Technical Accounting Alert

Accounting standards issued but not yet effective

Introduction

The objective of this Technical Accounting Alert (TA Alert) is to:

- provide information regarding the Accounting Standards (and Interpretations) that have been issued with an effective date post 31 December 2013; and
- assist entities in meeting the disclosure requirements in paragraph 30 of AASB 108 *Accounting Policies, Changes in Accounting Estimates and Errors*.

Note that this TA Alert supersedes TA Alert 2013-06 *Accounting standards issued but not yet effective* issued in June 2013.

Overview

When the Australian Accounting Standards Board (AASB) issues a new or revised Standard (or an Interpretation)[1] with an effective date after the end of the reporting period, an entity[2] has a choice of either:

- early adopting the Standards in accordance with section 334(5) of *Corporations Act 2001* (via a directors minute - an example is included in this Alert) and disclosing this fact in the financial statements; or
- not adopting the Standard, in which case paragraph 30 of AASB 108 should be complied with.

Requirements of paragraph 30 of AASB 108

30 When an entity has not applied a new Australian Accounting Standard that has been issued but is not yet effective, the entity shall disclose:

(a) this fact; and

[1] Where an entity includes an explicit and unreserved statement of compliance with International Financial Reporting Standards (IFRSs) as required by paragraph 16 of AASB 101 *Presentation of Financial Statements*, the entity needs to consider standards issued by the International Accounting Standards Board (IASB) but not yet issued by the AASB. This is likely to apply to all entities, except for those issuing special purpose financial statements and not-for-profit entities.

[2] The requirements of paragraph 30 of AASB 108 are mandatory for all entities preparing financial statements under Part 2M.3 of the *Corporations Act 2001* and for those preparing general purpose financial statements (excluding entities applying Australian Accounting Standards – Reduced Disclosure Requirements).

(b) **known or reasonably estimable information relevant to assessing the possible impact that application of the new Australian Accounting Standard will have on the entity's financial statements in the period of initial application.**

Furthermore, paragraph 31 of AASB 108 states that in complying with paragraph 30 an entity should consider disclosing:

(a) the title of the new Australian Accounting Standard;

(b) the nature of the impending change or changes in accounting policy;

(c) the date by which application of the Australian Accounting Standard is required;

(d) the date at which it plans to apply the Australian Accounting Standard initially; and

(e) either;

  (i) a discussion of the impact that initial application of the Australian Accounting Standard is expected to have on the entity's financial report; or

  (ii) if the impact is not known or reasonably estimable, a statement to that effect.

Standards and interpretations with an effective date post 31 December 2013

The table on pages 4-15 summarises all Accounting Standards (and Interpretations) that have been issued by the AASB and IASB as at **17 December 2013**. Any further Standards (and Interpretations) issued after this date will also need to be disclosed up until the date of authorisation of the financial report.

Although the table lists most of the standards (and interpretations) issued but not yet effective, entities should only disclose standards (and interpretations) that are relevant to them. For instance, a for-profit entity does not need to disclose the impact of a new standard that only applies to entities in the public sector (for example, AASB 1055 *Budgetary Reporting*).

In addition, it is important that the sample disclosure/indicative impact for each standard and interpretation is tailored to suit the particular circumstances of each entity. Entities should pay particular attention to this disclosure, considering that the Australian Securities and Investments Commission (ASIC) has been expressing concerns over a number of years with entities providing 'boiler plate' disclosures.

Entities applying Australian Accounting Standards – Reduced Disclosure Requirements (RDR)

RDR entities are not required to disclose accounting standards issued but not yet effective. Accordingly, apart from the standards that establish RDR (AASB 1053 *Application of Tiers of Australian Accounting Standards* and AASB 2010-2 *Amendments to Australian Accounting Standards arising from Reduced Disclosure Requirements*), none of the RDR-related amendments have been included in the table.

