

A man in a maroon shirt is shown from the side, looking through binoculars. The background is a bright, cloudy sky. A yellow trapezoidal shape is in the top left corner, containing text.

New accounting standards and interpretations

30 June 2019

Introduction

This document is a supplement to *Good Group (Australia) Limited* (December 2018 edition) and contains disclosure information on changes in accounting policy on adoption of new and amended Accounting Standards and Interpretations ("pronouncements") and potential changes in accounting policies that may arise due to new and amended pronouncements issued but not yet effective. This publication lists all applicable pronouncements issued as of 30 June 2019.

This document has two parts, as follows:

Part A: New pronouncements issued

This table provides a summary listing of pronouncements issued as at 30 June 2019 that are effective for the first time for entities with an annual reporting period ending on or after 30 June 2019.

Part B: Changes in accounting policies

This table provides a description of pronouncements issued that are effective for the first time for entities with an annual reporting period ending on or after 30 June 2019. It also indicates whether application of those pronouncements is mandatory or optional for different year ends.

Mandatory application (M)

Paragraph 28 of AASB 108 *Accounting Policies, Changes in Accounting Estimates and Errors* states that when the initial application of a standard has an effect on the current period, or any prior period, an entity shall disclose:

- (a) The title of the Australian Accounting Standard
- (b) When applicable, that the change in accounting policy is made in accordance with the transitional provisions
- (c) The nature of the change in accounting policy
- (d) When applicable, a description of the transitional provisions
- (e) When applicable, the transitional provisions that might have an effect on future periods
- (f) For the current period and each prior period presented, to the extent practicable, the amount of the adjustment:
 - (i) For each financial statement line item affected
 - (ii) If AASB 133 *Earnings per Share* applies to the entity, for basic and diluted earnings per share
- (g) The amount of the adjustment relating to periods before those presented, to the extent practicable

- (h) If retrospective application is impracticable for a particular prior period, or for the periods before those presented, the circumstances that led to the existence of that condition and a description of how and from when the change in accounting policy has been applied.

Pronouncements with year-ends denoted by "M" reflect those pronouncements where application is mandatory. This is designed to assist entities in developing relevant disclosures as set out in Note 2.4 of *Good Group (Australia) Limited*.

Optional application (O)

Paragraph 30 of AASB 108 requires disclosure of the possible impact of new and revised Australian Accounting Standards that have been issued but are not yet effective. This includes pronouncements issued by the International Accounting Standards Board (IASB) and the IFRS Interpretations Committee for entities that are required to make a statement of compliance with IFRS under paragraph 16 of AASB 101 *Presentation of Financial Statements*.

Entities should therefore disclose the full list of pronouncements issued but not yet effective and their impacts (on their accounting policies, financial position or performance) **unless the particular pronouncement is clearly not relevant because it is out of scope for that type of entity**. For example, a for-profit entity is not required to disclose those pronouncements relating to not-for-profit entities. Where a pronouncement is industry-specific and the entity clearly does not operate in that industry, the entity is not required to disclose the pronouncements. For example, a pronouncement that affects only entities operating in the mining industry would not need to be included in the disclosure by an entity that does not have operations in that industry.

For those entities applying the Reduced Disclosure Requirements (RDR), disclosure of Accounting Standards issued but not yet effective is not required. Accordingly, apart from the standard that introduces the RDR, further updates to RDR Standards have not been included in the table as they would not need to be disclosed.

Pronouncements with year-ends denoted by "O" reflect those pronouncements where application is optional. This is designed to assist entities in developing relevant disclosures as set out in Note 35 of *Good Group (Australia) Limited*. The table is complete as at 30 June 2019, therefore any further pronouncements issued after this date will also need to be disclosed up until the date of authorisation of the financial report. If the effect of a particular pronouncement has not yet been determined, those details should be disclosed.

Note: Editorial reissuance of AASB Standards and Interpretations that incorporate IFRSs

On 3 September 2015, the AASB announced it had reissued most of its pronouncements but that no disclosure was necessary under AASB 108 because the reissued versions would have no impact on financial statements in comparison with the previous versions.

The AASB reissued most of its pronouncements that incorporate IFRSs to make editorial changes. The editorial changes will enable the AASB to issue Australian versions of IFRSs more efficiently. Accordingly, no disclosure is necessary under AASB 108 in relation to these issued but not yet effective Standards.

As part of the reissuance, the AASB has moved the application paragraphs that identify the reporting entities and general purpose financial statements to which the pronouncements apply to a new Standard, AASB 1057 *Application of Australian Accounting Standards*. However, the application requirements have not been amended.

