

# Technical Accounting Alert

## What's New for June 2014?

### Introduction

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

- provide information on new and revised Accounting Standards that are mandatorily applicable for the first time to 30 June 2014 annual and/or half-year ends; and
- highlight other recent financial reporting developments.

This TA Alert incorporates all the relevant pronouncements and developments as at **17 March 2014**.

Entities should also take into account any new pronouncements issued, or developments taking place, after this date if they are relevant for the financial year and/or half-years ending 30 June 2014.

Appendix A of this TA Alert contains a list Australian Accounting Standards - Reduced Disclosure Requirements (RDR) that are effective for the first time to financial years beginning 1 July 2013.

Appendix B provides information on pronouncements issued by the Australian Accounting Standards Board (AASB) and/or the International Accounting Standards Board (IASB) that are not yet applicable. For a comprehensive list of all the pronouncements issued by the AASB and the IASB that are not yet effective, refer to our latest TA Alert on this topic on our website ([http://www.grantthornton.com.au/Publications/Tools-and-resources/Technical-publications/Local\\_Alerts.asp](http://www.grantthornton.com.au/Publications/Tools-and-resources/Technical-publications/Local_Alerts.asp)).

### Overview

There are a large number of new and revised Australian accounting requirements that apply mandatorily for the first time to annual and/or half-year reporting periods ending 30 June 2014, which are summarised in the table below:

Standard/Interpretation	Mandatory effective date (Annual periods beginning on or after ...)	Applicable for the first time to year ending 30 June 2014?	Applicable for the first time to half-year ending 30 June 2014?
AASB 10 <i>Consolidated Financial Statements</i>	1 January 2013*	✓	X
AASB 11 <i>Joint Arrangements</i>	1 January 2013*	✓	X
AASB 12 <i>Disclosure of Interests in Other Entities</i>	1 January 2013*	✓	X

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Standard/Interpretation	Mandatory effective date (Annual periods beginning on or after ...)	Applicable for the first time to year ending 30 June 2014?	Applicable for the first time to half-year ending 30 June 2014?
AASB 13 <i>Fair Value Measurement</i>	1 January 2013	✓	X
AASB 119 <i>Employee Benefits</i> (September 2011)	1 January 2013	✓	X
AASB 127 <i>Separate Financial Statements</i> (August 2011)	1 January 2013*	✓	X
AASB 128 <i>Investments in Associates and Joint Ventures</i> (August 2011)	1 January 2013*	✓	X
AASB 1053 <i>Application of Tiers of Australian Accounting Standards</i>	1 July 2013	✓	N/A
AASB 2010-10 <i>Further Amendments to Australian Accounting Standards – Removal of Fixed Dates for First-time Adopters</i>	1 January 2013	✓	X
AASB 2011-4 <i>Amendments to Australian Accounting Standards to Remove Individual Key Management Personnel Disclosure Requirements</i>	1 July 2013	✓	N/A
AASB 2011-7 <i>Amendments to Australian Accounting Standards arising from the Consolidation and Joint Arrangements Standards</i>	1 January 2013*	✓	X
AASB 2011-8 <i>Amendments to Australian Accounting Standards arising from AASB 13</i>	1 January 2013	✓	X
AASB 2011-10 <i>Amendments to Australian Accounting Standards arising from AASB 119 (September 2011)</i>	1 January 2013	✓	X
AASB 2011-12 <i>Amendments to Australian Accounting Standards arising from Interpretation 20</i>	1 January 2013	✓	X
AASB 2012-2 <i>Amendments to Australian Accounting Standards – Disclosures – Offsetting Financial Assets and Financial Liabilities</i>	1 January 2013	✓	X
AASB 2012-4 <i>Amendments to Australian Accounting Standards – Government Loans</i>	1 January 2013	✓	X
AASB 2012-5 <i>Amendments to Australian Accounting Standards arising from Annual Improvements 2009–2011 Cycle</i>	1 January 2013	✓	X
AASB 2012-6 <i>Amendments to Australian Accounting Standards – Mandatory Effective Date of AASB 9 and Transition Disclosures</i>	1 January 2013	✓	X
AASB 2012-9 <i>Amendment to AASB 1048 arising from the Withdrawal of Australian Interpretation 1039</i>	1 January 2013	✓	X
AASB 2012-10 <i>Amendments to Australian Accounting Standards – Transition Guidance and Other Amendments</i> (amendments to AASB 10 and related standards)	1 January 2013	✓	X

