

Accounting Standard

AASB 2007-10

December 2007

**Further Amendments to
Australian Accounting
Standards arising from
AASB 101**



Australian Government

**Australian Accounting
Standards Board**

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<p>Australian Accounting Standard AASB 2007-10 <i>Further Amendments to Australian Accounting Standards arising from AASB 101</i> is set out in paragraphs 1 – 121. All the paragraphs have equal authority.</p>
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PREFACE

Standards Amended by AASB 2007-10

This Standard amends Australian Accounting Standards (including Interpretations) and the *Framework for the Preparation and Presentation of Financial Statements*.

These amendments arise from the issuance in September 2007 of a revised AASB 101 *Presentation of Financial Statements*, as a result of the issuance by the IASB of a revised IAS 1 *Presentation of Financial Statements*.

Main Features of this Standard

Application Date

This Standard is applicable to annual reporting periods beginning on or after 1 January 2009. Early adoption is permitted for annual reporting periods beginning on or after 1 January 2005 but before 1 January 2009, provided that the revised AASB 101 is also adopted for the same period. This Standard is applied when the revised AASB 101 is applied.

Main Requirements

This Amending Standard changes the term ‘general purpose financial report’ to ‘general purpose financial statements’ and the term ‘financial report’ to ‘financial statements’, where appropriate, in Australian Accounting Standards (including Interpretations) and the *Framework* to better align with IFRS terminology.

This Standard builds on the changes made by *AASB 2007-8 Amendments to Australian Accounting Standards arising from AASB 101*, which changed the terms in the application paragraphs of Australian Accounting Standards (including Interpretations) and the *Framework*.

ACCOUNTING STANDARD AASB 2007-10

The Australian Accounting Standards Board makes Accounting Standard AASB 2007-10 *Further Amendments to Australian Accounting Standards arising from AASB 101* under section 334 of the *Corporations Act 2001*.

Dated 13 December 2007

D.G. Boymal
Chair – AASB

ACCOUNTING STANDARD AASB 2007-10

FURTHER AMENDMENTS TO AUSTRALIAN ACCOUNTING STANDARDS ARISING FROM AASB 101

Objective

- 1 The objective of this Standard is to make amendments to Australian Accounting Standards (including Interpretations) and the *Framework for the Preparation and Presentation of Financial Statements* as a consequence of the issuance of a revised AASB 101 *Presentation of Financial Statements* in September 2007.

Application

- 2 **In respect of AASB 107 and AASB 108, this Standard applies to:**
 - (a) **each entity that is required to prepare financial reports in accordance with Part 2M.3 of the Corporations Act;**
 - (b) **general purpose financial statements of each reporting entity; and**
 - (c) **financial statements that are, or are held out to be, general purpose financial statements.**
- 3 **In respect of AASB 120, this Standard applies to:**
 - (a) **each for-profit 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 statements of each other for-profit reporting entity; and**
 - (c) **financial statements of a for-profit entity that are, or are held out to be, general purpose financial statements.**
- 4 In respect of AASB 133, this Standard applies to each entity that is required to prepare financial reports in accordance with Part 2M.3 of the Corporations Act and that is:**
 - (a) **a reporting entity whose ordinary shares or potential ordinary shares are publicly traded; or**
 - (b) **a reporting entity that is in the process of issuing ordinary shares or potential ordinary shares in public markets; or**
 - (c) **an entity that discloses earnings per share.**
- 5 In respect of AASB 134, this Standard applies to:**
 - (a) **each disclosing entity required to prepare half-year financial reports in accordance with Part 2M.3 of the Corporations Act;**
 - (b) **interim financial reports that are general purpose financial statements of each other reporting entity; and**
 - (c) **interim financial reports that are, or are held out to be, general purpose financial statements.**
- 6 In respect of AASB 1038, this Standard applies to each entity that is:**
 - (a) **a life insurer; or**
 - (b) **the parent in a group that includes a life insurer;**

when the entity:

 - (c) **is a reporting entity that is required to prepare financial reports in accordance with Part 2M.3 of the Corporations Act;**
 - (d) **is an other reporting entity and prepares general purpose financial statements; or**

- (e) prepares financial statements that are, or are held out to be, general purpose financial statements.

7 Subject to paragraphs 2-6, 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 statements of each other reporting entity; and
- (c) financial statements that are, or are held out to be, general purpose financial statements.

8 This Standard applies to annual reporting periods beginning on or after 1 January 2009.

9 This Standard may be applied to annual reporting periods beginning on or after 1 January 2005 but before 1 January 2009. When an entity applies this Standard to such an annual reporting period, it shall disclose that fact. This Standard shall be applied when the revised AASB 101 is applied.

