

# Standards on issue

Updated as at 30 June 2022



This document outlines all standards issued by the AASB and the IASB which will be applicable for the first time or available for early adoption for any financial year ending on or after 30 June 2022. It will assist preparers of financial reports to:

- ensure all standards that are mandatory for adoption have been applied in the correct period
- identify and consider standards not yet mandatory which may have relevance to an entity upon adoption.

AASB 108 *Accounting Policies, Changes in Accounting Estimates and Errors* requires specific disclosures to be made when the adoption of a new or revised standard results in a change in existing policy or new policy that is significant. AASB 108 also requires disclosure of the possible impact of relevant standards on issue but not yet adopted.

Table 1: Newly effective standards for years ended 30 June 2022

Table 2: Standards available for early adoption for years ended 30 June 2022

Table 3: Standards applicable for years ended 30 June 2022 and prior

Table 4: IASB standards awaiting approval by the AASB

The chart focusses on 30 June year ends. All standards are effective from 1 January, except for AASB 2021-3, AASB 2020-7, AASB 1060, AASB 2021-1, AASB 2022-2, AASB 2020-2 and AASB 2022-4 in Table 1 and AASB 2022-3 in Table 2. Entities which are not 30 June year ends should refer to the effective dates of the standards detailed within Tables 1-3.

## How to read the chart

Find your financial year end on the timeline. Each standard is either effective for the first time or not yet effective but available for early adoption, depending on whether the line is solid or hollow.

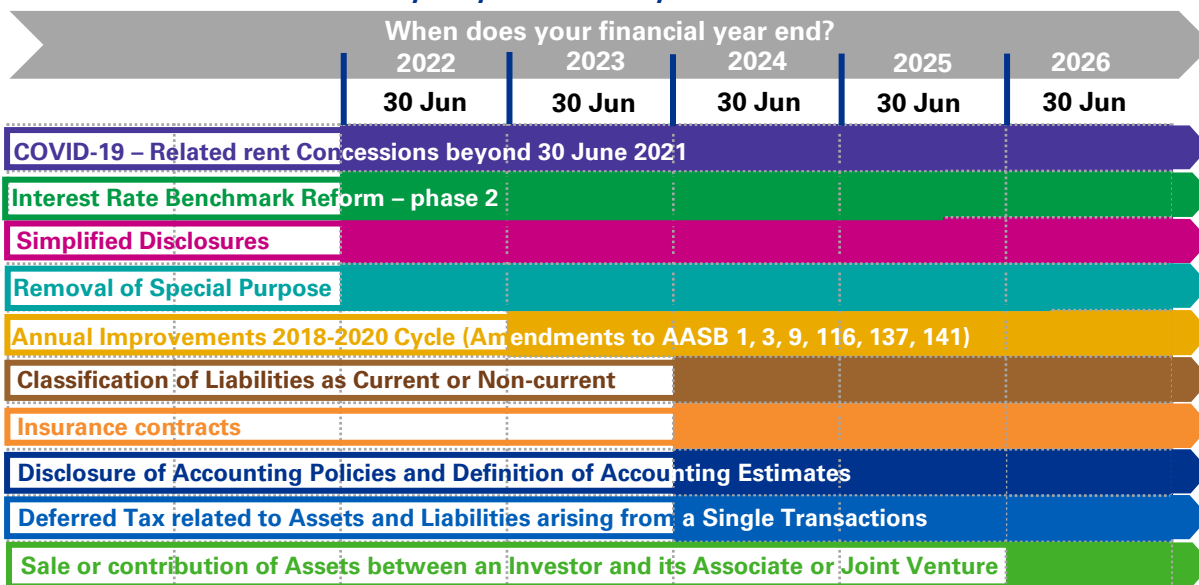
For example, if your financial year ends on 30 June 2022, the Interest Rate Benchmark Reform – phase 2 is one of the standards which is mandatory for the first time, and the Insurance contracts standard, amongst other standards, is available for early adoption.

Key	
	Standards not yet effective, but available for early adoption
	Standards effective for the first time
(NFP)	Not-for-profit specific standards
(PS)	Public sector specific standards

In this publication, the term 'standards' is used broadly to refer to new standards, and amendments to or interpretations of standards.