Standard/Interpretation	Mandatory effective date (Annual periods beginning on or after ...)	Applicable for the first time to year ending 30 June 2014?	Applicable for the first time to half-year ending 30 June 2014?
AASB Interpretation 20 <i>Stripping Costs in the Production Phase of a Surface Mine</i>	1 January 2013	✓	X

\* *Effective date is only relevant to for-profit entities. Not-for-profit entities are required to apply this standard to annual reporting periods beginning on or after 1 January 2014.*

## Requirements applying for the first time to annual periods ending 30 June 2014

Although a large number of new and revised standards became effective for the financial year ending 30 June 2014, this TA Alert focuses only on the significant changes (in particular, AASB 10, AASB 11, AASB 12, AASB 13 and AASB 119). Other standards are unlikely to have any significant impact on entities.

### AASB 10 Consolidated Financial Statements

AASB 10 replaces the existing consolidation requirements in AASB 127 *Consolidated and Separate Financial Statements* and Interpretation 112 *Consolidation – Special Purpose Entities*.

AASB 10 is based on a new principles-based definition of control and applies to all types of investees, including special purpose entities (which are now called ‘structured entities’). It also provides additional application guidance on a number of areas where control is difficult to assess. This includes situations involving potential voting rights, principal/agent relationships, control of specified assets within an entity (called ‘silos’) and circumstances in which voting rights are not the dominant factor in determining control.

AASB 10 does not change how to prepare consolidated financial statements. It contains consolidation procedures, which are carried over from AASB 127 (albeit that the structure and wording have changed).

The changes introduced by AASB 10 require management to exercise significantly more judgement to determine which entities are controlled, compared with the requirements of AASB 127.

Refer to our [IFRS News – Special Edition](#) (June 2011) for further details.

### AASB 11 Joint Arrangements

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. It replaces AASB 131’s three categories of ‘jointly controlled entities’, ‘jointly controlled operations’ and ‘jointly controlled assets’ with two new categories (being ‘joint operations’ and ‘joint ventures’), and removes the option to account for jointly controlled entities (JCEs) using proportionate consolidation.

Under AASB 11, 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.

Determining whether an arrangement is a joint operation or a joint venture in accordance with AASB 11 requires consideration of all facts and circumstances (including the structure/legal form of the arrangement and terms agreed by parties to the arrangement). The structure (i.e. legal form) of a joint arrangement is only one element to be considered in classifying a joint arrangement. AASB 11 focuses more on the nature and substance of the rights and obligations arising from the arrangement. This is a significant change from AASB 131 where the legal form of the arrangement was the primary factor in determining the appropriate accounting. Nevertheless, the structure of the joint arrangement is still very important. A joint arrangement that is not structured through a separate vehicle is always classified as a joint operation. If there is a separate vehicle, the joint arrangement may not necessarily be a joint venture. The contractual terms of the joint arrangement itself, as well as other factors and circumstances, may impact its classification.

Refer to our [IFRS News – Special Edition](#) (June 2011) for further details.

### **AASB 12 Disclosure of Interests in Other Entities**

AASB 12 is a comprehensive disclosure standard containing all the disclosure requirements relating to subsidiaries, joint arrangements, associates and unconsolidated structured entities. It combines the existing disclosures in AASB 127, AASB 128 & AASB 131, and introduces a range of new disclosure requirements, including:

- significant judgements and assumptions made in determining whether control, joint control & significant influence exists;
- significant restrictions on investor's ability to access/use subsidiary's assets & liabilities;
- maximum exposure to loss arising from involvement with unconsolidated structured entities; and
- financial or other support provided to unconsolidated structured entities when there is no obligation to do so and any current intentions to provide such support

Refer to our [IFRS News – Special Edition](#) (June 2011) for further details.

