

Accounting Standard

AASB 2005-8
June 2005

Amendments to Australian Accounting Standards

[AASB 1]



Australian Government

**Australian Accounting
Standards Board**

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Australian Accounting Standard AASB 2005-8 *Amendments to Australian Accounting Standards* is set out in paragraphs 1 – 9. All the paragraphs have equal authority.

PREFACE

Standard Amended by AASB 2005-8

This Standard makes amendments to the following paragraphs in Australian Accounting Standard AASB 1 *First-time Adoption of Australian Equivalents to International Financial Reporting Standards*:

- (a) paragraph Aus25D.1;
- (b) paragraph 36A(c); and
- (c) paragraph 36B.

Main Features of this Standard

Application Date

This Standard is applicable to annual reporting periods ending on or after 31 December 2005 with early adoption permitted for annual reporting periods beginning on or after 1 January 2005.

Main Requirements

This Standard makes several changes to AASB 1.

Paragraph Aus25D.1 is amended to ensure that references to AASB 1023 *General Insurance Contracts* and AASB 1038 *Life Insurance Contracts* in AASB 1 include any amendments to those standards since they were issued in July 2004.

A sentence is inserted at the end of paragraph 36A(c), which stipulates that when an entity chooses to present comparative information that does not comply with AASB 132 *Financial Instruments: Disclosure and Presentation*, AASB 139 *Financial Instruments: Recognition and Measurement* and/or AASB 4 *Insurance Contracts* (that is, the entity chooses to take advantage of the exemption granted in paragraph 36A), the disclosures required by paragraph 28(f)(i) of AASB 108 *Accounting Policies, Changes in Accounting Estimates and Errors* apply only to amounts presented in the balance sheet at the comparative period's reporting date.

Paragraph 36B clarifies that an entity that adopts Australian equivalents to IFRSs before 1 January 2006 is granted relief from applying the recognition, measurement and disclosure requirements of AASB 6 *Exploration for and Evaluation of Mineral Resources* to its comparative year information in its

first Australian-equivalents-to-IFRSs financial report. Prior to this amendment, paragraph 36B only specifically provided relief from making comparative disclosures in accordance with the requirements of AASB 6 rather than relief from restating comparative information as was contemplated in the Basis for Conclusions on IFRS 6 *Exploration for and Evaluation of Mineral Resources*, paragraphs BC63-BC65.

Paragraph 36B was initially added to AASB 1, as a consequence of the making of AASB 6 on 9 December 2004, by the amending Standard AASB 2004-1, which was also made on 9 December 2004.

ACCOUNTING STANDARD AASB 2005-8

The Australian Accounting Standards Board makes Accounting Standard AASB 2005-8 *Amendments to Australian Accounting Standards* under section 334 of the *Corporations Act 2001*.

Dated 30 June 2005

D.G. Boymal
Chair - AASB

ACCOUNTING STANDARD AASB 2005-8

AMENDMENTS TO AUSTRALIAN ACCOUNTING STANDARDS

Objective

1. The objective of this Standard is to make several amendments to Australian Accounting Standard AASB 1 *First-time Adoption of Australian Equivalents to International Financial Reporting Standards*.

Application

2. **This Standard applies to:**
 - (a) **each entity that is required to prepare financial reports in accordance with Part 2M.3 of the Corporations Act and that is a reporting entity;**
 - (b) **general purpose financial reports of each other reporting entity; and**
 - (c) **financial reports that are, or are held out to be, general purpose financial reports.**
3. **This Standard applies to annual reporting periods ending on or after 31 December 2005.**
4. **This Standard may be applied to annual reporting periods beginning on or after 1 January 2005 that end before 31 December 2005. An entity that is required to prepare financial reports in accordance with Part 2M.3 of the Corporations Act may apply this Standard to such annual reporting periods when an election has**

been made in accordance with subsection 334(5) of the Corporations Act. When an entity applies this Standard to such an annual reporting period, it shall disclose that fact.

5. This Standard will be registered on the Federal Register of Legislative Instruments together with its Explanatory Statement, in accordance with the *Legislative Instruments Act 2003*.

Amendments to AASB 1

6. Paragraph Aus25D.1 is amended to read as follows:

Aus25D.1 All references to AASB 1023 and AASB 1038 in this Standard are to the versions effective beginning on or after 1 January 2005. For the purposes of this Standard, AASB 1023 and AASB 1038 are treated as if they are Australian equivalents to IFRSs.

7. At the end of paragraph 36A(c) the following sentence is added:

(c) Paragraph 28(f)(i) applies only to amounts presented in the balance sheet at the comparative period's reporting date.

8. The heading to paragraph 36B (as inserted by AASB 2004-1, paragraph 6) is amended to read as follows:

Exemption from the requirement to present comparative information for AASB 6

9. Paragraph 36B (as inserted by AASB 2004-1, paragraph 6) is amended to read as follows:

36B An entity that adopts Australian equivalents to IFRSs before 1 January 2006 need not apply the requirements of AASB 6 *Exploration for and Evaluation of Mineral Resources* to comparative information presented in its first Australian-equivalents-to-IFRSs financial report.