Amendments to the Framework for the Preparation and Presentation of Financial Statements

10 Paragraph Aus1.6 is deleted.

11 Paragraphs 6 and 7 are amended to read as follows:

- 6 The *Framework* is concerned with general purpose financial statements (hereafter referred to as 'financial statements') including consolidated financial statements. Such financial statements are prepared and presented at least annually and are directed toward the common information needs of a wide range of users. Some of these users may require, and have the power to obtain, information in addition to that contained in the financial statements. Many users, however, have to rely on the financial statements as their major source of financial information and such financial statements should, therefore, be prepared and presented with their needs in view. Special purpose financial reports, for example, prospectuses and computations prepared for taxation purposes, are outside the scope of this *Framework*. Nevertheless, the *Framework* may be

applied in the preparation of such special purpose reports where their requirements permit.

- 7 Financial statements form part of the process of financial reporting. A complete set of financial statements normally includes a balance sheet, an income statement, a statement of cash flows and a statement of changes in equity, and those notes and other statements and explanatory material that are an integral part of the financial statements. They may also include supplementary schedules and information based on or derived from, and expected to be read with, such statements. Such schedules and supplementary information may deal, for example, with financial information about industrial and geographical segments and disclosures about the effects of changing prices. Financial statements do not, however, include such items as reports by directors, statements by the chairman, discussion and analysis by management and similar items that may be included in an annual or interim report.
- 12 In paragraphs 21 and 23, 'Financial reports' in the first sentence is amended to 'The financial statements'.
- 13 In paragraph 88, 'the financial report' in the second sentence is amended to 'financial statements'.
- 14 In paragraphs 1, 5, 8-15, 22-25, 28, 30, 36-40, 42, 44-46, 65, 69, 86, 91, 100-103 and 110, and the headings above paragraphs 12 and 24, references to 'financial report(s)' are amended to 'financial statements'.

Amendments to AASB 1 First-time Adoption of Australian Equivalents to International Financial Reporting Standards

- 15 Paragraphs 1, 2, 3, Aus3.1, 4 and 46 are amended to read as follows:
 - 1 The objective of this Standard is to ensure that an entity's *first Australian-equivalents-to-IFRSs financial statements*, and its interim financial reports for part of the period covered by those financial statements, contain high quality information that:
 - (a) is transparent for users and comparable over all periods presented;
 - (b) provides a suitable starting point for accounting under *Australian equivalents to IFRSs*; and

- (c) can be generated at a cost that does not exceed the benefits to users.
- 2 An entity shall apply this Standard in:
- (a) its first Australian-equivalents-to-IFRSs financial statements; and
 - (b) each interim financial report, if any, that it presents under AASB 134 *Interim Financial Reporting* for part of the period covered by its first Australian-equivalents-to-IFRSs financial statements.
- 3 An entity's first Australian-equivalents-to-IFRSs financial statements are the first annual financial statements in which the entity adopts Australian equivalents to IFRSs, by an explicit and unreserved statement in those financial statements of compliance with Australian equivalents to IFRSs. Financial statements under Australian equivalents to IFRSs are an entity's first Australian-equivalents-to-IFRSs financial statements if, for example, the entity:
- (a) presented its most recent previous financial statements:
 - (i) under national requirements that were not consistent with *International Financial Reporting Standards (IFRSs)* in all respects;
 - (ii) in conformity with IFRSs or Australian equivalents to IFRSs in all respects, except that the financial statements did not contain an explicit and unreserved statement that it complied with IFRSs or Australian equivalents to IFRSs;
 - (iii) ...
- Aus3.1 The conditions specified in paragraph 3 for the application of this Standard are satisfied when the first financial statements after this Standard becomes effective contain a statement that the financial statements comply with Australian Accounting Standards, in accordance with paragraph Aus15.2 of AASB 101.
- 4 This Standard applies when an entity first adopts Australian equivalents to IFRSs. It does not apply when, for example, an entity:

- (a) stops presenting financial statements under national requirements, having previously presented them as well as another set of financial statements that contained an explicit and unreserved statement of compliance with IFRSs;
 - (b) presented financial statements in the previous year under national requirements and those financial statements contained an explicit and unreserved statement of compliance with IFRSs; or
 - (c) presented financial statements in the previous year that contained an explicit and unreserved statement of compliance with IFRSs, even if the auditors qualified their audit report on those financial statements.
- 46 AASB 134 requires minimum disclosures, which are based on the assumption that users of the interim financial report also have access to the most recent annual financial statements. However, AASB 134 also requires an entity to disclose ‘any events or transactions that are material to an understanding of the current interim period’. Therefore, if a first-time adopter did not, in its most recent annual financial statements under previous GAAP, disclose information material to an understanding of the current interim period, its interim financial report shall disclose that information or include a cross-reference to another published document that includes it.
- 16 In paragraphs Aus3.2(a), 7, 25A, 34, 37, 39, 42-44 and B2(a), and the example following paragraph 8, references to ‘financial report(s)’ are amended to ‘financial statements’.
- 17 In paragraph 45, references to ‘first Australian-equivalents-to-IFRSs financial report’ are amended to ‘first Australian-equivalents-to-IFRSs financial statements’.
- 18 In Appendix A, the defined term ‘**first Australian-equivalents-to-IFRSs financial report**’ is replaced with the term ‘**first Australian-equivalents-to-IFRSs financial statements**’ and the definition is amended to read as follows:

The first annual financial statements in which an entity adopts **Australian equivalents to IFRSs**, by an explicit and unreserved statement of compliance with **Australian equivalents to IFRSs**.

- 19 In Appendix A, in the definitions of **‘date of transition to Australian equivalents to IFRSs’** and **‘first-time adopter’**, references to ‘financial report(s)’ are amended to ‘financial statements’.
- 20 In Appendix A, the definition of **‘end of the reporting period’** (previously called **‘reporting date’**) is amended to read as follows:
- The end of the latest period covered by financial statements or by an interim financial report.
- 21 In the Implementation Guidance accompanying AASB 1, in IG Example 1 following paragraph IG3, IG Examples 2-4 following paragraph IG22, IG Example 201 following paragraph IG203 and IG Example 202 following paragraph IG205, references to ‘financial report has’ and ‘includes’ in the first sentence are amended to ‘financial statements have’ and ‘include’ respectively.
- 22 In IG Example 1 following paragraph IG3, ‘financial report was’ is amended to ‘financial statements were’.
- 23 In paragraph IG31, ‘full financial report’ is amended to ‘full set of financial statements’.
- 24 In paragraphs IG 37 and IG 38, ‘first Australian-equivalents-to-IFRSs financial report’ is amended to ‘first Australian-equivalents-to-IFRSs financial statements’.
- 25 In IG Example 10 following paragraph IG38, the reference to ‘financial report has’ is amended to ‘financial statements have’, and references to ‘annual financial report(s)’ are amended to ‘annual financial statements’.
- 26 In paragraph IG39(b) and IG Example 11 following paragraph IG63, references to ‘financial report includes’ are amended to ‘financial statements include’.
- 27 In paragraphs IG21, IG36, IG56(d)(iii) and IG56(d)(iv), and in IG Example 1 following paragraph IG3, IG Examples 8 and 9 following paragraph IG29 and IG Example 11 following paragraph IG63, references to ‘financial report(s)’ are amended to ‘financial statements’.

Amendments to AASB 2 Share-based Payment

- 28 In paragraphs 44, 46 and 50, and IG Example 11 following paragraph IG17 of the accompanying Implementation Guidance, references to ‘financial report(s)’ are amended to ‘financial statements’.

Amendments to AASB 3 Business Combinations

- 29 In paragraphs 25(b), 44, 72 and 74, and the accompanying Illustrative Examples 6-9, references to ‘financial report(s)’ are amended to ‘financial statements’, except that references to ‘interim financial report(s)’ remain unchanged.
- 30 In paragraph 64, ‘the financial report’ is amended to ‘financial statements’.
- 31 Paragraph 66 is amended to read as follows:

66 An acquirer shall disclose information that enables users of its financial statements to evaluate the nature and financial effect of business combinations that were effected:

- (a) during the period;**
- (b) after the end of the reporting period but before the financial statements are authorised for issue.**

- 32 In paragraph 71, ‘financial report is’ is amended to ‘financial statements are’.
- 33 In Appendix A, in the definitions of ‘**date of exchange**’ and ‘**reporting entity**’, ‘financial report’ is amended to ‘financial statements’.

Amendments to AASB 4 Insurance Contracts

- 34 In paragraphs 1(b), 22, 23, 27, 28, 36, 37(d), 38 and B25, references to ‘financial report(s)’ are amended to ‘financial statements’.

Amendments to AASB 5 Non-current Assets Held for Sale and Discontinued Operations

- 35 In paragraph 12, ‘the financial report’ in the first sentence is amended to ‘those financial statements’.

- 36 In paragraphs 12 (second sentence), 30 and 34, references to ‘financial report(s)’ are amended to ‘financial statements’.

Amendments to AASB 6 Exploration for and Evaluation of Mineral Resources

- 37 In paragraphs 2(c), Aus2.1(b), 13, 14 and 23, references to ‘financial report(s)’ are amended to ‘financial statements’.