### **AASB 13 Fair Value Measurement**

AASB 13 establishes a single source of guidance for determining the fair value of assets and liabilities. AASB 13 does not change when an entity is required to use fair value, but rather, provides guidance on how to determine fair value when fair value is required or permitted by other Standards.

AASB 13 also expands the disclosure requirements for all assets or liabilities carried at fair value. This includes information about the assumptions made and the qualitative impact of those assumptions on the fair value determined.

Refer to our [IFRS News – Special Edition](#) (October 2011) for further details.

### **AASB 119 Employee Benefits (September 2011)**

Main changes include:

- Elimination of the 'corridor' approach for deferring gains/losses for defined benefit plans;
- Actuarial gains/losses on remeasuring the defined benefit plan obligation/asset to be recognised in Other Comprehensive Income (OCI) rather than in profit or loss, and cannot be reclassified in subsequent periods;
- Subtle amendments to timing for recognition of liabilities for termination benefits; and

- Employee benefits ‘expected to be settled wholly’ (as opposed to ‘due to be settled’ under current standard) within 12 months after the end of the reporting period are short-term benefits, and therefore not discounted when calculating leave liabilities. Unless all annual leave for all employees is expected to be used wholly within 12 months of the end of reporting period this will in future be an ‘other long-term benefit’ which will be discounted when calculating the leave liability. This has no impact on the presentation of annual leave as a current liability.

Consequential amendments were also made to other standards via AASB 2011-10.

## **Other financial reporting developments that are relevant to annual periods ending 30 June 2014**

### ***Updated AASB staff paper on accounting for carbon tax from the emitters’ Perspective***

On 29 July 2013, the AASB released an updated version of its staff paper [\*Possible Financial Reporting Implications of the Fixed Price Phase of the Carbon Pricing Mechanism for Emitter Entities\*](#) which incorporates the potential implications of the new Interpretation 21 [\*Levies\*](#).

The staff paper is designed to assist constituents in identifying the key general purpose financial reporting issues that may arise for emitter entities during the fixed price phase of the Carbon Pricing Mechanism (CPM) and possible accounting treatments in respect of those issues under current Australian Accounting Standards.

Another paper entitled [\*Financial Reporting Implications of the Carbon Tax for Government\*](#) was published in February 2013, discussing the key general purpose financial reporting issues that may have implications for the Australian Government during the fixed price phase of the CPM.

### ***Amendments to Corporations Regulations 2001 relating to remuneration disclosures***

On 28 June 2013, the Commonwealth Government passed the [\*Corporations and Related Legislation Amendment Regulation 2013\*](#) applicable from 1 July 2013 to effect a range of changes to the *Corporations Regulations* and other regulations.

The major change was inserting the requirements previously contained in paragraphs Aus29.7 - Aus29.9.3 of AASB 124 *Related Party Transactions* into the *Corporations Regulations 2001* to ensure the disclosure requirements continue to be operative. The AASB decided in July 2011 to remove these disclosures, which deal with transactions with key management personnel (KMP), from AASB 124 from 1 July 2013 on the basis that they were governance related disclosures that were better located in the regulations.

On 25 July 2013, [\*Corporations and Australian Securities and Investments Commission Amendment Regulation 2013 \(No. 1\)\*](#) was issued, clarifying that the above disclosures are to be included in directors’ reports for financial years beginning on or after 1 July 2013 (rather than directors’ reports signed after 1 July 2013, as implied in the original amendment).

### ***ASIC findings from 30 June 2013 financial reports and likely focus areas for 30 June 2014***

On 16 December 2013, the Australian Securities and Investments Commission (ASIC) released Media Release 13-341MR [\*Findings from 30 June 2013 financial reports\*](#), which commented on the results of ASIC reviews of 30 June 2013 financial reports that covered 280 listed and other public interest entities.