**Have you considered the IFRIC Agenda decisions? Refer to our [web article](#) for the latest summary of tentative and final decisions to determine whether your entity is impacted.**

## Which standards are mandatory for your financial year?



**Table 1: Newly effective standards for years ended 30 June 2022**

The following standards and interpretations are mandatorily applicable for the first time for years ended 30 June 2022. Entities should ensure that they have adopted all of these standards in the 30 June 2022 financial statements.

Standards	Effective date	KPMG guidance	Key requirements	Transitional provisions	Key <sup>1</sup>
<p>AASB 2021-3 Amendments to Australian Accounting Standards – Covid-19-Related Rent Concessions beyond 30 June 2021</p> <p>AASB 2020-7 Amendments to Australian Accounting Standards - COVID-19 - Related Rent Concessions: Tier 2 Disclosures</p>	1 April 2021 (Tier 2 Disclosures: 1 July 2021)	<a href="#">Rent concessions – Lessee relief extended</a>	<p>AASB 2021-3 extends the practical expedient introduced by AASB 2020-4 Amendments to Australian Accounting Standards – COVID-19 – Related Rent Concessions by a further 12 months – permitting lessees to apply the relief to rent concessions for which reductions in lease payments were originally due on or before 30 June 2022.</p> <p>If a lessee elected to apply AASB 2020-4, then the AASB 2021-3 amendments are mandatory. This is because a lessee applies the practical expedient consistently to eligible contracts that share similar characteristics and in similar circumstances, irrespective of when the rent concession became eligible. This means that lessees may be required to reverse previous lease modification accounting if a rent concession did not qualify for the practical expedient under the AASB 2020-4 amendment, but does qualify as a result of the AASB 2021-3 extension.</p> <p>AASB 2020-7 introduces new disclosure requirements to AASB 1060 <i>General Purpose Financial Statements – Simplified Disclosures for For-Profit and Not-for-Profit Tier 2 Entities</i> for entities reporting under the Tier 2- Simplified Disclosures framework that have applied COVID-19-related rent concessions.</p>	<p>Early adoption is permitted.</p> <p>Retrospective application.</p> <p>If a lessee elected to apply AASB 2020-4, then the AASB 2021-3 amendments are mandatory.</p> <p>Early adoption of the Tier 2 Disclosures is permitted if the entity also applies AASB 1060 and AASB 2020-4.</p>	
<p>AASB 2020-8 Amendments to Australian Accounting Standards – Interest Rate Benchmark Reform – Phase 2</p> <p>AASB 2020-9 Amendments to Australian Accounting Standards – Tier 2 Disclosures: Interest Rate Benchmark Reform (Phase 2) and Other Amendments</p>	1 January 2021	<a href="#">IBOR reform – Phase 2 final amendments issued</a>	<p>AASB 2020-8 amends AASB 9 <i>Financial Instruments</i>, AASB 7 <i>Financial Instruments: Disclosures</i>, AASB 4 <i>Insurance Contracts</i>, AASB 16 <i>Leases</i> and AASB 139 <i>Financial Instruments: Recognition and Measurement</i> to introduce practical expedients in relation to accounting for modification of financial contracts and/or leases if a change results directly from IBOR reform. Amendments also allow a series of exemptions from the regular hedge accounting rules and introduce additional disclosures requirements.</p> <p>AASB 2020-9 amends AASB 1060 to relieve entities from disclosing the financial effects of changing accounting policies in response to interest rate benchmark reform, and other editorial corrections.</p>	<p>Retrospective application.</p> <p>Early application of Interest Rate Benchmark Reform – Phase 2 is permitted.</p> <p>Early adoption of the Tier 2 Disclosures is permitted if the entity also applies AASB 1060 and AASB 2020-8.</p>	

<sup>1</sup>Refer back to page 1 for key.

