



# **AADP 304 ACT ACCOUNTING DISCLOSURE PAPER**

**ON**

**TREATMENT OF  
AASB STANDARDS ISSUED  
WHICH ARE NOT YET EFFECTIVE  
AS AT 30 JUNE 2020**

**FOR THE REPORTING PERIOD ENDED  
30 JUNE 2020**

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## **1 INTRODUCTION**

### **1.1 APPLICATION**

This ACT Accounting Policy applies to directorates and territory authorities and covers Australian Accounting Standards and Interpretations which have been issued as at 30 June 2020 that are not yet effective. These standards and interpretations will apply during reporting periods later than 2019-20.

## **2 TREATMENT OF AASB STANDARDS ISSUED WHICH ARE NOT YET EFFECTIVE**

### **2.1 DISCLOSURES REQUIRED FOR STANDARDS ISSUED BUT NOT YET EFFECTIVE**

When a directorate or territory authority has not early adopted a new accounting standard, due to the fact that the standard is effective (i.e. compulsory) in a later reporting period, AASB 108 *Accounting Policies, Changes in Accounting Estimates and Errors* requires the directorate or territory authority to disclose details regarding that standard and its potential financial impact on the financial statements which may occur when the standard is applied. AASB 108.30 and 31 contain the disclosure requirements.

This policy paper has been developed to assist agencies in making these disclosures. As such, this paper provides an indication of what changes have been included in standards which have been issued but are not yet effective. This will assist agencies in identifying which of the standards may have a potential material financial impact on them when they are applied.

**Agencies are required to:**

- 1. Identify those standards that will apply to their agency upon application, by reading this policy;**
- 2. Assess whether there may be a material financial impact upon the agency (for all standards and interpretations that will apply) by reviewing the changes listed in this policy and referring directly to the standards and/or interpretations;**
- 3. Only disclose details of the standards and interpretations which apply and are assessed as having a material financial impact on them, or where they have not yet assessed their impact in the format as presented in the 2019-20 Model Financial Statements (and Attachment A); and**
- 4. Not disclose details of the standards and interpretations which either do not apply or which apply but are assessed as not having a material impact on them.**

## 2.1 Continued

For disclosure requirements, agencies should refer to Attachment A as it provides an updated Appendix C *Impact of Accounting Standards Issued but yet to be Applied* disclosure which contains a list of standards and interpretations, which are assessed as being applicable to 'Example Agency', that have been issued but are not yet effective for the 2019-20 financial year. This updates the example provided within Appendix C as presented in the 2019-20 Model Financial Statements. As noted above, the listing of standards in **Attachment A** and the associated commentary is to assist agencies in making the necessary disclosures. Agencies should assess from the list what standards they need to disclose bearing in mind the criteria in the next paragraph.

Note that only the standards issued but not yet effective which either are applicable to an agency and are assessed as having a material financial impact or the standards where such an assessment has not yet been made must be included in Appendix C. Agencies should also check the additional standards listed in the commentary to Appendix C (as appearing in **Attachment A**). These standards have been assessed as not applicable to most agencies; however, agencies should verify that they don't apply.

## 3 SUMMARIES OF CHANGES TO STANDARDS AND INTERPRETATIONS ISSUED BUT NOT YET EFFECTIVE

The following standards and interpretations, currently issued by the AASB, which apply to reporting periods ending after 30 June 2020 include:

### AASB Compiled Standards

AASB 1059	<i>Service Concession Arrangements: Grantors</i>
AASB 1060	<i>General Purpose Financial Statements – Simplified Disclosures for For-Profit and Not-for-Profit Tier 2 Entities</i>

### AASB Amending Standards

AASB 2019-1	<i>Amendments to Australian Accounting Standards – References to the Conceptual Framework</i>
AASB 2019-2	<i>Amendments to Australian Accounting Standards – Implementation of AASB 1059</i>
AASB 2019-3	<i>Amendments to Australian Accounting Standards – Interest Rate Benchmark Reform</i>
AASB 2019-5	<i>Amendments to Australian Accounting Standards – Disclosure of the Effect of New IFRS Standards Not Yet Issued in Australia</i>
AASB 2019-7	<i>Amendments to Australian Accounting Standards – Disclosure of GFS Measures of Key Fiscal Aggregates and GAAP/GFS Reconciliations</i>
AASB 2020-1	<i>Amendments to Australian Accounting Standards – Classification of Liabilities as current or Non-Current</i>
AASB 2020-2	<i>Amendments to Australian Accounting Standards – Removal of Special Purpose Financial Statements for Certain For-Profit Private Sector Entities</i>
AASB 2020-3	<i>Amendments to Australian Accounting Standards – Annual Improvements 2018-2020 and other Amendments</i>
AASB 2020-4	<i>Amendments to Australian Accounting Standards – Covid-19 Related Rent Concessions</i>