The reissued versions have a range of application dates, from annual periods beginning on or after 1 January 2016 to annual periods beginning on or after 1 January 2018. The application date is now specified in each version under an 'Effective date' heading. The 'amendment signpost' paragraphs remaining under that heading identify the amendments and related pronouncements that need to be applied at the same time as a new version, rather than representing subsequent amendments.

Paragraphs specific to RDR have been moved to a separate appendix in the reissued versions, but the shading has been retained.

A new version of AASB 1048 *Interpretation of Standards* has also been issued, to add references to the new versions of Interpretations.

Part A: New pronouncements issued

New pronouncement	Page	Effective date [†]	First time applied in annual reporting period ending on the last day of this month [*]											
			Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec
AASB 9 <i>Financial Instruments</i> , and relevant amending standards	6	1 Jan 2018	2019	2019	2019	2019	2019	2019	2019	2019	2019	2019	2019	2018
AASB 15 <i>Revenue from Contracts with Customers</i> , and relevant amending standards [‡]	7	1 Jan 2018 [§]	2019	2019	2019	2019	2019	2019	2019	2019	2019	2019	2019	2018
AASB 2016-5 <i>Amendments to Australian Accounting Standards - Classification and Measurement of Share-based Payment Transactions</i>	8	1 Jan 2018	2019	2019	2019	2019	2019	2019	2019	2019	2019	2019	2019	2018
AASB 2016-6 <i>Amendments to Australian Accounting Standards - Applying AASB 9 Financial Instruments with AASB 4 Insurance Contracts</i>	8	1 Jan 2018	2019	2019	2019	2019	2019	2019	2019	2019	2019	2019	2019	2018
AASB 2017-1 <i>Amendments to Australian Accounting Standards - Transfers of Investments Property, Annual Improvements 2014-2016 Cycle and Other Amendments</i>	8	1 Jan 2018	2019	2019	2019	2019	2019	2019	2019	2019	2019	2019	2019	2018
AASB 2017-3 <i>Amendments to Australian Accounting Standards - Clarifications to AASB 4</i>	9	1 Jan 2018	2019	2019	2019	2019	2019	2019	2019	2019	2019	2019	2019	2018
AASB Interpretation 22 <i>Foreign Currency Transactions and Advance Consideration</i>	9	1 Jan 2018	2019	2019	2019	2019	2019	2019	2019	2019	2019	2019	2019	2018
AASB 16 <i>Leases</i>	10	1 Jan 2019	2020	2020	2020	2020	2020	2020	2020	2020	2020	2020	2020	2019
AASB 1058 <i>Income of Not-for-Profit Entities</i>	11	1 Jan 2019	2020	2020	2020	2020	2020	2020	2020	2020	2020	2020	2020	2019
AASB 2016-8 <i>Amendments to Australian Accounting Standards - Australian Implementation Guidance for Not-For-Profit Entities</i>	11	1 Jan 2019	2020	2020	2020	2020	2020	2020	2020	2020	2020	2020	2020	2019
AASB 2017-6 <i>Amendments to Australian Accounting Standards - Prepayment Features with Negative Compensation</i>	11	1 Jan 2019	2020	2020	2020	2020	2020	2020	2020	2020	2020	2020	2020	2019
AASB 2017-7 <i>Amendments to Australian Accounting Standards - Long-term Interests in Associates and Joint Ventures</i>	12	1 Jan 2019	2020	2020	2020	2020	2020	2020	2020	2020	2020	2020	2020	2019
AASB 2018-1 <i>Amendments to Australian Accounting Standards - Annual Improvements 2015-2017 Cycle</i>	12	1 Jan 2019	2020	2020	2020	2020	2020	2020	2020	2020	2020	2020	2020	2019
AASB 2018-2 <i>Amendments to Australian Accounting Standards - Plan Amendment, Curtailment or Settlement</i>	12	1 Jan 2019	2020	2020	2020	2020	2020	2020	2020	2020	2020	2020	2020	2019
AASB Interpretation 23 <i>Uncertainty over Income Tax Treatments</i> , and relevant amending standards	13	1 Jan 2019	2020	2020	2020	2020	2020	2020	2020	2020	2020	2020	2020	2019

^{*} Assuming that an entity has not early adopted the pronouncement according to the specific provisions in the pronouncement.

[†] Effective for annual reporting periods beginning on or after this date.

[‡] Relevant amending standards include 2016-3 *Amendments to Australian Accounting Standards - Clarification to AASB 15*. The amendments have the same effective date as AASB 15.

[§] AASB 2016-7 amends the effective date of AASB 15 for not-for-profit (NFP) entities so that it is required to be applied by such entities for annual reporting periods beginning on or after 1 January 2019 instead of 1 January 2018.