Standards	Effective date	KPMG guidance	Key requirements	Transitional provisions	Key <sup>1</sup>
<p>AASB 1060 <i>General Purpose Financial Statements – Simplified Disclosures for For-Profit and Not-for-Profit Tier 2 Entities</i></p> <p>AASB 2021-1 Amendments to Australian Accounting Standards – Transition to Tier 2: Simplified Disclosures for Not-for-Profit Entities</p> <p>AASB 2022-2 Amendments to Australian Accounting Standards – Extending Transition Relief under AASB 1</p>	<p>1 July 2021 (AASB 2022-2 - annual reporting periods ending on or after 30 June 2022)</p>	<p><a href="#">20RU-006 Farewell SPFS... Welcome SD</a></p> <p><a href="#">21RU-008 Tier 2 transition relief for Not-for-profit entities</a></p> <p><a href="#">22RU-011 Narrow amendments to AASBs</a></p>	<p>AASB 1060 is a single standard containing all the disclosure requirements for an entity preparing General Purpose Financial Statements under Tier 2 (GPFS-Tier 2).</p> <p>The new standard applies to all entities preparing GPFS-Tier 2 and replaces the current suite of Reduced Disclosure Regime (RDR) disclosures. Entities applying AASB 1060 are exempt from the requirements in disclosure paragraphs in other Australian Accounting Standards (AAS) and are not required to comply with presentation and disclosure specific AAS. There is also an option – where specific conditions are met – for an entity not to present a statement of changes in equity.</p> <p>AASB 2021-1 provides relief to NFPs from having to present comparative information in the notes to the financial statements when first applying GPFS-Tier 2 where they did not previously disclose the comparable information in its most recent GPFS prepared under RDR. The relief only applies where AASB 1060 is adopted early, i.e. to annual reporting periods beginning before 1 July 2021.</p> <p>AASB 2022-2 amends AASB 1 <i>First-time Adoption of Australian Accounting Standards</i> to allow a subsidiary preparing GPFS for the first time to apply the optional exemption in paragraph D16(a) and measure its assets and liabilities at the carry amounts that would be included in the parent’s consolidated financial statements, if the parent has already adopted either AAS or IFRS. It also amends AASB 1053 <i>Application of Tiers of Australian Accounting Standards</i> to allow for-profit private sector entities transitioning from unconsolidated GPFS-Tier 2 RDR to consolidated GPFS-Tier 2 Simplified Disclosures to apply AASB 1 when preparing consolidation financial statements for the first time.</p>	<p>Early application is permitted.</p> <p>Retrospective application for entities transitioning from RDR.</p> <p>Relief for NFPs only applies where AASB 1060 is adopted early.</p> <p>For entities transitioning from Special Purpose refer to AASB 2020-2.</p>	

<sup>1</sup>Refer back to page 1 for key.



Standards	Effective date	KPMG guidance	Key requirements	Transitional provisions	Key <sup>1</sup>
<p>AASB 2020-2 Amendments to Australian Accounting Standards – Removal of Special Purpose</p> <p>AASB 2022-4 Amendments to Australian Accounting Standards – Disclosures in Special Purpose Financial Statements of Certain For-Profit Private Sector Entities</p>	<p>1 July 2021 (AASB 2022-4 - annual reporting periods ending on or after 30 June 2022)</p>	<p><a href="#">20RU-006 Farewell SPFS... Welcome SD</a></p> <p><a href="#">22RU-014 Special Purpose Financial Statements: Be clear on the basis of preparation</a></p>	<p>AASB 2020-2 removes the ability of certain for-profit private sector entities to prepare special purpose financial statements. These entities will be required to prepare a form of general purpose financial statements (GPFS). The following entities are impacted:</p> <ul style="list-style-type: none"> <li>• For profit private sector entities required by legislation to prepare financial statements that comply with either AAS or accounting standards</li> <li>• Other for profit private sector entities required only by their constituting or other document to prepare financial statements that comply with AAS</li> <li>• Other for-profit entities (public or private sector) that elect to prepare GPFS (apply the revised Conceptual Framework).</li> </ul> <p>For-profit private sector entities that are required only by their constituting document or another document (being a document created before 1 July 2021 and not amended on or after that date) to prepare financial statements that comply with Australian Accounting Standards can continue to prepare special purpose financial statements (SPFS). For such entities, AASB 2022-4 requires the SPFS to include additional disclosures that inform users of the basis upon which they have been prepared.</p>	<p>Early application is permitted. Transitional provisions apply. Relief varies depending on when the entity adopts AASB 2020-2.</p>	

<sup>1</sup>Refer back to page 1 for key.



