



AASB Staff FAQs: AASB 15 Revenue from Contracts with Customers, AASB 1058 Income of Not-for-Profit Entities and AASB 16 Leases

Staff FAQs

(Developed jointly by BDO Australia and AASB Staff)

Prepared as at 1 August 2018 - document will be updated as more Staff FAQs are drafted.

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1. When are AASB 9 *Financial Instruments*, AASB 15, AASB 16 and AASB 1058 mandatorily applicable to not-for-profit (NFP) entities?

Australian Accounting Standard	Mandatory Application		
	For Annual Reporting Periods beginning on or after	To 31 December year-ends on or after	To 30 June year-ends on or after
AASB 9	1 January 2018	31 December 2018	30 June 2019
AASB 15	1 January 2019	31 December 2019	30 June 2020
AASB 16	1 January 2019	31 December 2019	30 June 2020
AASB 1058	1 January 2019	31 December 2019	30 June 2020

Refer to FAQ 3 for early adoption considerations.

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2. Which Australian Accounting Standards are applicable to the recognition of income and revenue by NFP entities?

Does the annual reporting period begin on or after 1 January 2019?		
	Yes	No
	Apply: AASB 15 and AASB 1058 (and AASB 1004 when accounting for parliamentary appropriations)	Apply: <ul style="list-style-type: none"> – AASB 111 – AASB 1004 – Interpretation 15 – Interpretation 131 – AASB 118 – Interpretation 13 – Interpretation 18 – Interpretation 1042

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3. If I early adopt AASB 9, AASB 15, AASB 16 or AASB 1058, what is the impact?

Standard the NFP entity has early adopted	Other standards which must also be early adopted	Reference
AASB 9	None	AASB 9 paragraph Aus1.3
AASB 15	AASB 1058	AASB 15 paragraph AusC1.1
AASB 16	AASB 15 and AASB 1058	AASB 16 paragraph C1, AASB 15 paragraph AusC1.1
AASB 1058	AASB 15	AASB 1058 paragraph C1

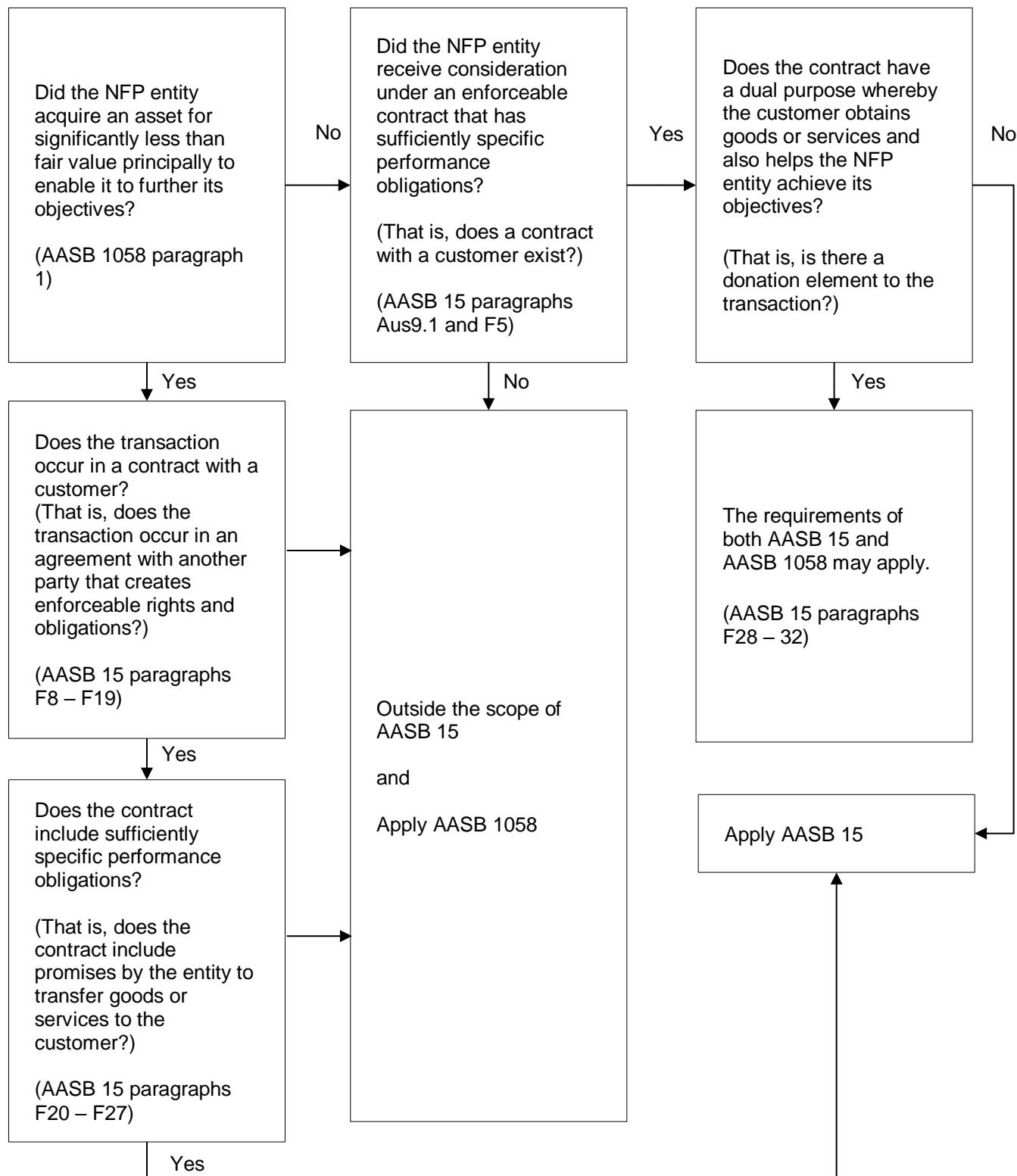
As a general matter, entities are also required to early adopt any related consequential amendments arising from the adoption of the above Standards.