Amendments to AASB 7 Financial Instruments: Disclosures

- 38 In paragraphs 1, 7, 27(c), 30, 31 and B5, references to ‘financial report(s)’ are amended to ‘financial statements’.
- 39 In paragraph 18(c), ‘financial report was’ is amended to ‘financial statements were’.
- 40 In paragraph B3, references to ‘the financial report’ are amended to ‘financial statements’.

Amendments to AASB 102 Inventories

- 41 In paragraphs 36 and Aus36.1, references to ‘financial report(s)’ are amended to ‘financial statements’.
- 42 In paragraph 37, ‘financial report’ is amended to ‘financial statement’.

Amendments to AASB 107 Statement of Cash Flows

- 43 In the first paragraph of the ‘**Objective**’ and in paragraphs 3, 4 and 43, references to ‘financial report(s)’ are amended to ‘financial statements’.
- 44 Paragraph 1 is amended to read as follows:
- 1 An entity shall prepare a statement of cash flows in accordance with the requirements of this Standard and shall present it as an integral part of its financial statements for each period for which financial statements are presented.**
- 45 In paragraphs Aus20.1 and Aus20.2, references to ‘financial report(s)’ are amended to ‘complete set of financial statements’.

Amendments to AASB 108 Accounting Policies, Changes in Accounting Estimates and Errors

- 46 In paragraphs 1, 5, 9, 14(b), 15, 26, 28, 29, 30(b), 31(e)(i), 33, 49, 51, 52(b) and 53, references to ‘financial report(s)’ are amended to ‘financial statements’.
- 47 In paragraphs 8 and 32, ‘a financial report’ is amended to ‘financial statements’.
- 48 Paragraphs 10 and 41 are amended to read as follows:
- 10 In the absence of an Australian Accounting Standard that specifically applies to a transaction, other event or condition, management shall use its judgement in developing and applying an accounting policy that results in information that is:**
- (a) relevant to the economic decision-making needs of users; and**
 - (b) reliable, in that the financial statements:**
 - (i) represent faithfully the financial position, financial performance and cash flows of the entity;**
 - (ii) reflect the economic substance of transactions, other events and conditions, and not merely the legal form;**
 - (iii) are neutral, that is, free from bias;**
 - (iv) are prudent; and**
 - (v) are complete in all material respects.**
- 41 Errors can arise in respect of the recognition, measurement, presentation or disclosure of elements of financial statements. Financial statements do not comply with Australian Accounting Standards if they contain either material errors or immaterial errors made intentionally to achieve a particular presentation of an entity’s financial position, financial performance or cash flows. Potential current period errors discovered in that period are corrected before the financial statements are authorised for issue. However, material errors are sometimes not discovered

until a subsequent period, and these prior period errors are corrected in the comparative information presented in the financial statements for that subsequent period (see paragraphs 42-47).

- 49 In paragraph 42, 'first financial report' is amended to 'first set of financial statements'.

Amendments to AASB 110 Events after the Reporting Period

- 50 In paragraphs 1, 17 and 18, 'financial report was' is amended to 'financial statements were'.
- 51 In paragraph 18, 'financial report does' is amended to 'financial statements do'.
- 52 In paragraphs 3, 7, 11 and 16(a), 'financial report is' is amended to 'financial statements are'.
- 53 In paragraphs 1, 4, 14, 17, 20 and 21, references to 'financial report(s)' are amended to 'financial statements'.
- 54 Paragraphs 5, 6 and 13 are amended to read as follows:
- 5 In some cases, an entity is required to submit its financial statements to its shareholders for approval after the financial statements have been issued. In such cases, the financial statements are authorised for issue on the date of issue, not the date when shareholders approve the financial statements.

Example

The management of an entity completes draft financial statements for the year to 31 December 20X1 on 28 February 20X2. On 18 March 20X2, the board of directors reviews the financial statements and authorises them for issue. The entity announces its profit and selected other financial information on 19 March 20X2. The financial statements are made available to shareholders and others on 1 April 20X2. The shareholders approve the financial statements at their annual meeting on 15 May 20X2 and the approved financial statements are then filed with a regulatory body on 17 May 20X2.

The financial statements are authorised for issue on 18 March 20X2 (date of board authorisation for issue).

- 6 In some cases, the management of an entity is required to issue its financial statements to a supervisory board (made up solely of non-executives) for approval. In such cases, the financial statements are authorised for issue when the management authorises them for issue to the supervisory board.