The Media Release highlights ASIC's findings and inquiries in the areas of:

- disclosure in the operating and financial review
- off-balance sheet arrangements and new standards
- asset values and impairment testing
- going concern
- revenue recognition and expense deferral
- financial instrument values
- estimates and accounting policy judgements
- non-IFRS financial information
- related party disclosures
- amortisation of intangible assets
- segment reporting
- other material disclosures (such as post balance date events)
- other areas (such as business combination accounting)

For more information on ASIC's finding on each of these areas, refer to TA Alert 2013-15 *ASIC findings from 30 June 2013 financial reports*.

At the time of writing this Alert, ASIC is yet to formally announce its focus areas for 30 June 2014 financial reporting season. However, we expect them to be broadly similar to the areas noted above. When ASIC publishes its focus areas for 30 June 2014 financial reports, we will issue a new TA Alert which will be located under: [http://www.grantthornton.com.au/Publications/Tools-and-resources/Technical-publications/Local\\_Alerts.asp](http://www.grantthornton.com.au/Publications/Tools-and-resources/Technical-publications/Local_Alerts.asp).

### **Australian Charities and Not-for-Profits Commission (ACNC) Financial reporting requirements**

In June 2013, the Commonwealth government released the [Australian Charities and Not-for-profits Commission Amendment Regulations 2013 \(No.3\)](#), specifying requirements for the annual financial reporting information that registered charities must provide to the ACNC for the 2013-14 and later financial years.

The regulations set out the form and content of the financial reports that registered charities must provide to the ACNC as part of their annual information statements. The requirements vary depending on whether an entity is classified as small, medium and large. Nevertheless, the financial statements are required to comply with Australian Accounting Standards and are subject to the application of the reporting entity concept. Special purpose financial statements are only required to comply with AASB 101 *Presentation of Financial Statements*, AASB 107 *Statement of Cash Flows*, AASB 108 *Accounting Policies, Changes in Accounting Estimates and Errors*, AASB 1031 *Materiality*, AASB 1048 *Interpretation of Standards* and AASB 1054 *Australian Additional Disclosures*.

The regulations also contain transitional requirements for medium and large entities (as defined in the Act) that did not previously produce a financial report complying with accounting standards. The transitional provisions specify certain line items that the entity must report, and there are different requirements for medium and large entities. Reporting on such line items will ensure that the entities meet their financial reporting obligations for the first year they report to the ACNC.

On 18 February 2014, the ACNC released a [media release](#), stating that the ACNC Commissioner will exercise her discretion to accept financial reports submitted to state and territory government in place of ACNC annual financial reports for the 2014 reporting period. The announcement means that when charities complete their 2014 Annual Information Statements with the ACNC, they will be able to electronically submit the same financial reports which they provide to their state regulators. This will benefit medium (annual revenue of \$250,000 to \$1 million) and large charities (annual revenue of \$1 million and over), many of which are incorporated associations operating in the states and territories.

## **Other financial reporting developments that are relevant to future periods**

### **Amendments to AASB 9: Financial Instruments**

On 23 December 2013, the AASB announced the approval of the IASB's recent amendments to IFRS 9 *Financial Instruments*, including the hedge accounting chapter. These amendments were included in [AASB 2013-9 Amendments to Australian Accounting Standards – Conceptual Framework, Materiality and Financial Instruments](#) which implements the following changes:

- Inserting the general hedge accounting requirements into AASB 9 *Financial Instruments* as Chapter 6 *Hedge Accounting*, replacing the current requirements in AASB 139 *Financial Instruments: Recognition and Measurement* and marking the conclusion of this stage of the IASB's financial instruments project. The new requirements are expected to make hedge accounting easier to understand and better aligned with an entity's risk management practices and include new disclosures which have been added to AASB 7 *Financial Instruments: Disclosures*;
- Deferring the mandatory effective date of AASB 9 from 1 January 2015 to 1 January 2017, to reflect the IASB's decision to defer the application date of IFRS 9 indefinitely. However, since the issuance of AASB 2013-9, the IASB tentatively decided to set 1 January 2018 as the new operative date of IFRS 9 at its February 2014 board meeting. At the time of writing this Alert, both the IASB and AASB are yet to formally amend IFRS 9 and AASB 9 (respectively) to reflect this new operative date.
- Allowing the so-called 'own credit issues' that were already included in AASB 9, to be applied in isolation without the need to change any other accounting for financial instruments. These own credit requirements allow entities to change the accounting for liabilities that they have elected to measure at fair value, before applying any of the other requirements in AASB 9. This change in accounting means that gains caused by a worsening in an entity's own credit risk on such liabilities are no longer recognised in profit or loss;
- Adding or amending the Reduced Disclosure Requirements (RDR) for AASB 7 and AASB 101 *Presentation of Financial Statements*.