Part A: New pronouncements issued

New pronouncement	Page	Effective date [†]	First time applied in annual reporting period ending on the last day of this month [*]											
			Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec
AASB 2018-4 Amendments to Australian Accounting Standards - Australian Implementation Guidance for Not-for-Profit Public Sector Licensors	13	1 Jan 2019	2020	2020	2020	2020	2020	2020	2020	2020	2020	2020	2020	2019
AASB 2018-8 Amendments to Australian Accounting Standards - Right-of-Use Assets of Not-for-Profit Entities	13	1 Jan 2019	2020	2020	2020	2020	2020	2020	2020	2020	2020	2020	2020	2019
AASB 1059 Service Concession Arrangements: Grantors ^{**}	14	1 Jan 2020	2021	2021	2021	2021	2021	2021	2021	2021	2021	2021	2021	2020
Conceptual Framework for Financial Reporting ^{††}	15	1 Jan 2020	2021	2021	2021	2021	2021	2021	2021	2021	2021	2021	2021	2020
AASB 2018-6 Amendments to Australian Accounting Standards - Definition of a business	16	1 Jan 2020	2021	2021	2021	2021	2021	2021	2021	2021	2021	2021	2021	2020
AASB 2018-7 Amendments to Australian Accounting Standards - Definition of Material	16	1 Jan 2020	2021	2021	2021	2021	2021	2021	2021	2021	2021	2021	2021	2020
AASB 17 Insurance Contracts	17	1 Jan 2021	2022	2022	2022	2022	2022	2022	2022	2022	2022	2022	2022	2021
AASB 2014-10 Amendments to Australian Accounting Standards - Sale or Contribution of Assets between an Investor and its Associate or Joint Venture ^{**}	18	1 Jan 2022	2023	2023	2023	2023	2023	2023	2023	2023	2023	2023	2023	2022

^{**} AASB 2018-5 defers the effective date of AASB 1059 to periods beginning on or after 1 January 2020.

^{††} AASB 2019-1 currently limits the application of the Conceptual Framework to:

- (a) for-profit private sector entities that have public accountability and are required by legislation to comply with Australian Accounting Standards (AAS); and
- (b) other for-profit entities that voluntarily elect to apply the Conceptual Framework, which would permit compliance with AAS (Tier 1) and IFRS.

^{‡‡} AASB 2015-10 deferred the mandatory effective date (application date) of AASB 2014-10 so that the amendments were required to be applied for annual reporting periods beginning on or after 1 January 2018 instead of 1 January 2016. AASB 2017-5 further defers the effective date of the amendments made in AASB 2014-10 to periods beginning on or after 1 January 2022.

Part B: Changes in accounting policies

This table lists issued pronouncements that are effective for annual reporting periods ending on or after 30 June 2019:

Pronouncement	Title	Summary	Application date ^{§§}	Applicability at year end ^{***} :				Further information
				30 Jun 2019	30 Sep 2019	31 Dec 2019	31 Mar 2020	
AASB 9, and relevant amending standards	<i>Financial Instruments</i>	<p>AASB 9 replaces AASB 139 <i>Financial Instruments: Recognition and Measurement</i>.</p> <p>Except for certain trade receivables, an entity initially measures a financial asset at its fair value plus, in the case of a financial asset not at fair value through profit or loss (FVTPL), transaction costs.</p> <p>Debt instruments are subsequently measured at FVTPL, amortised cost, or fair value through other comprehensive income (FVOCI), on the basis of their contractual cash flows and the business model under which the debt instruments are held.</p> <p>There is a fair value option (FVO) that allows financial assets on initial recognition to be designated as FVTPL if that eliminates or significantly reduces an accounting mismatch.</p> <p>Equity instruments are generally measured at FVTPL. However, entities have an irrevocable option on an instrument-by-instrument basis to present changes in the fair value of non-trading instruments in other comprehensive income (OCI) without subsequent reclassification to profit or loss.</p> <p>For financial liabilities designated as FVTPL using the FVO, the amount of change in the fair value of such financial liabilities that is attributable to changes in credit risk must be presented in OCI. The remainder of the change in fair value is presented in profit or loss, unless presentation in OCI of the fair value change in respect of the liability's credit risk would create or enlarge an accounting mismatch in profit or loss.</p> <p>All other AASB 139 classification and measurement requirements for financial liabilities have been carried forward into AASB 9, including the embedded derivative separation rules and the criteria for using the FVO.</p>	1 January 2018	M	M	Already adopted	Already adopted	<p>AASB 9</p> <p>Applying IFRS (Classification)</p> <p>Applying IFRS (Impairment)</p> <p>Applying IFRS (Hedge accounting)</p> <p>Applying IFRS (IFRS 9 for non-financial entities)</p>

^{§§} Designated the beginning of the applicable annual reporting period unless otherwise stated.