Example

On 18 March 20X2, the management of an entity authorises financial statements for issue to its supervisory board. The supervisory board is made up solely of non-executives and may include representatives of employees and other outside interests. The supervisory board approves the financial statements on 26 March 20X2. The financial statements are made available to shareholders and others on 1 April 20X2. The shareholders approve the financial statements at their annual meeting on 15 May 20X2 and the financial statements are then filed with a regulatory body on 17 May 20X2.

The financial statements are authorised for issue on 18 March 20X2 (date of management authorisation for issue to the supervisory board).

- 13 If dividends are declared (i.e. the dividends are appropriately authorised and no longer at the discretion of the entity) after the end of the reporting period but before the financial statements are authorised for issue, the dividends are not recognised as a liability at the end of the reporting period because they do not meet the criteria of a present obligation in AASB 137. Such dividends are disclosed in the notes in accordance with AASB 101 *Presentation of Financial Statements*.

Amendment to AASB 111 *Construction Contracts*

- 55 In paragraph 1, ‘financial report’ is amended to ‘financial statements’.

Amendments to AASB 112 *Income Taxes*

- 56 In the first and fourth paragraphs of the ‘**Objective**’, paragraphs 22(c), 84 and 85, and paragraph B.2 of the accompanying Appendix A, references to ‘financial report(s)’ are amended to ‘financial statements’.
- 57 In paragraphs 78 and 87, ‘financial report users’ is amended to ‘financial statement users’.

- 58 In paragraph 81(i), ‘financial report was’ is amended to ‘financial statements were’ and ‘in the financial report’ is amended to ‘in the financial statements’.

Amendments to AASB 116 Property, Plant and Equipment

- 59 In paragraphs 1 and 73-75, references to ‘financial report(s)’ are amended to ‘financial statements’.
- 60 In paragraph 79, ‘the financial report’ is amended to ‘financial statements’.

Amendments to AASB 119 Employee Benefits

- 61 In paragraph 20(b), ‘financial report is’ is amended to ‘financial statements are’.
- 62 In paragraphs 120, 120A(n)(ii), 120A(n)(iii) and Aus160.1, references to ‘financial report(s)’ are amended to ‘financial statements’.

Amendments to AASB 120 Accounting for Government Grants and Disclosure of Government Assistance

- 63 In paragraph 5, references to ‘financial report’ are amended to ‘financial statements’.

Amendments to AASB 121 The Effects of Changes in Foreign Exchange Rates

- 64 Paragraph 1 is amended to read as follows:
- 1 An entity may carry on foreign activities in two ways. It may have transactions in foreign currencies or it may have *foreign operations*. In addition, an entity may present its financial statements in a *foreign currency*. The objective of this Standard is to prescribe how to include foreign currency transactions and foreign operations in the financial statements of an entity and how to translate financial statements into a *presentation currency*.
- 65 In paragraphs 2, 3(b), 6, 32, 34, 38 and 42(b), references to ‘financial report(s)’ are amended to ‘financial statements’.

- 66 In paragraphs 8 and 14, ‘financial report is’ is amended to ‘financial statements are’.
- 67 In paragraph 28, ‘a previous financial report’ is amended to ‘previous financial statements’.

Amendments to AASB 124 Related Party Disclosures

- 68 In paragraph 1, ‘financial report contains’ is amended to ‘financial statements contain’.
- 69 In paragraphs 4, 8, 12, 13, 15 and Aus25.9.3(b), references to ‘financial report(s)’ are amended to ‘financial statements’.
- 70 In paragraph Aus25.3, ‘financial report is’ is amended to ‘financial statements are’.

Amendment to AASB 127 Consolidated and Separate Financial Statements

- 71 In paragraph 10(c), ‘financial reports’ is amended to ‘financial statements’.

Amendment to AASB 128 Investments in Associates

- 72 In paragraph 13(c)(iii), ‘financial reports’ is amended to ‘financial statements’.

Amendments to AASB 129 Financial Reporting in Hyperinflationary Economies

- 73 In paragraphs 4 and 38, references to ‘financial report(s)’ are amended to ‘financial statements’.

Amendments to AASB 131 Interests in Joint Ventures

- 74 In paragraphs 1 and 2(c)(iii), and the headings above paragraphs 30 and 51, references to ‘financial report(s)’ are amended to ‘financial statements’.

Amendment to AASB 133 *Earnings per Share*

- 75 In paragraph 64, ‘financial report is’ is amended to ‘financial statements are’.

Amendments to AASB 134 *Interim Financial Reporting*

- 76 The ‘**Objective**’ paragraph is amended to read as follows:

The objective of this Standard is to prescribe the minimum content of an interim financial report and to prescribe the principles for recognition and measurement in complete or condensed financial statements for an interim period. Timely and reliable interim financial reporting improves the ability of investors, creditors, and others to understand an entity’s capacity to generate earnings and cash flows and its financial condition and liquidity.