Refer to [TA Alert 2013-13](#) for further details.

More details can be found in the [AASB media release](#) which includes a table summarising the ways in which AASB 9 is available for early application, in combination with application of AASB 139. More information on the equivalent IASB amendments released in November 2013 can be found on the [IASB's hedge accounting project page](#).

### **Fatal flaw version of upcoming new superannuation standard**

On 20 December 2013, the AASB published on its website, for fatal flaw review, the final draft of its [new Standard](#) applying to superannuation entities, which will comprehensively reform the general purpose financial reporting requirements applicable to superannuation entities that are reporting entities.

The fatal flaw draft was open for comment until 28 February 2014 and once formally approved the final Standard will replace AAS 25 *Financial Reporting by Superannuation Plans* and is expected to apply to annual reporting periods beginning on or after 1 July 2016. The final Standard is expected to be issued by the AASB during the first half of 2014.

Details of the main changes between the new Standard and its predecessor AAS 25 are included as an appendix to the standard.

The AASB has been working on this project for several years, with the release of [ED 179](#) in May 2009, followed by a subsequent [ED 233](#) in December 2011, addressing issues raised with the original proposals. The need for change reflects both the implementation of IFRS and the substantial changes in the superannuation industry that had occurred since AAS 25 was issued in 1993.

For more details, refer to the AASB [media release](#) and the [project summary](#) available on the AASB website.

### **AASB guidance on applying control principles in the Not-for-Profit (NFP) sector**

On 31 October 2013, the AASB issued [AASB 2013-8](#) *Amendments to Australian Accounting Standards – Australian Implementation Guidance for Not-for-Profit Entities – Control and Structured Entities*.

AASB 2013-8 adds an appendix to AASB 10 *Consolidated Financial Statements* to explain and illustrate how the principles in AASB 10 apply from the perspective of not-for-profit entities in the private and public sectors, particularly to address circumstances where a for-profit perspective does not readily translate to a not-for-profit perspective. Similarly, it adds an appendix to AASB 12 *Disclosure of Interests in Other Entities*, in relation to structured entities.

These appendices do not apply to for-profit entities or affect their application of AASB 10 and AASB 12.

The amendments apply to annual reporting periods beginning on or after 1 January 2014, with early application permitted.

Refer to [TA Alert 2013-12](#) for further details.

### **Consolidation exception for investment entities**

On 14 August 2013, the AASB issued [AASB 2013-5](#) *Amendments to Australian Accounting Standards – Investment Entities*. These amendments provide an exception to the consolidation requirements in AASB 10 *Consolidated Financial Statements* and require investment entities to measure particular subsidiaries at fair value through profit or loss, rather than consolidate them.

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. Examples of entities which might qualify as investment entities would include Australian superannuation entities, listed investment companies, pooled investment trusts and Federal, State and Territory fund management authorities.



The amendments are effective from 1 January 2014, with early adoption permitted.

For further information, refer to [TA Alert 2013-09](#), [TA Alert 2012-10](#) and our [IFRS News Special Edition](#).

### **Uncertain future of ACNC**

In a [speech](#) delivered to Not-for-Profit (NFP) Directors on 29 January 2014, the Federal Social Services Minister, the Hon Kevin Andrews MP, confirmed the government's intention to replace the ACNC with a charity evaluator model based on the US-based Charity Navigator.

As part of this reform, the government will establish a National Centre for Excellence (NCE) which will represent the interests of charities and not-for-profit agencies. The NCE will support innovation, help to build capacity of the sector, provide education and training and work to reduce reporting and regulation with the civil sector. Regulation of charities would return to the Australian Securities and Investments Commission and the Australian Taxation Office.

