

03 March 2020

Dear {Goes By},

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

The IASB has issued narrow-scope amendments to IAS 1 to clarify the classification of liabilities as current or non-current. The amendments specify that the right to defer settlement of a liability should be based on conditions at the reporting date without management expectations about future events, such as future covenant breaches and early settlement plans. It also clarifies circumstances of settling a liability to include transferring goods and services - i.e. satisfying performance obligations under AABS 15 *Revenue* - and, converting a borrowing to a variable number of own shares. Previously some viewed the right to defer settlement criterion as only applying to borrowings repaid in cash. The IASB has set the effective date for 1 January 2022 to allow reasonable preparation time.

The AASB has proposed improvements to the presentation of management performance measures (non-GAAP measures) by issuing ED 298 General Presentation and Disclosures. These proposals include new subtotals, definitions and disclosures, and providing guidance on management performance measures which are not addressed in AASB standards. You are invited to provide comments by 15 May 2020.

Our January 2020 edition of "Not-for-profit financial reporting and tax update" is now available. This guide outlines the latest financial reporting and tax developments and their impact on NFPs.

Kind regards,  
Frank

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## Quick links

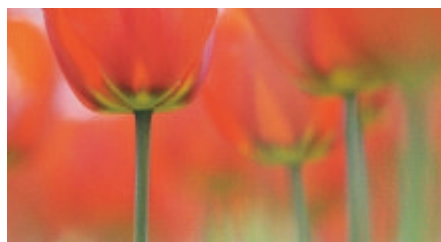
- [EY's IFRS website](#)
- [EY's Australian IFRS home page](#)
- [Illustrative Australian Company's financial report for 31 December 2019 \(and 30 June 2020\)](#)
- [EY International GAAP® 2020](#)

## Hot topics



### [IASB clarifies requirements for classifying liabilities as current or non-current](#)

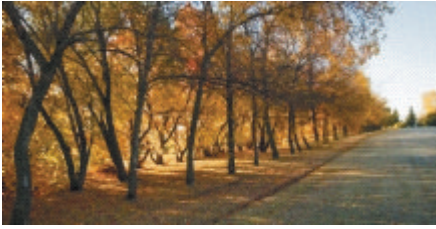
The IASB has issued amendments to IAS 1 to clarify requirements for classifying liabilities as current or non-current. We also published [IFRS Developments issue 159](#) that provides a summary of these amendments.



### [Our update on not-for-profit financial reporting and tax - January 2020](#)

This guide outlines the latest developments in financial reporting and tax for Not-for-profit entities.

## AASB news



## ED 298 general presentation and disclosures - proposals to improve the financial statements and the use of non-GAAP measures

The AASB has proposed significant changes to the presentation of non-GAAP measures, mirroring the IASB ED referenced below. You are invited to provide comments by 15 May 2020.



## Webinar: Accounting for research grants

The [slide pack](#) and [recording](#) of the AASB Staff webinar (December 2019) on the application of AASB 15 and AASB 1058 in accounting for research grants are available.

## IFRS news



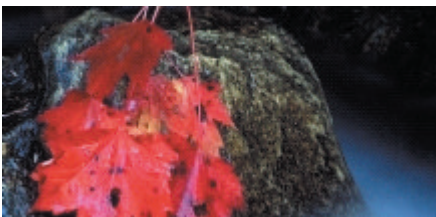
## December 2019 management commentary consultative group meeting

The [meeting summary](#) and [meeting papers](#) of the December 2019 management commentary consultative group meeting are available.



## January 2020 IFRS interpretations committee update

The January 2020 IFRS IC update is now available.



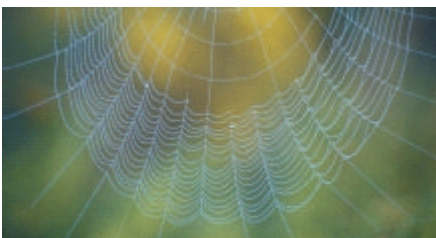
## January 2020 IASB update

The summary of the January 2020 IASB meeting is now available. Podcasts for [IFRS 17](#) and [other matters](#) discussed during this meeting are also available.



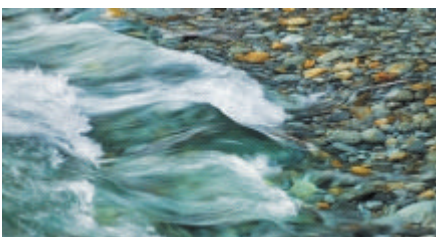
## January 2020 IFRS for SMEs update

The January 2020 IFRS for SMEs update is now available.



## IASB consults on approach to updating its IFRS for SMEs

The IASB is seeking views on its comprehensive [review](#) of IFRS for SMEs by 27 July 2020. A [snapshot](#) which provides a summary of the consultation document is available.



## Webinar on the ED general presentation and disclosures

A recording of the live webinar introducing the ED General Presentation and Disclosures is available.

## EY Publications

## EY IFRS videos

Our IFRS videos provide insight on various IFRS matters.

- [The interaction between IFRS 16 and IAS 36 impairment of assets](#)
- [Overview of EY IFRS 15 presentation and disclosure survey](#)
- [Better communication and the primary financial statements](#)
- [IFRS 16 Leases - IFRS interpretations committee agenda decisions](#)



## EY IFRS surveys - "Survey of 2018 revenue disclosures" & "IFRS real estate survey 2019"

"Survey of 2018 revenue disclosures" provides an overview of key findings from our IFRS 15 disclosure survey. "IFRS real estate survey 2019" considers key financial reporting issues of the real estate industry.



## Insurance accounting alert - December 2019

Our publication "Insurance Accounting Alert - December 2019" summaries the IASB discussions on proposed amendments to IFRS 17.



## EY IFRS illustrative financial statements - 2019

We have released 2019 versions of following IFRS illustrative financial statements.

- [Good Real Estate](#)
- [Good First-time Adopter](#)
- [Good Petroleum](#)



## IBOR reform: phase two hedge accounting issues

Our IFRS Developments issues [156](#) and [160](#) summarise the IASB's tentative decisions on phase two hedge accounting issues.



## IFRS update of standards and interpretations in issue at 31 December 2019

Our publication "IFRS update of standards and interpretations in issue at 31 December 2019" includes a summary of all IFRSs and IFRICs effective for annual reporting periods ending on or after 31 December 2019.



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