- 77 Paragraphs Aus1.1, Aus1.2, Aus1.3, Aus1.6, 1, 2, 6, 7, 9, 10, 18 and 35 are amended to read as follows:

Aus1.1 This Standard applies to:

- (a) **each disclosing entity required to prepare half-year financial reports in accordance with Part 2M.3 of the Corporations Act;**
- (b) ***interim financial reports that are general purpose financial statements of each other reporting entity; and***
- (c) **interim financial reports that are, or are held out to be, general purpose financial statements.**

Aus1.2 Under the Corporations Act, disclosing entities are required to prepare half-year financial reports. Disclosing entities may also voluntarily prepare other general purpose interim financial reports. This Standard prescribes the form and content of general purpose interim financial reports, including half-year financial reports prepared by disclosing entities.

Aus1.3 Interim financial reports that are intended to be special purpose financial reports do not fall within the scope of this Standard. However, interim financial reports that are

purported to be special purpose financial reports but have the characteristics of general purpose financial statements fall within the scope of this Standard. Interim financial reports that are widely available but lack the characteristics of general purpose financial statements are not regarded as general purpose financial statements. An example is selected interim summary financial information, such as turnover and profit, voluntarily released by some entities. In some cases, professional judgement is needed to determine whether particular interim financial reports are general purpose financial statements.

Aus1.6 The requirements specified in this Standard apply to the interim financial report where information resulting from their application is material in accordance with AASB 1031 *Materiality*.

- 1 This Standard does not mandate the preparation or frequency of interim financial reports, or how soon after the end of an interim period they should be completed. However, governments, securities regulators, stock exchanges, and other regulators may require entities to prepare interim financial reports that are general purpose financial statements. This Standard applies if an entity is required or elects to prepare interim financial reports that are general purpose financial statements or are held out to be general purpose financial statements in accordance with Australian Accounting Standards.
- 2 Each financial report, annual or interim, is evaluated on its own for conformity to Australian Accounting Standards. The fact that an entity may not have provided interim financial reports during a particular annual reporting period or may have provided interim financial reports that do not comply with this Standard does not prevent the entity's annual financial statements from conforming to Australian Accounting Standards if they otherwise do so.
- 6 In the interest of timeliness and cost considerations and to avoid repetition of information previously reported, an entity may be required to or may elect to provide less information at interim dates as compared with its annual financial statements. This Standard defines the minimum content of an interim financial report as including condensed financial statements and selected explanatory notes. The interim financial report is intended to provide an update on the latest complete set of annual financial statements. Accordingly, it focuses on new activities, events,

and circumstances and, except for comparatives, does not duplicate information previously reported.

- 7 Nothing in this Standard is intended to prohibit or discourage an entity from publishing a complete set of financial statements (as described in AASB 101) as its interim financial report, rather than condensed financial statements and selected explanatory notes. Nor does this Standard prohibit or discourage an entity from including in condensed interim financial statements more than the minimum line items or selected explanatory notes as set out in this Standard. The recognition and measurement guidance in this Standard applies also to complete financial statements for an interim period, and such statements would include all of the disclosures required by this Standard (particularly the selected note disclosures in paragraph 16) and those required by other Australian Accounting Standards.
- 9 If an entity publishes a complete set of financial statements in its interim financial report, the form and content of those statements shall conform to the requirements of AASB 101 for a complete set of financial statements.**
- 10 If an entity publishes a set of condensed financial statements in its interim financial report, those condensed statements shall include, at a minimum, each of the headings and subtotals that were included in its most recent annual financial statements and the selected explanatory notes as required by this Standard. Additional line items or notes shall be included if their omission would make the condensed interim financial statements misleading.**
- 18 Other Australian Accounting Standards specify disclosures that should be made in financial statements. In that context, financial statements means complete sets of financial statements of the type normally included in an annual financial report and sometimes included in other reports. Except as required by paragraph 16(i), the disclosures required by those other Australian Accounting Standards are not required if an entity's interim financial report includes only condensed financial statements and selected explanatory notes rather than a complete set of financial statements.
- 35 An entity that reports half-yearly uses information available by mid-year or shortly thereafter in making the measurements in its financial statements for the first six-month period ...

- 78 A note concerning paragraph 13 is added as follows:
- 13 [Deleted by the IASB]
- 79 In paragraphs 16(a), 16(g), 26 and 27, the heading above paragraph 26, and paragraph B13 in the accompanying Appendix B, references to ‘annual financial report(s)’ are amended to ‘annual financial statements’.
- 80 In paragraphs 24, 28, 29 and 34, the headings above paragraphs 9 and 20, and paragraph B30, references to ‘financial report(s)’ are amended to ‘financial statements’.
- 81 In paragraph 29, ‘annual report’ is amended to ‘annual statements’.
- 82 In paragraph 30(a), ‘an annual financial report’ is amended to ‘annual financial statements’.
- 83 In paragraph 36, ‘financial report’ is amended to ‘set of financial statements’.