Early adoption of standards

Where standards or interpretations are early adopted, the following director's minutes may be used for Corporations Act entities[3]:

In accordance with s334(5) of the Corporations Act, the Directors are early adopting the following accounting standards:

- *list standards / interpretations*

3 Section 334(5) of *Corporations Act 2001* states that a company, registered scheme or disclosing entity may elect to apply the accounting standard to an earlier period unless the standard says otherwise. The election must be made in writing by the directors.

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Table A: Standards applicable to both for-profit and not-for-profit entities

New/revised pronouncement	Superseeded pronouncement	Nature of change	Effective date (annual reporting periods beginning on or after ...)	Likely impact on initial application
AASB 9 *Financial Instruments* (December 2010)	AASB 139 *Financial Instruments: Recognition and Measurement* (in part)	AASB 9 introduces new requirements for the classification and measurement of financial assets and liabilities. These requirements improve and simplify the approach for classification and measurement of financial assets compared with the requirements of AASB 139. The main changes are: (a) Financial assets that are debt instruments will be classified based on (1) the objective of the entity's business model for managing the financial assets; and (2) the characteristics of the contractual cash flows. (b) Allows an irrevocable election on initial recognition to present gains and losses on investments in equity instruments that are not held for trading in other comprehensive income (instead of in profit or loss). Dividends in respect of these investments that are a return on investment can be recognised in profit or loss and there is no impairment or recycling on disposal of the instrument. (c) Financial assets can be designated and measured at fair value through profit or loss at initial recognition if doing so eliminates or significantly reduces a measurement or recognition inconsistency that would arise from measuring assets or liabilities, or recognising the gains and losses on them, on different bases. (d) Where the fair value option is used for financial liabilities the change in fair value is to be accounted for as follows:	1 January 2015 Note that, in November 2013, the IASB deferred the mandatory effective date of IFRS 9 from '1 January 2015' to 'indefinitely'. At its 11-12 December 2013 meeting, the AASB tentatively decided to defer the effective date of AASB 9 to 1 January 2017, however the AASB is yet to issue a formal amendment to AASB 9.	***[if the entity has not yet assessed the impact]*** *The entity has not yet assessed the full impact of AASB 9 as this standard does not apply mandatorily before 1 January 2015 and that the IASB is yet to finalise the remaining phases of its project to replace IAS 39 Financial Instruments: Recognition and Measurement (AASB 139 in Australia).*

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New/revised pronouncement	Superseeded pronouncement	Nature of change	Effective date (annual reporting periods beginning on or after ...)	Likely impact on initial application
		• The change attributable to changes in credit risk are presented in other comprehensive income (OCI); and • The remaining change is presented in profit or loss. If this approach creates or enlarges an accounting mismatch in the profit or loss, the effect of the changes in credit risk are also presented in profit or loss. Otherwise, the following requirements have generally been carried forward unchanged from AASB 139 into AASB 9: • Classification and measurement of financial liabilities; and • Derecognition requirements for financial assets and liabilities. Consequential amendments arising from AASB 9 are contained in AASB 2010-7 *Amendments to Australian Accounting Standards arising from AASB 9 (December 2010)*, AASB 2010-10 *Further Amendments to Australian Accounting Standards – Removal of Fixed Dates for First-time Adopters* and AASB 2012-6 *Amendments to Australian Accounting Standards – Mandatory Effective Date of AASB 9 and Transition Disclosures*. On 19 November 2013, the IASB published a package of amendments to the accounting requirements of IFRS 9 *Financial Instruments*. The Amendments: • add a new chapter on hedge accounting to the Standard, substantially overhauling previous accounting requirements in this area;		

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New/revised pronouncement	Superseeded pronouncement	Nature of change	Effective date (annual reporting periods beginning on or after ...)	Likely impact on initial application
		• allow the changes to address the so-called 'own credit' issue that were already included in IFRS 9 to be applied in isolation without the need to change any other accounting for financial instruments; and • defer the mandatory effective date of IFRS 9 from '1 January 2015' to 'indefinitely'. At its 11-12 December 2013 meeting, the AASB tentatively decided to defer the effective date of AASB 9 *Financial Instruments* to 1 January 2017, however the AASB is yet to issue a formal amendment to AASB 9. See TA Alert 2009-22, TA Alert 2010-49 and TA Alert 2013-13 for further information.		