^{***} M = application is mandatory; O = application is optional.

Part B: Changes in accounting policies

Pronouncement	Title	Summary	Application date ^{§§}	Applicability at year end ^{***} :				Further information
				30 Jun 2019	30 Sep 2019	31 Dec 2019	31 Mar 2020	
		<p>The incurred credit loss model in AASB 139 has been replaced with an expected credit loss model in AASB 9.</p> <p>The requirements for hedge accounting have been amended to more closely align hedge accounting with risk management, establish a more principle-based approach to hedge accounting and address inconsistencies in the hedge accounting model in AASB 139.</p>						
AASB 15, and relevant amending standards	<i>Revenue from Contracts with Customers</i>	<p>AASB 15 replaces all existing revenue requirements in Australian Accounting Standards (AASB 111 <i>Construction Contracts</i>, AASB 118 <i>Revenue</i>, AASB Interpretation 13 <i>Customer Loyalty Programmes</i>, AASB Interpretation 15 <i>Agreements for the Construction of Real Estate</i>, AASB Interpretation 18 <i>Transfers of Assets from Customers</i> and AASB Interpretation 131 <i>Revenue - Barter Transactions Involving Advertising Services</i>) and applies to all revenue arising from contracts with customers, unless the contracts are in the scope of other standards, such as AASB 117 <i>Leases</i> (or AASB 16 <i>Leases</i>, once applied).</p> <p>The core principle of AASB 15 is that an entity recognises revenue to depict the transfer of promised goods or services to customers in an amount that reflects the consideration to which an entity expects to be entitled in exchange for those goods or services. An entity recognises revenue in accordance with the core principle by applying the following steps:</p> <ul style="list-style-type: none"> ▶ Step 1: Identify the contract(s) with a customer ▶ Step 2: Identify the performance obligations in the contract ▶ Step 3: Determine the transaction price ▶ Step 4: Allocate the transaction price to the performance obligations in the contract ▶ Step 5: Recognise revenue when (or as) the entity satisfies a performance obligation. 	1 January 2018 ^{†††}	M	M	Already adopted	Already adopted	AASB 15 Applying IFRS Applying IFRS (Presentation and disclosure)

^{†††} AASB 2016-7 amends the effective date of AASB 15 for NFP entities so that it is required to be applied by such entities for annual reporting periods beginning on or after 1 January 2019 instead of 1 January 2018.

Part B: Changes in accounting policies

Pronouncement	Title	Summary	Application date ^{§§}	Applicability at year end***:				Further information
				30 Jun 2019	30 Sep 2019	31 Dec 2019	31 Mar 2020	
AASB 2016-5	<i>Amendments to Australian Accounting Standards - Classification and Measurement of Share-based Payment Transactions</i>	<p>This Standard amends AASB 2 <i>Share-based Payment</i>, clarifying how to account for certain types of share-based payment transactions. The amendments provide requirements on the accounting for:</p> <ul style="list-style-type: none"> ▶ The effects of vesting and non-vesting conditions on the measurement of cash-settled share-based payments ▶ Share-based payment transactions with a net settlement feature for withholding tax obligations ▶ A modification to the terms and conditions of a share-based payment that changes the classification of the transaction from cash-settled to equity-settled. 	1 January 2018	M	M	Already adopted	Already adopted	AASB 2016-5 IFRS Developments
AASB 2016-6	<i>Amendments to Australian Accounting Standards - Applying AASB 9 Financial Instruments with AASB 4 Insurance Contracts</i>	<p>This Standard amends AASB 4 <i>Insurance Contracts</i> to permit issuers of insurance contracts to:</p> <ul style="list-style-type: none"> ▶ Choose to apply the 'overlay approach' that involves applying AASB 9 <i>Financial Instruments</i> and also applying AASB 139 <i>Financial Instruments: Recognition and Measurement</i> to eligible financial assets to calculate a single line item adjustment to profit or loss so that the overall impact on profit or loss is the same as if AASB 139 had been applied; or ▶ Choose to be temporarily exempt from AASB 9 when those issuers' activities are predominantly connected with insurance, provided they make additional disclosures to enable users to make comparisons with issuers applying AASB 9. 	1 January 2018	M	M	Already adopted	Already adopted	AASB 2016-6 Insurance Accounting Alert
AASB 2017-1	<i>Amendments to Australian Accounting Standards - Transfers of Investments Property, Annual Improvements 2014-2016 Cycle and Other Amendments</i>	<p>The amendments clarify certain requirements in:</p> <ul style="list-style-type: none"> ▶ AASB 1 <i>First-time Adoption of Australian Accounting Standards</i> - deletion of exemptions for first-time adopters and addition of an exemption arising from AASB Interpretation 22 <i>Foreign Currency Transactions and Advance Consideration</i> ▶ AASB 12 <i>Disclosure of Interests in Other Entities</i> - clarification of scope ▶ AASB 128 <i>Investments in Associates and Joint Ventures</i> - measuring an associate or joint venture at fair value ▶ AASB 140 <i>Investment Property</i> - change in use. 	1 January 2018	M	M	Already adopted	Already adopted	AASB 2017-1