Amendments to AASB 136 *Impairment of Assets*

- 84 In paragraph 6 and in paragraph IE89 of the accompanying Illustrative Examples, references to ‘financial report(s)’ are amended to ‘financial statements’.

Amendments to AASB 137 *Provisions, Contingent Liabilities and Contingent Assets*

- 85 In paragraph 18, ‘A financial report deals’ is amended to ‘Financial statements deal’.
- 86 In paragraph 33, ‘the financial report’ is amended to ‘financial statements’.
- 87 In Example 10 of the accompanying Appendix C, ‘financial report was’ is amended to ‘financial statements were’.
- 88 In paragraphs 25, 30, 35 and 75, and in Example 10 in Appendix C, references to ‘financial report(s)’ are amended to ‘financial statements’.

Amendments to AASB 138 *Intangible Assets*

- 89 In paragraphs 11, 73, 119 and 122(b), references to ‘financial report(s)’ are amended to ‘financial statements’.

Amendments to AASB 139 *Financial Instruments: Recognition and Measurement*

- 90 In paragraphs AG4A, AG4C, AG4D and AG106, references to ‘financial report(s)’ are amended to ‘financial statements’.
- 91 In paragraph AG86, ‘financial report is’ is amended to ‘financial statements are’.

Amendments to AASB 140 *Investment Property*

- 92 In paragraphs 3, 31 and 75(e), references to ‘financial report(s)’ are amended to ‘financial statements’.

Amendments to AASB 141 *Agriculture*

- 93 In paragraph 46, ‘financial report’ is amended to ‘financial statements’.
- 94 In paragraph 50(f), ‘the financial report’ is amended to ‘financial statements’.

Amendments to AASB 1023 *General Insurance Contracts*

- 95 In paragraph 4.5.2, ‘financial report is’ is amended to ‘financial statements are’.
- 96 In paragraphs 9.1.2, 10.1.2, 17.1, 17.2, 17.6, 17.6.1(d), 17.6.4, 17.6.5, 17.7, 17.7.2, 17.7.3, 17.7.4, 17.8 and 17.9.1, and in paragraph 24 of the Appendix, references to ‘financial report(s)’ are amended to ‘financial statements’.

Amendments to AASB 1031 *Materiality*

- 97 In paragraphs 1(b), 7-9, 15, 17 and 18, and the definition of ‘**Material**’ in the Appendix, references to ‘financial report(s)’ are amended to ‘financial statements’.

98 Paragraph 2 is amended to read as follows:

- 2 This Standard applies to each entity preparing financial statements in accordance with Australian Accounting Standards.**

Amendments to AASB 1038 *Life Insurance Contracts*

99 Paragraph 1.1 is amended to read as follows:

1.1 This Standard applies to each entity that is:

- (a) a *life insurer*; or
- (b) the parent in a group that includes a life insurer;

when the entity:

- (c) is a reporting entity that is required to prepare financial reports in accordance with Part 2M.3 of the Corporations Act;
- (d) is an other reporting entity and prepares general purpose financial statements; or
- (e) prepares financial statements that are, or are held out to be, general purpose financial statements.

100 In paragraphs 4.1, 8.5.3, 11.1.2, 14.1, 14.1.1(d), 14.1.7, 15.1, 17.3.1, 17.4.1, 17.8.1 and 17.13.1, and in paragraph 22 of the Appendix, references to 'financial report(s)' are amended to 'financial statements'.

Amendments to Interpretation 7 *Applying the Restatement Approach under AASB 129 Financial Reporting in Hyperinflationary Economies*

101 In paragraph 3 and in paragraph IE1 of the accompanying Illustrative Example, references to 'financial report(s)' are amended to 'financial statements'.

Amendments to Interpretation 10 Interim Financial Reporting and Impairment

- 102 In paragraph 2, ‘interim and annual financial reports’ is amended to ‘interim and annual financial statements’.
- 103 In paragraph 3, ‘interim financial report’ is amended to ‘interim financial statements’ and ‘annual financial report’ is amended to ‘annual financial statements’.

Amendment to Interpretation 107 Introduction of the Euro

- 104 In paragraph 3, ‘financial reports’ is amended to ‘financial statements’.

Amendments to Interpretation 129 Service Concession Arrangements: Disclosures

- 105 In paragraphs 4 and 8, references to ‘financial report(s)’ are amended to ‘financial statements’.