The government expects to introduce legislation into parliament to abolish the ACNC within the next few months. It is also expected that the government will overturn the *Charities Act 2013* which sets out the meaning of 'charity' and 'charitable purpose' for all Commonwealth purposes in a statutory definition and became operative on 1 January 2014.

The government's plan to establish the NCE was noted in the ACNC's Board Meeting held on 31 January 2014 and also discussed in the [ACNC Commissioner's Column](#) dated 11 February 2014.

For further information, refer to the [media release](#) published by the Department of Social Services and an [article](#) published by Governance Institute of Australia.

### **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 [nationalaudit.support@au.gt.com](mailto:nationalaudit.support@au.gt.com)

# Appendix A: RDR Standards Effective for the First Time

## RDR Standards effective for the first time to annual reporting periods beginning on 1 July 2013

Standard	Date of Issue	Mandatory effective date (Annual periods beginning on or after ...)
AASB 2010-2 <i>Amendments to Australian Accounting Standards arising from Reduced Disclosure Requirements</i>	30 June 2010	1 July 2013
AASB 2011-2 <i>Amendments to Australian Accounting Standards arising from the Trans-Tasman Convergence Project – Reduced Disclosure Requirements</i>	11 May 2011	1 July 2013
AASB 2011-6 <i>Amendments to Australian Accounting Standards – Extending Relief from Consolidation, the Equity Method and Proportionate Consolidation – Reduced Disclosure Requirements</i>	20 July 2011	1 July 2013
AASB 2011-11 <i>Amendments to AASB 119 (September 2011) arising from Reduced Disclosure Requirements</i>	5 September 2011	1 July 2013
AASB 2012-1 <i>Amendments to Australian Accounting Standards - Fair Value Measurement - Reduced Disclosure Requirements</i>	21 March 2012	1 July 2013
AASB 2012-7 <i>Amendments to Australian Accounting Standards arising from Reduced Disclosure Requirements</i>	10 September 2012	1 July 2013
AASB 2012-11 <i>Amendments to Australian Accounting Standards – Reduced Disclosure Requirements and Other Amendments</i>	18 December 2012	1 July 2013

# Appendix B: Accounting Standards Issued But Not Yet Effective

## AASB Standards issued but not yet effective (non-RDR Standards)\*

Standard/Interpretation	Date of Issue	Mandatory effective date (Annual periods beginning on or after ...)	Early adoption permitted?#
AASB 9 <i>Financial Instruments</i>	6 December 2010	1 January 2017 <sup>^</sup>	Yes (extensive transitional rules apply)
AASB 10 <i>Consolidated Financial Statements</i>	29 August 2011	1 January 2014 (for not-for-profit entities)	Yes (but must also apply AASB 11, AASB 12, AASB 127 and AASB 128 at the same time. Not-for-profit entities can only early adopt for annual periods from 1 January 2013).
AASB 11 <i>Joint Arrangements</i>	29 August 2011	1 January 2014 (for not-for-profit entities)	Yes (but must also apply AASB 10, AASB 12, AASB 127 and AASB 128 at the same time. Not-for-profit entities can only early adopt for annual periods from 1 January 2013).
AASB 12 <i>Disclosure of Interests in Other Entities</i>	29 August 2011	1 January 2014 (for not-for-profit entities)	Yes (not-for-profit entities can only early adopt for annual periods from 1 January 2013).
AASB 127 <i>Separate Financial Statements</i>	29 August 2011	1 January 2014 (for not-for-profit entities)	Yes (but must also apply AASB 10, AASB 11, AASB 12 and AASB 128 at the same time. Not-for-profit entities can only early adopt for annual periods from 1 January 2013).
AASB 128 <i>Investments in Associates and Joint Ventures</i>	29 August 2011	1 January 2014 (for not-for-profit entities)	Yes (but must also apply AASB 10, AASB 11, AASB 12 and AASB 127 at the same time. Not-for-profit entities can only early adopt for annual periods from 1 January 2013).
AASB 1055 <i>Budgetary Reporting</i>	5 March 2013	1 July 2014	Yes
AASB 2010-7 <i>Amendments to Australian Accounting Standards arising from AASB 9 (December 2010)</i>	6 December 2010	1 January 2015	Yes (extensive transitional rules apply).
AASB 2011-7 <i>Amendments to Australian Accounting Standards arising from the Consolidation and Joint Arrangements Standards</i>	29 August 2011	1 January 2014 (for not-for-profit entities)	Yes (but must also apply AASB 10, AASB 11, AASB 12, AASB 127 and AASB 128 at the same time. Not-for-profit entities can only early adopt for annual periods from 1 January 2013).
AASB 2012-3 <i>Amendments to Australian Accounting Standards – Offsetting Financial Assets and Financial Liabilities</i>	6 July 2012	1 January 2014	Yes
AASB 2013-1 <i>Amendments to AASB 1049 – Relocation of Budgetary Reporting Requirements</i>	5 March 2013	1 July 2014	Yes (but must also apply AASB 1055 at the same time. Entities can only adopt for annual periods beginning on or after 1 January 2009).
AASB 2013-3 <i>Amendments to AASB 136 – Recoverable</i>	27 June 2013	1 January 2014	Yes (but must also apply AASB 13 at