Part B: Changes in accounting policies

Pronouncement	Title	Summary	Application date ^{§§}	Applicability at year end ^{***} :				Further information
				30 Jun 2019	30 Sep 2019	31 Dec 2019	31 Mar 2020	
AASB 2017-3	<i>Amendments to Australian Accounting Standards - Clarifications to AASB 4</i>	The amendments confirm that in Australia compliance with AASB 1023 <i>General Insurance Contracts</i> and AASB 1038 <i>Life Insurance Contracts</i> ensures simultaneous compliance with AASB 4. The Standard also amends AASB 4 to ensure the relief available to issuers of insurance contracts set out in AASB 2016-6 can be applied by an entity applying either AASB 1023 and AASB 1038 if the entity otherwise meets the qualifying criteria.	1 January 2018	M	M	Already adopted	Already adopted	AASB 2017-3
AASB Interpretation 22	<i>Foreign Currency Transactions and Advance Consideration</i>	The Interpretation clarifies that in determining the spot exchange rate to use on initial recognition of the related asset, expense or income (or part of it) on the derecognition of a non-monetary asset or non-monetary liability relating to advance consideration, the date of the transaction is the date on which an entity initially recognises the non-monetary asset or non-monetary liability arising from the advance consideration. If there are multiple payments or receipts in advance, then the entity must determine a date of the transaction for each payment or receipt of advance consideration.	1 January 2018	M	M	Already adopted	Already adopted	AASB Interpretation 22

Part B: Changes in accounting policies

Pronouncement	Title	Summary	Application date ^{§§}	Applicability at year end ^{***} :				Further information
				30 Jun 2019	30 Sep 2019	31 Dec 2019	31 Mar 2020	
AASB 16	<i>Leases</i>	<p>AASB 16 requires lessees to account for all leases under a single on-balance sheet model in a similar way to finance leases under AASB 117 <i>Leases</i>. The standard includes two recognition exemptions for lessees - leases of 'low-value' assets (e.g., personal computers) and short-term leases (i.e., leases with a lease term of 12 months or less). At the commencement date of a lease, a lessee will recognise a liability to make lease payments (i.e., the lease liability) and an asset representing the right to use the underlying asset during the lease term (i.e., the right-of-use asset).</p> <p>Lessees will be required to separately recognise the interest expense on the lease liability and the depreciation expense on the right-of-use asset.</p> <p>Lessees will be required to remeasure the lease liability upon the occurrence of certain events (e.g., a change in the lease term, a change in future lease payments resulting from a change in an index or rate used to determine those payments). The lessee will generally recognise the amount of the remeasurement of the lease liability as an adjustment to the right-of-use asset.</p> <p>Lessor accounting is substantially unchanged from today's accounting under AASB 117. Lessors will continue to classify all leases using the same classification principle as in AASB 117 and distinguish between two types of leases: operating and finance leases.</p>	1 January 2019 ^{***}	O	O	M	M	AASB 16 Applying IFRS Applying IFRS (Impairment)

*** Early adoption is permitted provided that AASB 15 is applied on or before the date of initial application of AASB 16.

Part B: Changes in accounting policies

Pronouncement	Title	Summary	Application date ^{§§}	Applicability at year end ^{***} :				Further information
				30 Jun 2019	30 Sep 2019	31 Dec 2019	31 Mar 2020	
AASB 1058 ^{§§§} AASB 2016-8 ^{†††}	<i>Income of Not-for-Profit Entities</i> <i>Amendments to Australian Accounting Standards - Australian Implementation Guidance for Not-For-Profit Entities</i>	AASB 1058 and AASB 2016-8 will defer income recognition in some circumstances for not-for-profit entities, particularly where there is a performance obligation or any other liability. In addition, certain components in an arrangement, such as donations, may be separated from other types of income and recognised immediately. The Standard also expands the circumstances in which not-for-profit entities are required to recognise income for goods and services received for consideration that is significantly less than the fair value of the asset principally to enable the entity to further its objectives (discounted goods and services), including for example, peppercorn leases. Consequently AASB 1004 <i>Contributions</i> is also amended, with its scope effectively limited to address issues specific to government entities and contributions by owners in a public sector entity context.	1 January 2019	O	O	M	M	AASB 1058 AASB 2016-8 Accounting Update (Not-For-Profit) Accounting Update (Public Sector) AASB 2016-8
AASB 2017-6	<i>Amendments to Australian Accounting Standards - Prepayment Features with Negative Compensation</i>	This Standard amends AASB 9 <i>Financial Instruments</i> to permit entities to measure at amortised cost or fair value through other comprehensive income particular financial assets that would otherwise have contractual cash flows that are solely payments of principal and interest but do not meet that condition only as a result of a prepayment feature. This is subject to meeting other conditions, such as the nature of the business model relevant to the financial asset. Otherwise, the financial assets would be measured at fair value through profit or loss. The Standard also clarifies in the Basis for Conclusion that, under AASB 9, gains and losses arising on modifications of financial liabilities that do not result in derecognition should be recognised in profit or loss.	1 January 2019	O	O	M	M	AASB 2017-6 IFRS Developments

