

**AASB Standard**

**AASB 2010-10**

December 2010

**Further Amendments to  
Australian Accounting  
Standards – Removal of  
Fixed Dates for First-time  
Adopters**

**[AASB 2009-11 & AASB 2010-7]**



**Australian Government**

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**Australian Accounting  
Standards Board**

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Australian Accounting Standard AASB 2010-10 *Further Amendments to Australian Accounting Standards – Removal of Fixed Dates for First-time Adopters* is set out in paragraphs 1 – 9. All the paragraphs have equal authority.

## **PREFACE**

### **Standards Amended by AASB 2010-10**

This Standard makes amendments to the following Australian Accounting Standards:

1. AASB 2009-11 *Amendments to Australian Accounting Standards arising from AASB 9*; and
2. AASB 2010-7 *Amendments to Australian Accounting Standards arising from AASB 9 (December 2010)*.

These amendments arise from the issuance of *Severe Hyperinflation and Removal of Fixed Dates for First-time Adopters* (Amendments to IFRS 1) by the International Accounting Standards Board in December 2010.

### **Main Features of this Standard**

#### **Application Date**

This Standard is applicable to annual reporting periods beginning on or after 1 January 2013. Early adoption is permitted as set out in AASB 2009-11 and AASB 2010-7.

#### **Main Requirements**

The amendments ultimately affect AASB 1 *First-time Adoption of Australian Accounting Standards* and provide relief for first-time adopters of Australian Accounting Standards from having to reconstruct transactions that occurred before their date of transition to Australian Accounting Standards.

The amendments to AASB 2009-11 will only affect early adopters of AASB 2009-11 (and AASB 9 *Financial Instruments* as issued in December 2009) as it has been superseded by AASB 2010-7 for annual reporting periods beginning on or after 1 January 2013.

## ACCOUNTING STANDARD AASB 2010-10

The Australian Accounting Standards Board makes Accounting Standard AASB 2010-10 *Further Amendments to Australian Accounting Standards – Removal of Fixed Dates for First-time Adopters* under section 334 of the *Corporations Act 2001*.

Dated 31 December 2010

Kevin M. Stevenson  
Chair – AASB

## ACCOUNTING STANDARD AASB 2010-10

### ***FURTHER AMENDMENTS TO AUSTRALIAN ACCOUNTING STANDARDS – REMOVAL OF FIXED DATES FOR FIRST-TIME ADOPTERS***

#### **Objective**

- 1 The objective of this Standard is to make amendments to:
  - (a) AASB 2009-11 *Amendments to Australian Accounting Standards arising from AASB 9*; and
  - (b) AASB 2010-7 *Amendments to Australian Accounting Standards arising from AASB 9 (December 2010)*;

as a consequence of the issuance of *Severe Hyperinflation and Removal of Fixed Dates for First-time Adopters* (Amendments to IFRS 1) by the International Accounting Standards Board in December 2010.

#### **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 statements of each other reporting entity; and**

(c) **financial statements that are, or are held out to be, general purpose financial statements.**

**3 This Standard applies to annual reporting periods beginning on or after 1 January 2013.**

**4 Early application of the amendments in this Standard is permitted in accordance with the early application provisions of AASB 2009-11 or AASB 2010-7, as relevant.**

**5 This Standard uses underlining, striking out and other typographical material to identify some of the amendments to a Standard, in order to make the amendments more understandable. However, the amendments made by this Standard do not include that underlining, striking out or other typographical material.**

## **Amendments to AASB 2009-11**

**6 Paragraph 9 is amended (new text is underlined and deleted text is struck through) and paragraph B2 added (new text is underlined and deleted text is struck through) as follows:**

**9 In Appendix B, paragraphs B1 and B2 ~~is~~ are amended, ...**

...

**B2 Except as permitted by paragraph B3, a first-time adopter shall apply the derecognition requirements in AASB 139 *Financial Instruments: Recognition and Measurement* prospectively for transactions occurring on or after ~~1 January 2004~~ the date of transition to Australian Accounting Standards. ~~In other words~~ For example, if a first-time adopter derecognised non-derivative financial assets or non-derivative financial liabilities in accordance with its previous GAAP as a result of a transaction that occurred before ~~1 January 2004~~ the date of transition to Australian Accounting Standards, it shall not recognise those assets and liabilities in accordance with Australian Accounting Standards (unless they qualify for recognition as a result of a later transaction or event).**

...

7 Paragraph 10 is amended (new text is underlined and deleted text is struck through) and paragraph D20 added (new text is underlined and deleted text is struck through) as follows:

10 In Appendix D (Exemptions from other Australian Accounting Standards), paragraphs D19 and D20 ~~is~~ are amended ...

...

D20 Notwithstanding the requirements of paragraphs 7 and 9, an entity may apply the requirements in the last sentence of AASB 139 paragraph AG76 and in paragraph AG76A, ~~in either of the following ways:~~

(a) ~~prospectively to transactions entered into on or after the date of transition to Australian Accounting Standards 25 October 2002; or~~

(b) ~~prospectively to transactions entered into after 1 January 2004.~~

## Amendments to AASB 2010-7

8 In paragraph 10, the amended paragraph B2 is amended as follows (new text is underlined and deleted text is struck through):

B2 Except as permitted by paragraph B3, a first-time adopter shall apply the derecognition requirements in AASB 9 *Financial Instruments* prospectively for transactions occurring on or after 1 January 2004 the date of transition to Australian Accounting Standards. ~~In other words~~ For example, if a first-time adopter derecognised non-derivative financial assets or non-derivative financial liabilities in accordance with its previous GAAP as a result of a transaction that occurred before ~~1 January 2004~~ the date of transition to Australian Accounting Standards, it shall not recognise those assets and liabilities in accordance with Australian Accounting Standards (unless they qualify for recognition as a result of a later transaction or event).

- 9 In paragraph 11, the amended paragraph D20 is amended as follows (new text is underlined and deleted text is struck through):

D20 Despite the requirements of paragraphs 7 and 9, an entity may apply the requirements in the last sentence of paragraph B5.4.8 and in paragraph B5.4.9 of AASB 9, ~~in either of the following ways:~~

- (a) ~~prospectively to transactions entered into after 1 January 2004.~~ prospectively to transactions entered into on or after the date of transition to Australian Accounting Standards 25 October 2002; or
- (b) ~~prospectively to transactions entered into after 1 January 2004.~~