



09 June 2020

Dear {Goes By},

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

The IASB has amended IFRS 16 to allow lessees to not consider COVID-19 related concessions as lease modifications in certain circumstances. Our [IFRS Developments issue 170](#) elaborates on this amendment.

The AASB and AUASB have jointly issued a publication "[The Impact of COVID-19 on Going Concern and Related Assessments](#)" to provide an overview of directors' and managements' duties and responsibilities when assessing solvency and going concern during this period of uncertainty.

We have released "[Australian Service Concessions](#)", "[Good Group \(Australian SDS\) Pty Ltd](#)" and "[Not-for-profit financial reporting and tax update](#)" to provide insights on Australian specific accounting matters. [Good Group \(Australian SDS\) Pty Ltd](#), our model financial statements prepared under the new Simplified Disclosure Standard (SDS) assists Tier 2 reporters when early adopting SDS at 30 June 2020.

Our webcast "Financial Reporting Considerations - COVID-19" on 10 June 2020 will discuss the impact of COVID-19 on various accounting topics. [Register today](#).

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 \(and 30 June 2020\)](#)
- ▶ [Illustrative Australian SDS financial report for 30 June 2020](#)
- ▶ [EY International GAAP® 2020](#)

Hot topics



[IASB issues amendment to IFRS 16 to ease accounting for COVID-19-related rent concessions](#)

The IASB has amended IFRS 16 to provide relief to lessees when accounting for COVID-19 related rent concessions such as rent holidays and temporary rent reductions.

Our [IFRS Developments issue 170](#) discusses about this accounting relief.



[IASB issues package of narrow-scope amendments to IFRS standards](#)

The IASB has issued several small amendments to IFRS standards including IFRS 3, IAS 16 and IAS 37.

IAS 37 is amended to specify which costs to include when assessing whether a contract will be loss making, while IAS 16 is amended to require that net sales proceeds during an asset's preparation period to intended use be recognised in profit or loss rather than deducted from the cost of the asset.

Our [IFRS Developments issue 169](#) elaborates on the amendments to IFRS 3, which modify the application of the new Conceptual Framework for Financial Reporting, issued in 2018, to business combinations.

AASB news



Joint Publication by the AASB and the AUASB - The Impact of COVID-19 on Going Concern and Related Assessments

This publication provides an overview of directors' and managements' duties and responsibilities in relation to solvency and going concern assessments during the period of COVID-19.

IFRS news



May 2020 IASB Update

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



IASB webinars - Discussion Paper - Business Combinations - Disclosures, Goodwill and Impairment; and Exposure Draft - General Presentation and Disclosures

The IASB staff will lead two webinar discussions on:

- [Discussion Paper Business Combinations-Disclosures, Goodwill and Impairment](#) - 5 June 2020
- [Exposure Draft General Presentation and Disclosures](#) - 10 June 2020

Recordings will be available soon after the live discussion.

EY Publications



Good Group (Australian SDS) Pty Ltd

For Tier 2 reporters early adopting the new simplified disclosure standard (SDS) at June 2020, see our new annual model financial statements. SDS replaces both the reduced disclosure requirements and special purpose financial reports.



Australian Service Concessions - Emerging issues from recent accounting standards

Operators are uncovering new issues as they consider the financial consequences from investing in Australian service concessions. We have now published our insights on these accounting issues.



Not-for-profit financial reporting and tax update - June 2020

This publication provides insights for NFPs dealing with COVID-19 implications, along with explanations of financial reporting and tax developments.



Insurance Accounting Alert - May 2020

"Insurance Accounting Alert - May 2020" summarises the IASB discussions on proposed amendments to IFRS 17.

EY supports the BCA #GoodToGo campaign to help keep people safe as Australia gets moving again. Follow three simple steps: keep your distance, keep hygienic and keep the COVIDSafe app on.

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