Standard/Interpretation	Date of Issue	Mandatory effective date (Annual periods beginning on or after ...)	Early adoption permitted?#
<i>Amount Disclosures for Non-Financial Assets</i>			the same time).
AASB 2013-4 <i>Amendments to Australian Accounting Standards – Novation of Derivatives and Continuation of Hedge Accounting</i>	19 July 2013	1 January 2014	Yes
AASB 2013-5 <i>Amendments to Australian Accounting Standards – Investment Entities</i>	14 August 2013	1 January 2014	Yes (but must also apply AASB 10, AASB 11, AASB 12, AASB 127 and AASB 128 at the same time. Not-for-profit entities can only early adopt for annual periods from 1 January 2013).
AASB 2013-7 <i>Amendments to AASB 1038 arising from AASB 10 in relation to Consolidation and Interests of Policyholders</i>	14 October 2013	1 January 2014	Yes
AASB 2013-8 <i>Amendments to Australian Accounting Standards – Australian Implementation Guidance for Not-for-Profit Entities – Control and Structured Entities</i>	31 October 2013	1 January 2014	Yes (but only to periods on or after 1 January 2013 and must also apply AASB 10 and AASB 12 at the same time).
AASB 2013-9 <i>Amendments to Australian Accounting Standards – Conceptual Framework, Materiality and Financial Instruments</i>	20 December 2013	'Part A – Conceptual Framework' applies to annual periods <u>ending on or after</u> 20 December 2013	Yes
		'Part B – Materiality' applies from 1 January 2014	No
		'Part C – Financial Instruments' applies from 1 January 2015	Yes

### AASB Standards issued but not yet effective (RDR Standards)+

Standard	Date of Issue	Mandatory effective date (Annual periods beginning on or after ...)	Early adoption permitted?
AASB 2013-6 <i>Amendments to AASB 136 arising from Reduced Disclosure Requirements</i>	27 September 2013	1 January 2014	Yes (entities can only early adopt for annual periods beginning on or after 1 July 2009).

+ For a comprehensive list of all the pronouncements issued by the AASB/LASB that are not yet effective, refer to our latest TA Alert on this topic on our website ([http://www.grantthornton.com.au/Publications/Tools-and-resources/Technical-publications/Local\\_Alerts.asp](http://www.grantthornton.com.au/Publications/Tools-and-resources/Technical-publications/Local_Alerts.asp)).

# Entities intending to early adopt these pronouncements should refer to the specific early application provisions in each Standard.

^ At its February 2014 board meeting, the LASB tentatively decided to set 1 January 2018 as the new operative date of IFRS 9. At the time of writing this Alert, both the LASB and AASB are yet to formally amend IFRS 9 and AASB 9 (respectively) to reflect this new operative date.