**Table 2: Standards available for early adoption for years ended 30 June 2022**

Standards	Effective date	KPMG guidance	Key requirements	Transitional provisions	Key <sup>1</sup>
AASB 2020-3 Amendments to Australian Accounting Standards – Annual Improvements 2018-2020 and Other Amendments	1 January 2022	<a href="#">Annual Improvements to IFRS® Standards</a>	<p>Amendments to existing accounting standards, particularly in relation to:</p> <ul style="list-style-type: none"> <li>AASB 1 <i>First-time Adoption of Australian Accounting Standards</i> – simplifies the application of AASB 1 by a subsidiary that becomes a first-time adopter after its parent in relation to the measurement of cumulative translation differences.</li> <li>AASB 3 <i>Business Combinations</i> – to update a reference to the Conceptual Framework for Financial Reporting without changing the accounting requirements for business combinations.</li> <li>AASB 9 <i>Financial Instruments</i> – to clarify the fees an entity includes when assessing whether the terms of a new or modified financial liability are substantially different from the terms of the original financial liability.</li> <li>AASB 116 <i>Property, Plant and Equipment</i> – to require an entity to recognise the sales proceeds from selling items produced while preparing property, plant and equipment for its intended use and the related cost in profit or loss, instead of deducting the amounts received from the cost of the asset.</li> <li>AASB 137 <i>Provisions, Contingent Liabilities and Contingent Assets</i> – to specify the costs that an entity includes when assessing whether a contract will be loss-making.</li> <li>AASB 141 <i>Agriculture</i> – to remove the requirement to exclude cash flows from taxation when measuring fair value, thereby aligning the fair value measurement requirements in AASB 141 with those in other Australian Accounting Standards.</li> </ul>	<p>Early adoption is permitted.</p> <p>AASB 1 prospective application.</p> <p>AASB 3 prospective application.</p> <p>AASB 9 prospective application.</p> <p>AASB 116 retrospective application.</p> <p>AASB 137 prospective application with the cumulative effect of the amendment for contracts not yet fulfilled recognised in opening retained earnings at the date of initial application.</p> <p>AASB 141 prospective application.</p>	
AASB 2022-3 Amendments to Australian Accounting Standards – Illustrative Examples for Not-for-Profit Entities accompanying AASB 15	1 July 2022	<a href="#">22RU-011 Narrow amendments to AASBs</a>	The amendments provides an illustrative example for not-for-profit (NFP) entities of how AASB 15 <i>Revenue Contracts with Customers</i> applies to the recognition and measurement of up-front fees charged to its customers or members.	The amendments do not change the requirements of AASB 15.	

<sup>1</sup>Refer back to page 1 for key.