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New/revised pronouncement	Superseeded pronouncement	Nature of change	Effective date (annual reporting periods beginning on or after ...)	Likely impact on initial application
AASB 1053 *Application of Tiers of Australian Accounting Standards* AASB 2010-2 *Amendments to Australian Accounting Standards arising from Reduced Disclosure Requirements*	None	AASB 1053 establishes a differential financial reporting framework consisting of two Tiers of reporting requirements for preparing general purpose financial statements: a) Tier 1: Australian Accounting Standards; and b) Tier 2: Australian Accounting Standards - Reduced Disclosure Requirements. Tier 2 comprises the recognition, measurement and presentation requirements of Tier 1 and substantially reduced disclosures corresponding to those requirements. The following entities apply Tier 1 requirements in preparing general purpose financial statements: a) for-profit entities in the private sector that have public accountability; and b) the Australian Government and State, Territory and Local Governments. The following entities apply either Tier 2 or Tier 1 requirements in preparing general purpose financial statements: a) for-profit private sector entities that do not have public accountability; b) all not-for-profit private sector entities; and c) public sector entities other than the Australian Government and State, Territory and Local Governments. Consequential amendments to other standards to implement reduced disclosure requirements were introduced by AASB 2010-2. Refer to TA Alert 2010-24 for further information.	1 July 2013	***[if the entity is a Tier 1 entity]*** *The entity is a Tier 1 entity and therefore not eligible to apply the Reduced Disclosure Requirements.* ***[if the entity is a Tier 2 entity and yet to make a decision on the adoption of RDR]*** *The entity is a Tier 2 entity and therefore eligible to apply the Reduced Disclosure Requirements. The entity has not yet made a decision about whether and when it will adopt the Reduced Disclosure Requirements in future.* ***[if the entity is a Tier 2 entity and decided not to adopt RDR]*** *The entity is a Tier 2 entity and therefore eligible to apply the Reduced Disclosure Requirements. However, the entity has decided not to adopt Reduced Disclosure Requirements.* Entities complying with RDR are not required to disclose accounting standards issued but not yet effective (AASB 108.30). However, such entities will need to state in their accounting policy note that they have adopted RDR (AASB 101.112, AASB 1053.4). For sample disclosures, refer to Note 1 of the latest RDR Example Financial Statements on GTAL website.

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New/revised pronouncement	Superseeded pronouncement	Nature of change	Effective date (annual reporting periods beginning on or after ...)	Likely impact on initial application
AASB 2011-4 *Amendments to Australian Accounting Standards to Remove Individual Key Management Personnel Disclosure Requirements*	None	The Standard amends AASB 124 *Related Party Disclosures* to remove the individual key management personnel (KMP) disclosures required by Australian specific paragraphs. This amendment reflects the AASB's view that these disclosures are more in the nature of governance disclosures that are better dealt within the legislation, rather than by the accounting standards. On 28 June 2013, the Australian government passed *Corporations and Related Legislation Amendment Regulation 2013 (No.1)* which inserts these disclosures, with minor changes, into *Corporations Regulations 2001*. For financial years commencing on or after 1 July 2013, these disclosures are required to be included in remuneration reports of listed companies.	1 July 2013	***[general purpose financial statements]*** *When these amendments are first adopted for the year ending 31 December 2014, they are unlikely to have any significant impact on the entity.*
AASB 2012-3 *Amendments to Australian Accounting Standards – Offsetting Financial Assets and Financial Liabilities*	None	AASB 2012-3 adds application guidance to AASB 132 to address inconsistencies identified in applying some of the offsetting criteria of AASB 132, including clarifying the meaning of "currently has a legally enforceable right of set-off" and that some gross settlement systems may be considered equivalent to net settlement.	1 January 2014	***[general purpose financial statements]*** *When AASB 2012-3 is first adopted for the year ended 31 December 2014, there will be no impact on the entitiy as this standard merely clarifies existing requirements in AASB 132.*