^{§§§} Only applicable to not-for-profit entities.

Part B: Changes in accounting policies

Pronouncement	Title	Summary	Application date ^{§§}	Applicability at year end ^{***} :				Further information
				30 Jun 2019	30 Sep 2019	31 Dec 2019	31 Mar 2020	
AASB 2017-7	<i>Amendments to Australian Accounting Standards - Long-term Interests in Associates and Joint Ventures</i>	This Standard amends AASB 128 <i>Investments in Associates and Joint Ventures</i> to clarify that an entity is required to account for long-term interests in an associate or joint venture, which in substance form part of the net investment in the associate or joint venture but to which the equity method is not applied, using AASB 9 <i>Financial Instruments</i> before applying the loss allocation and impairment requirements in AASB 128.	1 January 2019	O	O	M	M	AASB 2017-7
AASB 2018-1	<i>Australian Amendments to Australian Accounting Standards - Annual Improvements 2015-2017 Cycle</i>	The amendments clarify certain requirements in: <ul style="list-style-type: none"> ▶ AASB 3 <i>Business Combinations</i> and AASB 11 <i>Joint Arrangements</i> - previously held interest in a joint operation ▶ AASB 112 <i>Income Taxes</i> - income tax consequences of payments on financial instruments classified as equity ▶ AASB 123 <i>Borrowing Costs</i> - borrowing costs eligible for capitalisation. 	1 January 2019	O	O	M	M	AASB 2018-1 IFRS Developments
AASB 2018-2	<i>Amendments to Australian Accounting Standards - Plan Amendment, Curtailment or Settlement</i>	This Standards amends AASB 119 <i>Employee Benefits</i> to specify how an entity accounts for defined benefit plans when a plan amendment, curtailment or settlement occurs during a reporting period. The amendments: <ul style="list-style-type: none"> ▶ Require entities to use the updated actuarial assumptions to determine current service cost and net interest for the remainder of the annual reporting period after such an event occurs ▶ Clarify that when such an event occurs, an entity recognises the past service cost or a gain or loss on settlement separately from its assessment of the asset ceiling. 	1 January 2019	O	O	M	M	AASB 2018-2 IFRS Developments

Part B: Changes in accounting policies

Pronouncement	Title	Summary	Application date ^{§§}	Applicability at year end ^{***} :				Further information
				30 Jun 2019	30 Sep 2019	31 Dec 2019	31 Mar 2020	
AASB Interpretation 23, and relevant amending standards	<i>Uncertainty over Income Tax Treatments</i>	<p>The Interpretation clarifies the application of the recognition and measurement criteria in AASB 112 <i>Income Taxes</i> when there is uncertainty over income tax treatments. The Interpretation specifically addresses the following:</p> <ul style="list-style-type: none"> ▶ Whether an entity considers uncertain tax treatments separately ▶ The assumptions an entity makes about the examination of tax treatments by taxation authorities ▶ How an entity determines taxable profit (tax loss), tax bases, unused tax losses, unused tax credits and tax rates ▶ How an entity considers changes in facts and circumstances. 	1 January 2019	O	O	M	M	AASB Interpretation 23 IFRS Developments Applying IFRS
AASB 2018-4 ^{****}	<i>Amendments to Australian Accounting Standards - Australian Implementation Guidance for Not-for-Profit Public Sector Licensors</i>	<p>This Standard amends AASB 15 to add requirements and authoritative implementation guidance for application by not-for-profit public sector licensors to transactions involving the issue of licences.</p> <p>This Standard also amends AASB 16 to clarify that licences that are in substance leases or contain leases, except intellectual property, fall within the scope of AASB 16.</p>	1 January 2019	O	O	M	M	AASB 2018-4
AASB 2018-8 ⁺⁺⁺⁺	<i>Amendments to Australian Accounting Standards - Right-of-Use Assets of Not-for-Profit Entities</i>	<p>This Standard amends AASB 1, AASB 16, AASB 117, AASB 1049 and AASB 1058 to provide a temporary option for not-for-profit entities to not apply the fair value initial measurement requirements for right-of-use assets arising under leases with significantly below-market terms and conditions principally to enable the entity to further its objectives. The Standard requires an entity that elects to apply the option (i.e. measures a class or classes of such right-of-use assets at cost rather than fair value) to include additional disclosures in the financial statements to ensure users understand the effects on the financial position, financial performance and cash flows of the entity arising from these leases.</p>	1 January 2019	O	O	M	M	AASB 2018-8