Standards	Effective date	KPMG guidance	Key requirements	Transitional provisions	Key <sup>1</sup>
<p>AASB 2020-1 Amendments to Australian Accounting Standards – Classification of Liabilities as Current or Non-current</p> <p>AASB 2020-6 Amendments to Australian Accounting Standards – Classification of Liabilities as Current or Non-current – Deferral of Effective Date</p>	1 January 2023	<p><a href="#">Classifying liabilities as current or non-current</a></p> <p><a href="#">Classification of debt with covenants</a></p>	<p>AASB 2020-1 amends AASB 101 <i>Presentation of Financial Statements</i> to require a liability be classified as current when companies do not have a substantive right to defer settlement at the end of the reporting period.</p> <p>AASB 2020-6 defers the mandatory effective date of amendments that were originally made in AASB 2020-1 so that the amendments are required to be applied for annual reporting periods beginning on or after 1 January 2023 instead of 1 January 2022.</p> <p>In November 2021, the IASB published the Exposure Draft <i>Non-current Liabilities with Covenants</i> to propose amendments to IAS 1 <i>Presentation of Financial Statements</i>. The amendments specify that compliance with conditions after the reporting period would not affect whether the liability is classified as current or non-current.</p>	<p>Retrospective application. Early adoption is permitted.</p> <p>In view of the proposals, companies should carefully consider if early adoption of the original amendments is appropriate.</p>	
<p>AASB 17 <i>Insurance Contracts</i></p> <p>AASB 2020-5 Amendments to Australian Accounting Standards – Insurance Contracts</p> <p>AASB 2022-1 Amendments to Australian Accounting Standards – Initial application of AASB 17 and AASB 9 – Comparative Information</p>	1 January 2023	<p><a href="#">New insurance contracts standard – Introducing IFRS 17</a>, Insights into IFRS (8.1A)</p> <p><a href="#">IFRS 17 – Final amendments are out now</a></p> <p><a href="#">IFRS 17 for non-insurers</a></p>	<p>AASB 17 supersedes AASB 4 <i>Insurance Contracts</i> and similarly applies to insurance contracts. The classification of insurance contracts is similar to AASB 4 however unbundling rule changes may mean some contract components now need to be measured under AASB 17.</p> <p>The new standard contains a lower level of aggregation / smaller portfolios, changes to contract boundaries and valuation approaches, the application of Contractual Service Margins to policies valued under certain methodologies, changes in treatment to reinsurance and an ability to use OCI for changes in asset values.</p> <p>The amendments add a new transition option to IFRS 17 to alleviate operational complexities and one-time accounting mismatches in comparative information between insurance contract liabilities and related financial assets on the initial application of IFRS 17. It allows presentation of comparative information about financial assets to be presented in a manner that is more consistent with IFRS 9 <i>Financial Instruments</i>.</p> <p>The application of AASB 17 has been deferred to financial years beginning on or after 1 January 2023.</p>	Early adoption is permitted for entities that apply AASB 9 <i>Financial Instruments</i> and AASB 15 <i>Revenue</i> on or before the date of initial application of AASB 17.	

<sup>1</sup>Refer back to page 1 for key.



Standards	Effective date	KPMG guidance	Key requirements	Transitional provisions	Key <sup>1</sup>
<p>AASB 2021-2 Amendments to Australian Accounting Standards – Disclosure of Accounting Policies and Definition of Accounting Estimates</p> <p>AASB 2021-6 Amendments to Australian Accounting Standards – Disclosure of Accounting Policies: Tier 2 and Other Australian Accounting Standards</p>	1 January 2023	<p><a href="#">Materiality – Amendments on accounting policy disclosures</a></p> <p><a href="#">Accounting estimates – Term is defined and clarifications provided</a></p>	<p>AASB 2021-2 amendments provide a definition of and clarifications on accounting estimates and clarify the concept of materiality in the context of disclosure of accounting policies.</p> <p>AASB 2021-6 amends AASB 1049 <i>Whole of Government and General Government Sector Financial Reporting</i>, AASB 1054 <i>Australian Additional Disclosures</i> and AASB 1060 to address disclosure of material accounting policy information rather than significant accounting policies consistent with AASB 2021-2.</p>	Prospective application. Early adoption is permitted.	
<p>AASB 2021-5 Amendments to Australian Accounting Standards – Deferred Tax related to Assets and Liabilities arising from a Single Transaction</p>	1 January 2023	<p><a href="#">Recognising deferred tax on leases</a></p>	<p>The amendments narrow the scope of the initial recognition exemption so that it does not apply to transactions that give rise to equal and offsetting temporary differences and clarify that the exemption does not apply to transactions such as leases and decommissioning obligations.</p>	<p>Early adoption is permitted.</p> <p>For leases and decommissioning liabilities, retrospective application from the beginning of the earliest comparative period presented, with any cumulative effect recognised as an adjustment to retained earnings at that date.</p> <p>Prospective application for all other transactions.</p>	

<sup>1</sup>Refer back to page 1 for key.