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New/revised pronouncement	Superseeded pronouncement	Nature of change	Effective date (annual reporting periods beginning on or after ...)	Likely impact on initial application
AASB 2013-3 *Recoverable Amount Disclosures for Non-Financial Assets*	None	These narrow-scope amendments address disclosure of information about the recoverable amount of impaired assets if that amount is based on fair value less costs of disposal. When developing IFRS *13 Fair Value Measurement*, the IASB decided to amend IAS 36 *Impairment of Assets* to require disclosures about the recoverable amount of impaired assets. The IASB noticed however that some of the amendments made in introducing those requirements resulted in the requirement being more broadly applicable than the IASB had intended. These amendments to IAS 36 therefore clarify the IASB's original intention that the scope of those disclosures is limited to the recoverable amount of impaired assets that is based on fair value less costs of disposal. AASB 2013-3 makes the equivalent amendments to AASB 136 *Impairment of Assets*.	1 January 2014	***[general purpose financial statements]*** *When these amendments are adopted for the first time on 1 January 2014, they are unlikely to have any significant impact on the entity given that they are largely of the nature of clarification of existing requirements.*
AASB 2013-4 *Amendments to Australian Accounting Standards – Novation of Derivatives and Continuation of Hedge Accounting*	None	AASB 2013-4 makes amendments to AASB 139 *Financial Instruments: Recognition & Measurement* to permit the continuation of hedge accounting in circumstances where a derivative, which has been designated as a hedging instrument, is novated from one counterparty to a central counterparty as a consequence of laws or regulations.	1 January 2014	***[general purpose financial statements]*** *When these amendments are adopted for the first time on 1 January 2014, they are unlikely to have any significant impact on the entity.*

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New/revised pronouncement	Superseeded pronouncement	Nature of change	Effective date (annual reporting periods beginning on or after ...)	Likely impact on initial application
AASB 2013-5 *Amendments to Australian Accounting Standards – Investment Entities*)	None	The amendments in AASB 2013-5 provide an exception to consolidation to investment entities and require them to measure unconsolidated subsidiaries at fair value through profit or loss in accordance with AASB 9 *Financial Instruments* (or AASB 139 *Financial Instruments: Recognition and Measurement* where AASB 9 has not yet been adopted). The amendments also introduce new disclosure requirements for investment entities that have subsidiaries. These amendments apply to investment entities, whose business purpose is to invest funds solely for returns from capital appreciation, investment income or both.	1 January 2014	***[if the parent meets the definition of 'investment entity']*** *When this standard is first adopted for the year ended 30 December 2014, [name of the subsidiary], which was established on 1 July 2012, will no longer be consolidated because […state how the parent satisfies the 'investment entity' definition…]. On 1 January 2014, assets, liabilities and non-controlling interests of $ …, $... and $... respectively of [name of the subsidiary] will be derecognised and the investment will be recognised at fair value through profit or loss in accordance with AASB 9. The entity will also need to make additional disclosures about [name of the subsidiary].* ***[if the parent meets the definition of 'investment entity', however its subsidiary is a service subsidiary rather than an investment]*** *When this standard is first adopted for the year ended 31 December 2014, there will be no impact on the entity because [name of service subsidiary] is a service subsidiary. Hence, the entity is still required to consolidate [name of service subsidiary].* ***[if the parent does not meet the definition of 'investment entity', however its subsidiary is an investment]*** *When this standard is first adopted for the year ended 31 December 2014, there will be no impact on the entity because the parent entity does not meet the definition of 'investment entity'. Hence, the entity is still required to consolidate [name of subsidiary].*