**** Only applicable for not-for-profit public sector entities.

++++ Only applicable for not-for-profit entities.

Part B: Changes in accounting policies

Pronouncement	Title	Summary	Application date ^{§§}	Applicability at year end ^{***} :				Further information
				30 Jun 2019	30 Sep 2019	31 Dec 2019	31 Mar 2020	
AASB 1059 ^{****}	<i>Service Concession Arrangements: Grantors</i>	<p>This Standard addresses the accounting for a service concession arrangement by a grantor that is a public sector entity. The Standard is based on the International Public Sector Accounting Standard IPSAS 32 <i>Service Concession Arrangements: Grantor</i> and is broadly consistent with AASB Interpretation 12 <i>Service Concession Arrangements</i>, which sets out the accounting for the operator of such arrangements, in relation to its principles for recognising service concession assets.</p> <p>The Standard requires a grantor to:</p> <ul style="list-style-type: none"> ▶ 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 ▶ 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 ▶ initially measure a service concession asset at current replacement cost in accordance with the cost approach to fair value in AASB 13 <i>Fair Value Measurement</i>. Subsequent to the initial recognition or reclassification of the asset, the service concession asset is accounted for in accordance with AASB 116 <i>Property, Plant and Equipment</i> or AASB 138 <i>Intangible Assets</i>, as appropriate, except as specified in this Standard ▶ 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, using either (or both) the financial liability model or the grant of a right to the operator model. 	1 January 2020	0	0	0	0	AASB 1059 Accounting Update

**** Only applicable to public sector entities. AASB 2018-5 defers the effective date of AASB 1059 to periods beginning on or after 1 January 2020.

Part B: Changes in accounting policies

Pronouncement	Title	Summary	Application date ^{§§}	Applicability at year end ^{***} :				Further information
				30 Jun 2019	30 Sep 2019	31 Dec 2019	31 Mar 2020	
Conceptual Framework AASB 2019-1	<i>Conceptual Framework for Financial Reporting Amendments to Australian Accounting Standards - Reference to the Conceptual Framework^{§§§§}</i>	<p>The revised Conceptual Framework includes some new concepts, provides updated definitions and recognition criteria for assets and liabilities and clarifies some important concepts. It is arranged in eight chapters, as follows:</p> <ul style="list-style-type: none"> ▶ Chapter 1 - The objective of financial reporting ▶ Chapter 2 - Qualitative characteristics of useful financial information ▶ Chapter 3 - Financial statements and the reporting entity ▶ Chapter 4 - The elements of financial statements ▶ Chapter 5 - Recognition and derecognition ▶ Chapter 6 - Measurement ▶ Chapter 7 - Presentation and disclosure ▶ Chapter 8 - Concepts of capital and capital maintenance <p>AASB 2019-1 has also been issued, which sets out the amendments to Australian Accounting Standards, Interpretations and other pronouncements in order to update references to the revised Conceptual Framework. The changes to the Conceptual Framework may affect the application of accounting standards in situations where no standard applies to a particular transaction or event. In addition, relief has been provided in applying AASB 3 and developing accounting policies for regulatory account balances using AASB 108, such that entities must continue to apply the definitions of an asset and a liability (and supporting concepts) in the <i>Framework for the Preparation and Presentation of Financial Statements (July 2004)</i>, and not the definitions in the revised Conceptual Framework.</p>	1 January 2020	0	0	0	0	Conceptual Framework AASB 2019-1 Applying IFRS

^{§§§§} AASB 2019-1 currently limits the application of the Conceptual Framework to:

- (a) for-profit private sector entities that have public accountability and are required by legislation to comply with Australian Accounting Standards (AAS); and
- (b) other for-profit entities that voluntarily elect to apply the Conceptual Framework, which would permit compliance with AAS (Tier 1) and IFRS.

