



Hot Topics

AASB 1056 *Superannuation Entities*

The need for financial statements of superannuation entities that portray their financial performance and financial position has never been greater. Employees now have freedom of choice over the superannuation entity (or entities) to which they can direct their compulsory superannuation contributions. In addition, employers without their own superannuation plan are required to nominate a default plan for their employees. Both employees and employers seek superannuation plans that will be able to provide retirement and related benefits to their members over the long term.

In considering the replacement of the Standard AAS 25 *Financial Reporting by Superannuation Plans*, the AASB concluded that a separate Standard for superannuation entities was still appropriate, rather than requiring superannuation entities to comply with Australian Accounting Standards in general. Therefore, AASB 1056 *Superannuation Entities*, which replaces AAS 25, was developed to:

- recognise significant changes in the superannuation industry since AAS 25 was issued in 1993
- reflect the substance of the relationship between superannuation entities and members by recognising members' entitlements as liabilities
- more closely align financial reporting with similar entities, such as Pooled Superannuation Trusts and Managed Investment Schemes.

Entities required to apply AASB 1056 are those regulated under:

- the *Superannuation Industry (Supervision) Act 1993*
- similar legislative requirements, in the case of exempt public sector plans
- Approved Deposit Funds (ADFs).

Below are links to some additional materials that will assist in understanding and implementing the requirements of AASB 1056, which applies to superannuation entities from the 2016/17 financial year.

Guidance

AASB:

- [AASB Extra – AASB 1056 *Superannuation Entities* – A new approach](#) [April 2017]. This document compares and contrasts AASB 1056 and AAS 25.
- [AASB Staff FAQs: AASB 1056 *Superannuation Entities*](#) [April 2017 (last updated August 2017)]. This document sets out responses to some common questions that have arisen as superannuation entities are preparing for AASB 1056.

Actuaries Institute

- [Australian Accounting Standard AASB 1056 *Superannuation Entities*](#) [September 2016]

CPA Australia

- [Fact Sheet](#) [December 2015]



Ernst & Young

- [Endeavour Superannuation Financial Statements](#) [June 2015]

Grant Thornton

- [AASB issues new Superannuation Standard](#) [June 2014]

KPMG

- [What's new in financial reporting for superannuation entities?](#) [June 2015]

PricewaterhouseCoopers

- [VALUE ACCOUNTS Superannuation Fund – Annual financial reporting 2017 – AASB 1056 edition](#) [April 2017]

Webinar

The AASB hosted a webinar on this topic in June 2017:

- [view the recording](#)
- [view the presentation slides](#).

If you have an article or a report addressing financial reporting by superannuation plans under AASB 1056 that you would like to share, please email Clark Anstis via standard@asb.gov.au.