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New/revised pronouncement	Superseeded pronouncement	Nature of change	Effective date (annual reporting periods beginning on or after ...)	Likely impact on initial application
AASB Interpretation 21 *Levies*	None	Interpretation 21 addresses how an entity should account for liabilities to pay levies imposed by governments, other than income taxes, in its financial statements (in particular, when the entity should recognise a liability to pay a levy) Interpretation 21 is an interpretation of AASB 137 *Provisions, Contingent Liabilities and Contingent Assets*. AASB 137 sets out criteria for the recognition of a liability, one of which is the requirement for the entity to have a present obligation as a result of a past event (known as an obligating event). The Interpretation clarifies that the obligating event that gives rise to a liability to pay a levy is the activity described in the relevant legislation that triggers the payment of the levy. For example, if the activity that triggers the payment of the levy is the generation of revenue in the current period and the calculation of that levy is based on the revenue that was generated in a previous period, the obligating event for that levy is the generation of revenue in the current period. The generation of revenue in the previous period is necessary, but not sufficient, to create a present obligation.	1 January 2014	***[general purpose financial statements]*** *When this interpretation is adopted for the first time on 1 January 2014, there will be no significant impact on the financial statements as the entity is not subject any levies addressed by this interpretation.*

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New/revised pronouncement	Superseeded pronouncement	Nature of change	Effective date (annual reporting periods beginning on or after ...)	Likely impact on initial application
Standards issued by the IASB, but not yet by the AASB				
IFRS 9 *Financial Instruments* (Hedge Accounting and amendments to IFRS 9, IFRS 7 and IAS 39)	None	These amendments: • add a new chapter on hedge accounting to the Standard, substantially overhauling previous accounting requirements in this area; • allow the changes to address the so-called 'own credit' issue that were already included in IFRS 9 to be applied in isolation without the need to change any other accounting for financial instruments; and • defer the mandatory effective date of IFRS 9 from '1 January 2015' to 'indefinitely'. See TA Alert 2013-13 for further information.	Yet to be determined	***[if the entity has not yet assessed the impact]*** *The entity has not yet assessed the full impact of these amendments.*
Annual Improvements to IFRSs 2010–2012 Cycle	None	*Annual Improvements to IFRSs 2010–2012 Cycle* is a collection of amendments to IFRSs in response to eight issues addressed during the 2010–2012 cycle for annual improvements to IFRSs. Among other improvements, the amendments clarify that the definition of a 'related party' includes a management entity that provides key management personnel services to the reporting entity (either directly or through a group entity), and amend IFRS 8 *Operating Segements* to explicitly require the disclosure of judgements made by management in applying the aggregation criteria.	1 July 2014	***[general purpose financial statements]*** *When these amendments are first adopted for the year ended 31 December 2015, there will be no material impact on the entitiy.*

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New/revised pronouncement	Superseeded pronouncement	Nature of change	Effective date (annual reporting periods beginning on or after ...)	Likely impact on initial application
Annual Improvements to IFRSs 2011–2013 Cycle	None	*Annual Improvements to IFRSs 2011–2013 Cycle* is a collection of amendments to IFRSs in response to four issues addressed during the 2011–2013 cycle. Among other improvements, the amendments clarify that an entity should assess whether an acquired property is an investment property under IAS 40 *Investment Property* and perform a separate assessment under IFRS 3 *Business Combinations* to determine whether the acquisition of the investment property constitutes a business combination.	1 July 2014	***[general purpose financial statements]*** *When these amendments are first adopted for the year ended 31 December 2015, there will be no material impact on the entitiy.*
Defined Benefit Plans: Employee Contributions	None	These amendments revise the requirements in IAS 19 *Employee Benefits* for contributions from employees or third parties that are linked to service: • If the amount of the contributions is independent of the number of years of service, contributions may be recognised as a reduction in the service cost in the period in which the related service is rendered. • If the amount of the contributions depends on the number of years of service, those contributions must be attributed to periods of service using the same attribution method as used for the gross benefit in accordance with paragraph 70 of IAS 19. These amendments are expected to provide relief as entities are allowed to deduct contributions from service cost in the period in which the service is rendered.	1 July 2014	***[general purpose financial statements]*** *When these amendments are first adopted for the year ended 31 December 2015, there will be no material impact on the entitiy.*

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Table B: Standards applicable only to not-for-profit entities