Part B: Changes in accounting policies

Pronouncement	Title	Summary	Application date ^{§§}	Applicability at year end ^{***} :				Further information
				30 Jun 2019	30 Sep 2019	31 Dec 2019	31 Mar 2020	
AASB 2018-6	<i>Amendments to Australian Accounting Standards - Definition of a Business</i>	The Standard amends the definition of a business in AASB 3 <i>Business Combinations</i> . The amendments clarify the minimum requirements for a business, remove the assessment of whether market participants are capable of replacing missing elements, add guidance to help entities assess whether an acquired process is substantive, narrow the definitions of a business and of outputs, and introduce an optional fair value concentration test.	1 January 2020	0	0	0	0	AASB 2018-6 IFRS Development
AASB 2018-7	<i>Amendments to Australian Accounting Standards - Definition of Material</i>	This Standard amends AASB 101 <i>Presentation of Financial Statements</i> and AAS 108 <i>Accounting Policies, Changes in Accounting Estimates and Errors</i> to align the definition of 'material' across the standards and to clarify certain aspects of the definition. The amendments clarify that materiality will depend on the nature or magnitude of information. An entity will need to assess whether the information, either individually or in combination with other information, is material in the context of the financial statements. A misstatement of information is material if it could reasonably be expected to influence decisions made by the primary users.	1 January 2020	0	0	0	0	AASB 2018-7 IFRS Development

Part B: Changes in accounting policies

Pronouncement	Title	Summary	Application date ^{§§}	Applicability at year end ^{***} :				Further information
				30 Jun 2019	30 Sep 2019	31 Dec 2019	31 Mar 2020	
AASB 17	<i>Insurance Contracts</i>	<p>AASB 17 replaces AASB 4 <i>Insurance Contracts</i>, AASB 1023 <i>General Insurance Contracts</i> and AASB 1038 <i>Life Insurance Contracts</i> for for-profit entities.^{****} AASB 17 applies to all types of insurance contracts (i.e., life, non-life, direct insurance and re-insurance), regardless of the type of entities that issue them, as well as to certain guarantees and financial instruments with discretionary participation features.</p> <p>The core of AASB 17 is the General (building block) Model, supplemented by:</p> <ul style="list-style-type: none"> ▶ A specific adaptation for contracts with direct participation features (Variable Fee Approach) ▶ A simplified approach mainly for short-duration contracts (Premium Allocation Approach). <p>The main features of the new accounting model for insurance contracts are:</p> <ul style="list-style-type: none"> ▶ A measurement of the present value of future cash flows, incorporating an explicit risk adjustment, remeasured every reporting period (the fulfilment cash flows) ▶ A Contractual Service Margin (CSM) that is equal and opposite to any day one gain in the fulfilment cash flows of a group of contracts, representing the unearned profitability of the insurance contract to be recognised in profit or loss over the service period (i.e., coverage period) ▶ Certain changes in the expected present value of future cash flows are adjusted against the CSM and thereby recognised in profit or loss over the remaining contract service period ▶ The effect of changes in discount rates will be reported in either profit or loss or other comprehensive income, determined by an accounting policy choice. 	1 January 2021	0	0	0	0	AASB 17 Insurance Accounting Alert

**** AASB 17 currently does not apply to NFP public sector entities. The AASB is conducting a project to determine the applicability of AASB 17 to NFP public sector entities. As part of that, in November 2017, the AASB issued Discussion Paper *Australian-specific Insurance Issues - Regulatory Disclosures and Public Sector Entities*.

Part B: Changes in accounting policies

Pronouncement	Title	Summary	Application date ^{§§}	Applicability at year end ^{***} :				Further information
				30 Jun 2019	30 Sep 2019	31 Dec 2019	31 Mar 2020	
AASB 2014-10	<i>Amendments to Australian Accounting Standards - Sale or Contribution of Assets between an Investor and its Associate or Joint Venture</i>	<p>The amendments clarify that a full gain or loss is recognised when a transfer to an associate or joint venture involves a business as defined in AASB 3 <i>Business Combinations</i>. Any gain or loss resulting from the sale or contribution of assets that does not constitute a business, however, is recognised only to the extent of unrelated investors' interests in the associate or joint venture.</p> <p>AASB 2015-10 deferred the mandatory effective date (application date) of AASB 2014-10 so that the amendments were required to be applied for annual reporting periods beginning on or after 1 January 2018 instead of 1 January 2016. AASB 2017-5 further defers the effective date of the amendments made in AASB 2014-10 to periods beginning on or after 1 January 2022.⁺⁺⁺⁺</p>	1 January 2022	0	0	0	0	AASB 2014-10

⁺⁺⁺⁺ In December 2015, the IASB postponed the effective date of the amendments indefinitely pending the outcome of its research project on the equity method of accounting.

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