group Australia Interim model financial statements for half-years ending June 2020 and December 2020.

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