

Amendments to Australian Accounting Standards – Deferral of AASB 15 for Not-for-Profit Entities



Australian Government

**Australian Accounting
Standards Board**

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Australian Accounting Standard AASB 2016-7 *Amendments to Australian Accounting Standards – Deferral of AASB 15 for Not-for-Profit Entities* is set out in paragraphs 1 – 6. All the paragraphs have equal authority.

Preface

Standards amended by AASB 2016-7

This Standard makes amendments to AASB 15 *Revenue from Contracts with Customers* (December 2014) and the other Standards and Interpretations listed in paragraph 1 of the Standard.

The amendments arise in conjunction with the issuance of AASB 2016-8 *Amendments to Australian Accounting Standards – Australian Implementation Guidance for Not-for-Profit Entities*, which sets requirements and provides guidance for the application of AASB 15 by not-for-profit entities, and AASB 1058 *Income of Not-for-Profit Entities*.

Main features of this Standard

Main requirements

This Standard amends the mandatory effective date (application date) of AASB 15 for not-for-profit entities so that AASB 15 is required to be applied by such entities for annual reporting periods beginning on or after 1 January 2019 instead of 1 January 2018.

Therefore, this Standard also defers, for not-for-profit entities, the consequential amendments that were originally set out in AASB 2014-5 *Amendments to Australian Accounting Standards arising from AASB 15*. This deferral is achieved by restating the effective date of the amendments set out in AASB 2015-8 *Amendments to Australian Accounting Standards – Effective Date of AASB 15* as they apply to not-for-profit entities.

Earlier application of AASB 15 is permitted for not-for-profit entities for annual reporting periods beginning before 1 January 2019, provided AASB 1058 is also applied to the same period.

Application date

This Standard applies to annual periods beginning on or after 1 January 2017, which was the original mandatory effective date of AASB 15.

Accounting Standard AASB 2016-7

The Australian Accounting Standards Board makes Accounting Standard AASB 2016-7 *Amendments to Australian Accounting Standards – Deferral of AASB 15 for Not-for-Profit Entities* under section 334 of the *Corporations Act 2001*.

Dated 9 December 2016

Kris Peach
Chair – AASB

Accounting Standard AASB 2016-7 *Amendments to Australian Accounting Standards – Deferral of AASB 15 for Not-for-Profit Entities*

Objective

1 This Standard amends the following Standards and Interpretations in order to defer the effective date of AASB 15 *Revenue from Contracts with Customers* and its consequential amendments to other pronouncements for not-for-profit entities, in conjunction with the issue of (1) authoritative implementation guidance for the application of AASB 15 by such entities through AASB 2016-8 *Amendments to Australian Accounting Standards – Australian Implementation Guidance for Not-for-Profit Entities* and (2) AASB 1058 *Income of Not-for-Profit Entities*:

- (a) AASB 15 (December 2014);
- (b) AASB 1 *First-time Adoption of Australian Accounting Standards* (July 2015);
- (c) AASB 3 *Business Combinations* (August 2015);
- (d) AASB 4 *Insurance Contracts* (August 2015);
- (e) AASB 101 *Presentation of Financial Statements* (July 2015);
- (f) AASB 102 *Inventories* (July 2015);
- (g) AASB 112 *Income Taxes* (August 2015);
- (h) AASB 116 *Property, Plant and Equipment* (August 2015);
- (i) AASB 132 *Financial Instruments: Presentation* (August 2015);
- (j) AASB 134 *Interim Financial Reporting* (August 2015);
- (k) AASB 136 *Impairment of Assets* (August 2015);
- (l) AASB 137 *Provisions, Contingent Liabilities and Contingent Assets* (August 2015);
- (m) AASB 138 *Intangible Assets* (August 2015);
- (n) AASB 139 *Financial Instruments: Recognition and Measurement* (August 2015);
- (o) AASB 140 *Investment Property* (August 2015);
- (p) AASB 1023 *General Insurance Contracts* (July 2004);
- (q) AASB 1038 *Life Insurance Contracts* (July 2004);
- (r) AASB 1039 *Concise Financial Reports* (August 2008);
- (s) AASB 1049 *Whole of Government and General Government Sector Financial Reporting* (October 2007);
- (t) AASB 1053 *Application of Tiers of Australian Accounting Standards* (June 2010);
- (u) AASB 1056 *Superannuation Entities* (June 2014);
- (v) Interpretation 12 *Service Concession Arrangements* (August 2015);
- (w) Interpretation 127 *Evaluating the Substance of Transactions Involving the Legal Form of a Lease* (August 2015);
- (x) Interpretation 132 *Intangible Assets – Web Site Costs* (August 2015);

- (y) Interpretation 1031 *Accounting for the Goods and Services Tax (GST)* (July 2004);
- (z) Interpretation 1038 *Contributions by Owners Made to Wholly-Owned Public Sector Entities* (December 2007); and
- (aa) Interpretation 1052 *Tax Consolidation Accounting* (June 2005).

Application

- 2 The amendments set out in this Standard apply to entities and financial statements in accordance with the application of the other Standards and Interpretations as set out in AASB 1057 *Application of Australian Accounting Standards* (as amended).
- 3 This Standard applies to annual periods beginning on or after 1 January 2017.

Amendments to AASB 15

- 4 Paragraph AusC1.1 is added.
AusC1.1 Notwithstanding paragraph C1, this Standard applies to not-for-profit entities for annual reporting periods beginning on or after 1 January 2019. Earlier application is permitted, provided that AASB 1058 *Income of Not-for-Profit Entities* is also applied to the same period. If a not-for-profit entity applies this Standard earlier, it shall disclose that fact.

Amendments to other Standards and Interpretations

- 5 The deferrals, reversals and revised wording for pronouncements set out in paragraphs 13–18 of AASB 2015-8 *Amendments to Australian Accounting Standards – Effective Date of AASB 15* apply to not-for-profit entities so as to determine the content of the pronouncements for such entities effective 1 January 2019 instead of 1 January 2018. The consequential amendments to other Standards originally set out in AASB 2014-5 *Amendments to Australian Accounting Standards arising from AASB 15* – except for the amendments to AASB 9 *Financial Instruments* (December 2009) and AASB 9 (December 2010) – may be applied by not-for-profit entities to annual reporting periods beginning before 1 January 2019.

Commencement of the legislative instrument

- 6 For legal purposes, this legislative instrument commences on 31 December 2016.