New/revised pronouncement	Superseeded pronouncement	Nature of change	Effective date (annual reporting periods beginning on or after ...)	Likely impact on initial application
AASB 10 *Consolidated Financial Statements*	AASB 127 AASB Int 112	AASB 10 establishes a revised control model that applies to all entities. It replaces the consolidation requirements in AASB 127 *Consolidated and Separate Financial Statements* and AASB Interpretation 112 *Consolidation – Special Purpose Entities.* The revised control model broadens the situations when an entity is considered to be controlled by another entity and includes additional guidance for applying the model to specific situations, including when acting as an agent may give control, the impact of potential voting rights and when holding less than a majority voting rights may give 'de facto' control. This is likely to lead to more entities being consolidated into the group. For further details refer to TA Alert 2011-05 or our website under Publications and News for the IFRS News – Special Edition	1 January 2014	***[if the entity has concluded that there will be no impact]*** *When this standard is first adopted for the year ended 31 December 2014, there will be no impact on the transactions and balances recognised in the financial statements.* ***[if the entity has SPEs which will need to be consolidated under AASB 10 (which were not consolidated under Interpretation 112]*** *When this standard is first adopted for the year ended 31 December 2014, [name of SPE], which was established on 1 July 2012, will need to be consolidated because […state reason why control tests now met…]. As [name of SPE] is a business, assets, liabilities and non-controlling interests of $ …, $... and $... respectively will be measured and recognised on 1 January 2013 as if [name of SPE] had always been consolidated in accordance with the requirements of AASB 10 from date control obtained, i.e. from 1 July 2012.* ***[if the entity has SPEs which no longer need to be consolidated]*** *When this standard is first adopted for the year ended 31 December 2014, [name of SPE], which was established on 1 July 2012, will no longer need to be consolidated because […state reason why control tests no longer met…]. On 1 January 2013, assets, liabilities and non-controlling interests of $ …, $... and $... respectively of [name of SPE] will be derecognised and the investment recognised at an amount as if the requirements of AASB 10 had always been effective, with the difference recognised as an adjustment to equity on that date.*

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Table B: Standards applicable only to not-for-profit entities

New/revised pronouncement	Superseeded pronouncement	Nature of change	Effective date (annual reporting periods beginning on or after ...)	Likely impact on initial application
AASB 11 *Joint Arrangements*	AASB 131 AASB Int 113	AASB 11 replaces AASB 131 *Interests in Joint Ventures* and AASB Interpretation 113 *Jointly-controlled Entities – Non-monetary Contributions by Ventures*. AASB 11 uses the principle of control in AASB 10 to define joint control, and therefore the determination of whether joint control exists may change. In addition, AASB 11 removes the option to account for jointly-controlled entities (JCEs) using proportionate consolidation. Instead, accounting for a joint arrangement is dependent on the nature of the rights and obligations arising from the arrangement. Joint operations that give the venturers a right to the underlying assets and obligations for liabilities are accounted for by recognising the share of those assets and liabilities. Joint ventures that give the venturers a right to the net assets are accounted for using the equity method. Refer to TA Alert 2011-05 for further details.	1 January 2014	***[if the entity has no joint arrangements]*** *When this standard is first adopted for the year ended 31 December 2014, there will be no impact on transactions and balances recognised in the financial statements because the entity has not entered into any joint arrangements.* ***[if the joint arrangement structured as a separate vehicle, i.e. joint venture, currently uses the proportionate consolidation method]*** *When this standard is adopted for the first time for the year ended 31 December 2014, joint ventures will be accounted for in consolidated financial statements using the equity method, rather than the proportionate consolidation method. The entity's proportionate share of assets and liabilities recognised on 1 January 2013 will be derecognised and $ … will be recognised as the initial investment to be equity accounted in future, being $... of proportionate net assets derecognised and $... of goodwill arising on acquisition. Impairment adjustments required on 1 January 2013 of $... will be debited to retained earnings on that date.* ***[joint arrangement structured as a separate vehicle where contractual terms or other facts and circumstances indicate that it should be accounted for as a joint operation]*** *[Name of joint arrangement], which is conducted through [name of joint arrangement], is currently accounted for using the equity method. When this standard is first adopted for the year ended 31 December 2014, this arrangement will be treated as a joint operation because [give details why, i.e. contractual terms or other facts and circumstances]. On 1 January 2013, the equity accounted investment of $ …. will be derecognised and the group's share of each asset and each liability in respect of the joint operation will be recognised separately in the statement of financial position.* *The aggregate of the group's share of assets and liabilities of $ … recognised on 1 January 2013 exceeds the equity accounted investment derecognised of $ … The difference of $ … will be deducted from any goodwill recognised and any remaining difference will be credited to retained earnings on that date.* *OR* *The aggregate of the group's share of assets and liabilities of $ …. recognised on 1 January 2013 is less than the equity accounted investment derecognised of $.... The difference of $ … will be debited to retained earnings on that date.*