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4. When would an NFP entity's revenue be within the scope of AASB 15?



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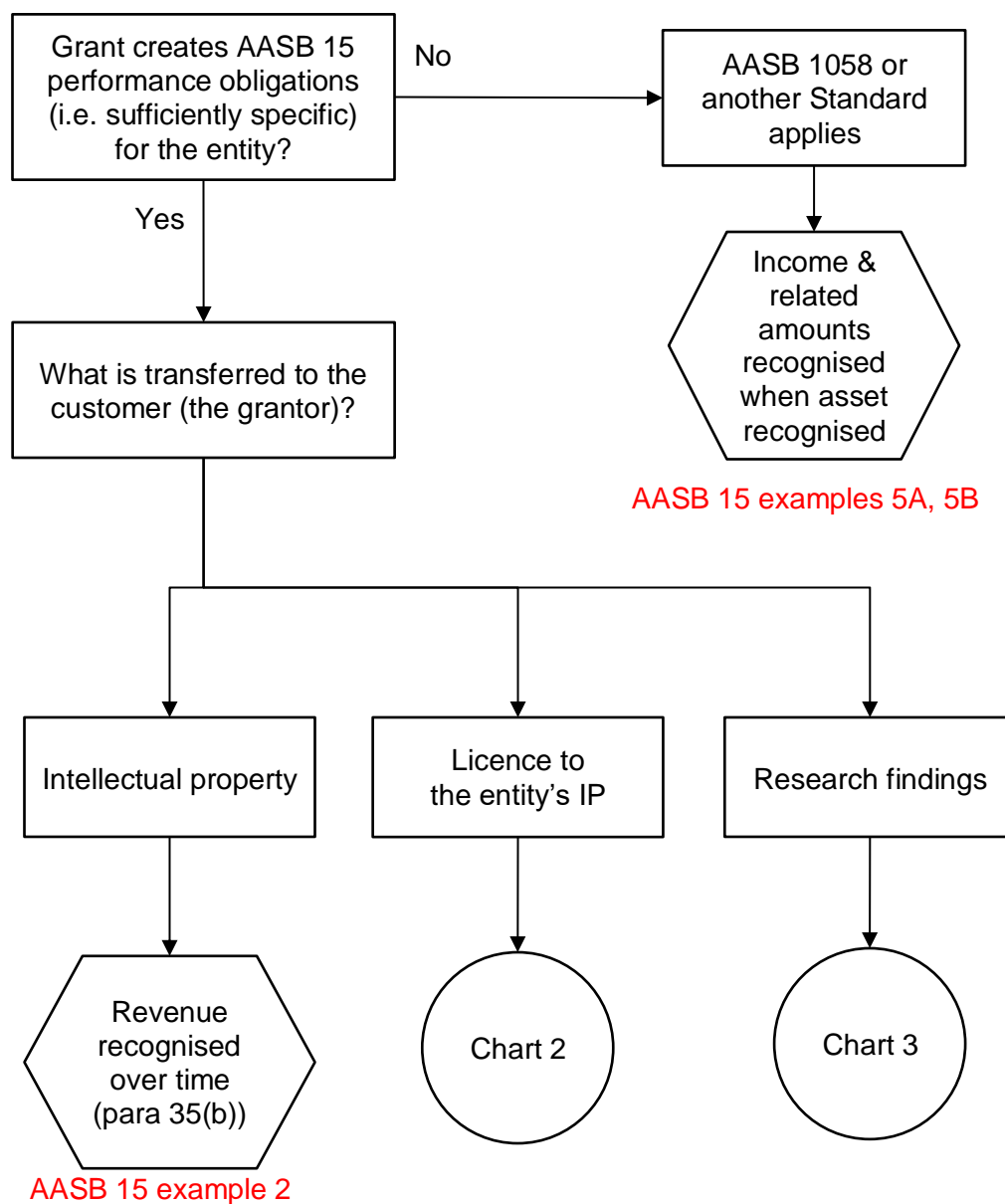