Standards	Effective date	KPMG guidance	Key requirements	Transitional provisions	Key <sup>1</sup>
<p>AASB 2014-10 Amendments to Australian Accounting Standards – Sale or Contribution of Assets between an Investor and its Associate or Joint Venture</p> <p>AASB 2015-10 Amendments to Australian Accounting Standards – Effective Date of Amendments to AASB 10 and AASB 128</p> <p>AASB 2017-5 Amendments to Australian Accounting Standards – Effective Date of Amendments to AASB 10 and AASB 128 and Editorial Corrections</p> <p>AASB 2021-7(a-c) Amendments to Australian Accounting Standards – Effective Date of Amendments to AASB 10 and AASB 128 and Editorial Corrections</p>	1 January 2025	<a href="#">Transfer of assets in transaction with associate or JV</a>	<p>The amendments require the full gain or loss to be recognised when the assets transferred meet the definition of a ‘business’ under AASB 3 <i>Business Combinations</i> (whether housed in a subsidiary or not).</p> <p>AASB 2017-5 defers the mandatory effective date of amendments to AASB 10 <i>Consolidated Financial Statements</i> and AASB 128 <i>Investments in Associates and Joint Ventures</i> that were originally made in AASB 2014-10 so that the amendments are required to be applied for annual reporting periods beginning on or after 1 January 2022 instead of 1 January 2018.</p> <p>AASB 2021-7(a-c) further defers the mandatory effective date to periods beginning on or after 1 January 2025.</p>	Prospective application. Early adoption is permitted.	

<sup>1</sup>Refer back to page 1 for key.





### Table 3: Standards applicable for years ended 30 June 2021 and prior

The following standards and interpretations are applicable for the first time for years ending on or prior to 30 June 2021.

Standards	Effective date
AASB 2018-6 Amendments to Australian Accounting Standards – Definition of a Business	1 January 2020
AASB 2018-7 Amendments to Australian Accounting Standards – Definition of Material	1 January 2020
AASB 2019-3 Amendments to Australian Accounting Standards – Interest Rate Benchmark Reform	1 January 2020
AASB 2019-5 Amendments to Australian Accounting Standards – Disclosure of the Effect of New IFRS Standards Not Yet Issued in Australia	1 January 2020
Conceptual Framework	1 January 2020 <sup>1</sup>
AASB 2019-1 Amendments to Australian Accounting Standards – References to the Conceptual Framework	1 January 2020 <sup>1</sup>
AASB 2020-4 Amendments to Australian Accounting Standards - COVID-19 - Related Rent Concessions	1 June 2020
AASB 1059 <i>Service Concession Arrangements: Grantors</i>	PS: 1 January 2020
AASB 2018-5 Amendments to Australian Accounting Standards - Deferral of AASB 1059	PS: 1 January 2020
AASB 2021-4 Amendments to Australian Accounting Standards – Modified Retrospective Transition Approach for Service Concession Grantors	PS: 30 June 2021 <sup>2</sup>
AASB 2019-2 Amendments to Australian Accounting Standards – Implementation of AASB 1059	PS: 1 January 2020
AASB 2019-7 Amendments to Australian Accounting Standards – Disclosure of GFS Measures of Key Fiscal Aggregates and GAAP/GFS Reconciliations	PS: 1 January 2020

<sup>1</sup> Applies to for-profit private sector entities with public accountability required to comply with Australian Accounting Standards, and other for-profit entities that voluntarily apply the new Conceptual Framework only.

<sup>2</sup> Annual period ending on or after 30 June 2021



## Table 4: IASB standards awaiting approval by the AASB

In order to claim compliance with IFRSs, entities must disclose the possible impact of relevant IASBs and IFRIC Interpretations<sup>1</sup> on issue but not yet adopted. Accordingly, the impact of the IASBs in Table 4 would need to be included in such disclosures, if relevant. These standards cannot be (early) adopted until made by the AASB.

IFRSs	Effective date	KPMG guidance	Key requirements	Transitional provisions
None as at 30 June 2022				

### Further information

Links to the relevant KPMG resources are included with each of the standards. In some cases the KPMG resources may not have been released as yet for all new standards and interpretations included in this edition of *Standards on issue*. Please refer to the KPMG website for the subsequent release of [IFRS News](#) and [Reporting Updates](#) as well as *Reporting Updates* on other financial reporting issues in Australia.

### Contact Us

If you would like to discuss any of these standards or interpretations further, please contact your KPMG advisor.

<sup>1</sup> The impact of IFRIC Interpretations on issue but not yet adopted would also need to be considered by entities. Refer to our [web article](#) for the latest summary of IFRIC Agenda decisions to determine whether your entity is impacted.