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New/revised pronouncement	Superseeded pronouncement	Nature of change	Effective date (annual reporting periods beginning on or after ...)	Likely impact on initial application
AASB 12 *Disclosure of Interests in Other Entities*	AASB 127 (in part) AASB 128 (in part) AASB 131 (in part)	AASB 12 includes all disclosures relating to an entity's interests in subsidiaries, joint arrangements, associates and structured entities. New disclosures introduced by AASB 12 include disclosures about the judgements made by management to determine whether control exists, and to require summarised information about joint arrangements, associates and structured entities and subsidiaries with non-controlling interests. Refer to TA Alert 2011-05 for further details.	1 January 2014	***[general purpose financial statements]*** *As this is a disclosure standard only, there will be no impact on amounts recognised in the financial statements. However, additional disclosures will be required for interests in associates and joint arrangements, as well as for unconsolidated structured entities.*
AASB 127 *Separate Financial Statements* AASB 128 *Investments in Associates and Joint Ventures*	AASB 127 *Consolidated and Separate Financial Statements* AASB 128 *Investments in Associates*	As a consequence of issuing AASB 10, AASB 11 and AASB 12, revised versions of AASB 127 and AASB 128 have also been issued. AASB 127 now only deals with separate financial statements. AASB 128 incorporates the requirements in Interpretation 113 *Jointly Controlled Entities – Non-Monetary Contributions by Venturers*, and guidance relating to the equity method for associates and joint ventures. Refer to TA Alert 2011-05 or further details.	1 January 2014	***[general purpose financial statements]*** *When these revised standards are adopted for the first time for the financial year ending 31 December 2014, there will be no impact on the financial statements because they introduce no new requirements.*
AASB 2011-7 Amendments to Australian Accounting Standards arising from the Consolidation and Joint Arrangements Standards	None	AASB 2011-7 makes various consequential amendments to Australian Accounting Standards arising from AASB 10, AASB 11, AASB 12, AASB 127 (August 2011) and AASB 128 (August 2011).	1 January 2014	***[general purpose financial statements]*** *When these amendments are first adopted for the year ending 31 December 2014, they are unlikely to have any significant impact on the entity given that they are largely of the editorial nature.*

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Table B: Standards applicable only to not-for-profit entities

New/revised pronouncement	Superseeded pronouncement	Nature of change	Effective date (annual reporting periods beginning on or after ...)	Likely impact on initial application
AASB 1055 *Budetary Reporting* AASB 2013-1 *Amendments to AASB 1049 – Relocation of Budgetary Reporting Requirements*	None	AASB 1055 specifies budgetary disclosure requirements for the whole of government, General Government Sector (GGS) and not-for-profit entities within the GGS of each government. AASB 2013-1 makes consequential amendments to AASB 1049 as result of the issuance of AASB 1055.	1 July 2014	***[general purpose financial statements]*** *When these standards are adopted for the first time on 1 January 2015, they are unlikely to have any significant impact on the entity.*

Action required

With the 31 December 2013 financial reporting season fast approaching, entities should now take time to review and consider the impact of new and revised accounting standards and interpretations that have been issued but not yet effective.

Further information

For further information on any of the information included in this TA alert, please contact your local Grant Thornton Australia contact or a member of the National Audit Support team at NAS@grantthornton.com.au