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5. If my entity performs research activities, which Standard do I apply when accounting for grants received and when do I recognise revenue?

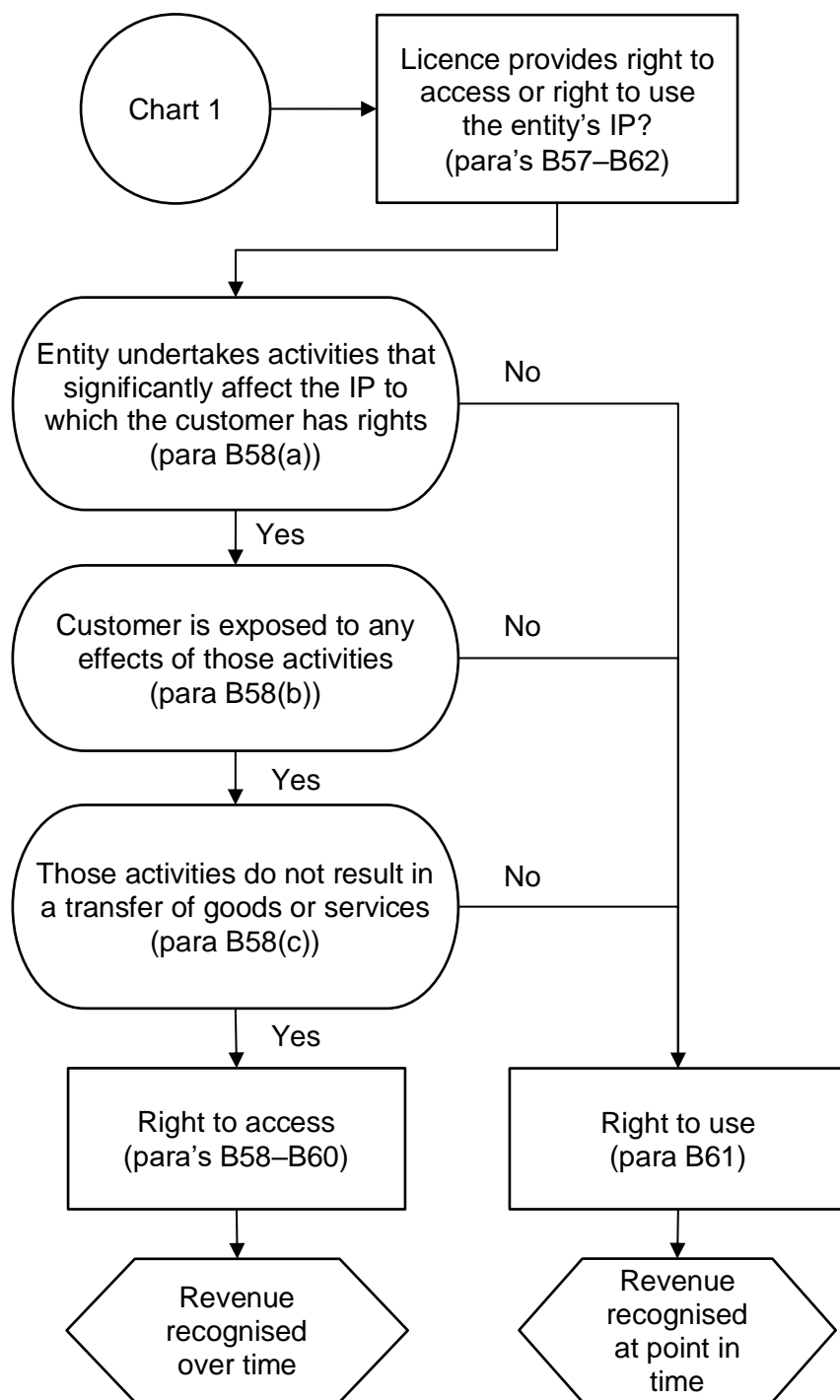
The AASB 15 illustrative examples noted below are part of the Australian illustrative examples for NFP entities added to AASB 15 by AASB 2016-8 Amendments to Australian Accounting Standards – Australian Implementation Guidance for Not-for-Profit Entities.