Amendments to Interpretation 1001 Consolidated Financial Reports in relation to Pre-Date-of-Transition Dual Listed Company Arrangements

- 106 The title is amended to ‘*Consolidated Financial Statements in relation to Pre-Date-of-Transition Dual Listed Company Arrangements*’.
- 107 In paragraphs 3, 7-9, 14 and 15, references to ‘financial report(s)’ are amended to ‘financial statements’, except that the title of AASB 24 in paragraph 3 remains unchanged.
- 108 Paragraph 5 is amended to read as follows:
- 5 On transition to Australian equivalents to IFRSs, no Standard directly addresses the issue of accounting for a DLC. The accounting issue is whether, under Australian equivalents to IFRSs, the consolidated financial statements in respect of the group under a pre-date-of-transition DLC arrangement that applies the election available under AASB 1 *First-time Adoption of Australian Equivalents to International Financial Reporting Standards*, paragraph 15, are prepared by combining the financial statements of the entities that have entered the

contractual arrangement, that is, whether the pre-date-of-transition basis of accounting is “grandfathered”. The subsequent treatment under AASB 127 *Consolidated and Separate Financial Statements* is also at issue.

Amendments to Interpretation 1002 Post-Date-of-Transition Stapling Arrangements

- 109 In paragraphs 4, 10 and 11(c), references to ‘financial report(s)’ are amended to ‘financial statements’.

Amendments to Interpretation 1013 Consolidated Financial Reports in relation to Pre-Date-of-Transition Stapling Arrangements

- 110 The title is amended to ‘*Consolidated Financial Statements in relation to Pre-Date-of-Transition Stapling Arrangements*’.
- 111 In paragraphs 3, 8-10, 17 and 18, references to ‘financial report(s)’ are amended to ‘financial statements’, except that the title of AAS 24 in paragraph 3 remains unchanged.
- 112 Paragraph 6 is amended to read as follows:
- 6 The accounting issue is whether, under Australian equivalents to IFRSs, the consolidated financial statements of a parent under a pre-date-of-transition stapling arrangement that exercises the election available under AASB 1 *First-time Adoption of Australian Equivalents to International Financial Reporting Standards*, paragraph 15, are prepared by combining the financial statements of the entities whose securities have been stapled. The subsequent treatment under AASB 127 *Consolidated and Separate Financial Statements* is also at issue.

Amendments to Interpretation 1017 Developer and Customer Contributions for Connection to a Price-Regulated Network

- 113 In paragraphs 3 and 19, references to ‘financial report(s)’ are amended to ‘financial statements’.

Amendments to Interpretation 1019 The Superannuation Contributions Surcharge

114 In paragraphs 10, 21 and 23, references to ‘financial report(s)’ are amended to ‘financial statements’.

Amendments to Interpretation 1031 Accounting for the Goods and Services Tax (GST)

115 In paragraph 4, references to ‘financial reports’ are amended to ‘financial statements’.

Amendments to Interpretation 1039 Substantive Enactment of Major Tax Bills in Australia

116 In paragraphs 3, 17 and 18, references to ‘financial report(s)’ are amended to ‘financial statements’.

Amendment to Interpretation 1042 Subscriber Acquisition Costs in the Telecommunications Industry

117 In paragraph 2, ‘financial reports’ is amended to ‘financial statements’.

Amendments to Interpretation 1047 Professional Indemnity Claims Liabilities in Medical Defence Organisations

118 In paragraphs 5, 6, 28 and 30, references to ‘financial report(s)’ are amended to ‘financial statements’.

Amendments to Interpretation 1052 Tax Consolidation Accounting

119 In paragraphs 5, 59 and 61, references to ‘financial report(s)’ are amended to ‘financial statements’.

120 Paragraph 27 is amended to read as follows:

27 ... Formal notification can occur up to the date of lodgement of the first consolidated income tax return, which may be after the

completion of the financial statements for the reporting period. However, if the implementation date is determined prior to the completion of the financial statements, the appropriate accounting depends on the implementation date, as explained in the preceding paragraph, rather than on the decision date or the date of formal notification to the taxation authority. Where the implementation date is not determined prior to the completion of the financial statements, the financial statements are not prepared in accordance with the requirements set out in this Interpretation. Those financial statements are not amended and reissued where the implementation date, as subsequently determined, retrospectively falls in that previous reporting period. This Interpretation does not address the accounting prior to the implementation of tax consolidation by a group.

Amendment to Interpretation 1055 Accounting for Road Earthworks

121 In paragraph 3, ‘financial reports’ is amended to ‘financial statements’.