Chart 1



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Chart 2



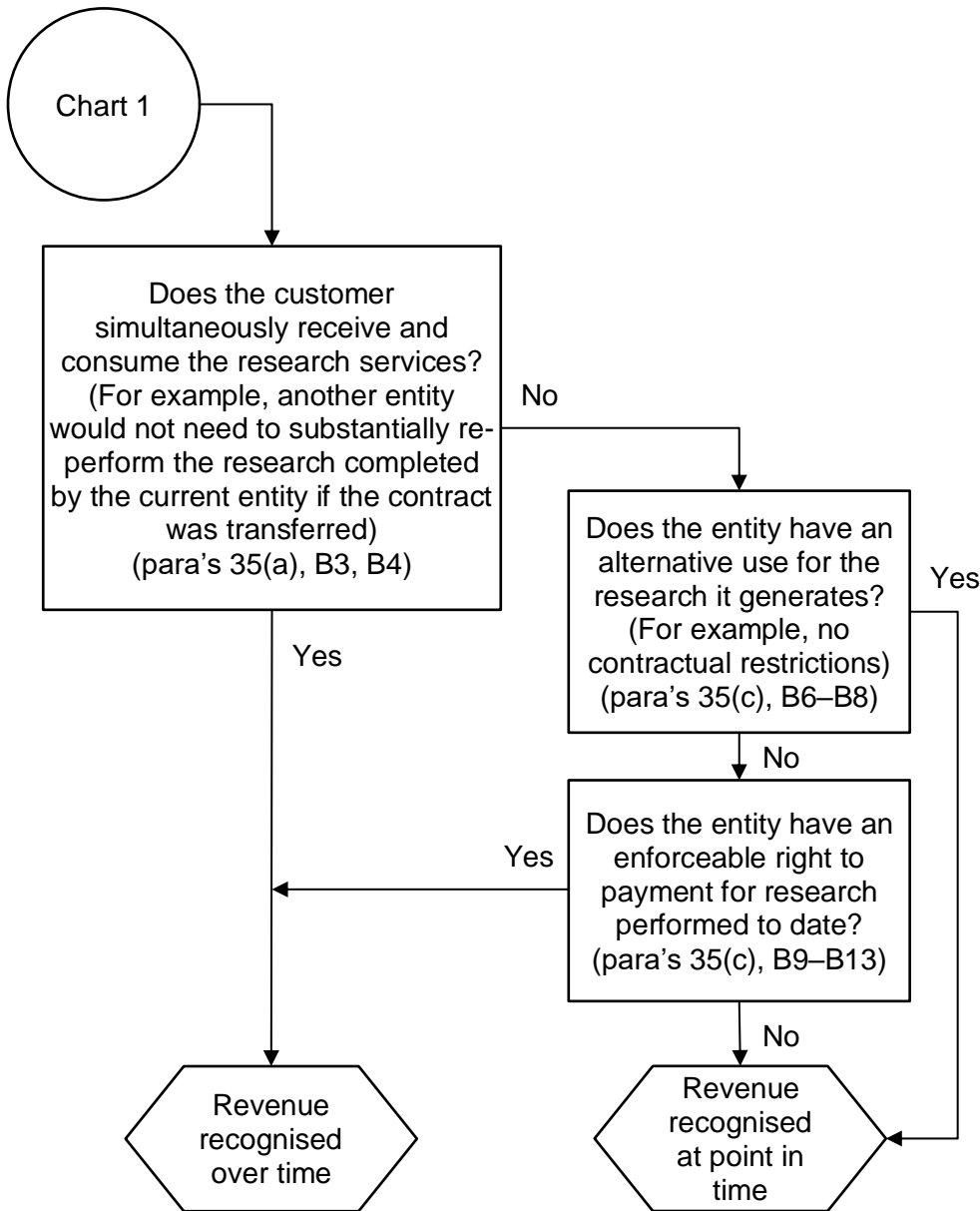
AASB 15 example 3A

AASB 15 example 3B



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Chart 3



AASB 15 example 4A (para 35(a))
AASB 15 example 4B (para 35(c))

AASB 15 example 4C

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