### **3.1 AASB 17 INSURANCE CONTRACTS (APPL. 1 JANUARY 2021)**

#### **Background**

AASB 17 establishes principles for the recognition, measurement, presentation and disclosure of insurance contracts issued. It also requires similar principles to be applied to reinsurance contracts held and investment contracts with discretionary participation features issued. The objective is to ensure that entities provide relevant information in a way that faithfully represents those contracts. This information gives a basis for users of financial statements to assess the effect that contracts within the scope of AASB 17 have on the financial position, financial performance and cash flows of the entity. At its meeting on 17 March 2020, the International Accounting Standards Board (IASB) agreed to defer the effective date of IFRS 17 to annual reporting periods beginning on or after 1 January 2023. The IASB issued the necessary amendments to IFRS 17 on 25 June 2020 and the AASB is expected to similarly amend AASB 17 soon. AASB 17 does not apply to superannuation entities applying AASB 1056 *Superannuation Entities* and not-for-profit public sector entities. The AASB is assessing the applicability of AASB 17 to not-for-profit public sector entities. In November 2017, the AASB issued Discussion Paper *Australian-specific Insurance Issues – Regulatory Disclosures and Public Sector Entities*.

#### **Impact**

Currently, AASB 17 will have no impact on directorates and territory authorities.

### **3.2 AASB 1059 SERVICE CONCESSION ARRANGEMENTS: GRANTORS (APPL. 1 JANUARY 2020)**

#### **Background**

AASB 1059 addresses the accounting for a services concession arrangement by a grantor that is a public sector entity by prescribing the accounting arrangement from a grantor's perspective.

AASB 1059 applies to arrangements that involve an operator providing public services related to a service concession asset on behalf of a public sector grantor for a specified period of time and managing at least some of those services. An arrangement within the scope of this Standard typically involves an operator constructing the assets used to provide the public service or upgrading the assets (for example by increasing their capacity) and operating and maintaining the assets for a specified period of time. Such arrangements are often described as build-operate-transfer or rehabilitate-operate transfer concession arrangements or public-private partnerships (PPPs).

#### **Impact**

This standard will impact only impact the Transport and City Services Directorate.

### **3.3 AASB 1060 GENERAL PURPOSE FINANCIAL STATEMENTS – SIMPLIFIED DISCLOSURE FOR -PROFIT AND NOT-FOR-PROFIT TIER 2 ENTITIES (APPL. 1 JULY 2021)**

#### **Background**

AASB 1060 sets out a new, separate disclosure standard to be applied by all agencies that are reporting under Tier 2 of the Differential Framework in AASB 1053 Application of Tiers of Australian Accounting Standards. AASB 1060 has been developed based on a new methodology and principles to be used in determining the Tier 2 disclosures that are necessary for meeting user needs, to replace the current Reduced Disclosure Requirements (RDR) framework. The methodology and principles applied are outlined in the Basis for Conclusions to AASB 1060.

AASB 1060 does not change:

- Which agencies are permitted to apply Tier 2 reporting requirements; and
- The recognition and measurement requirements of Tier 2, which are the same as for Tier1.

The disclosures that are relevant to Tier 2 entities are set out in AASB 1060. Disclosure requirements set out in the body or appendix of other Standards will no longer be shaded or unshaded in relation to Tier 2 requirements. While agencies that comply with this Standard need to apply the recognition and measurement requirements in other Standards, they are exempt from the disclosure requirements in specified paragraphs in other Standards. Tier 2 agencies are also not required to comply with other Standards that deal only with presentation and disclosure. Consequential amendments to the relevant Standards are set out in Appendix C to AASB 1060. While this Standard includes certain presentation requirements, these do not result in presentations or classifications that are different to those required for Tier 1 entities. The only exception is the option not to include a separate statement of changes in equity in certain circumstances, as set out in paragraph 26 of the Standard.

#### **Impact**

It is ACT Disclosure Policy that agencies that are consolidated into the Whole of Government financial statements are not allowed to adopt Tier 2 reporting. As a result, there is no impact on directorates and territory authorities.

### **3.4 AASB 2014-10 AMENDMENTS TO AUSTRALIAN ACCOUNTING STANDARDS – SALE OR CONTRIBUTION OF ASSETS BETWEEN AN INVESTOR AND ITS ASSOCIATE OR JOINT VENTURE (APPL. 1 JANUARY 2022)**

#### **Background**

AASB 2014-10 amends AASB 10 *Consolidated Financial Statements* and AASB 128 *Investments in Associates and Joint Ventures* to address an inconsistency between the requirements in AASB 10 and those in AASB 128 (August 2011), in dealing with the sale or contribution of assets between an investor and its associate or joint venture. The amendments require:

- a full gain or loss to be recognised when a transaction involves a business (whether it is housed in a subsidiary or not); and
- a partial gain or loss to be recognised when a transaction involves assets that do not constitute a business, even if these assets are housed in a subsidiary.

AASB 2017-5 *Amendments to Australian Accounting Standards – Effective date of Amendments to AASB 10 and AASB 128 and Editorial Corrections* deferred the mandatory effective date (application date) of amendments to AASB 10 and AASB 128 made in AASB 2014-10 so that the amendments are required to be applied for annual reporting periods beginning on or after 1 January 2022.

#### **Impact**

Directorates and territory authorities do not generally have any investments in subsidiaries, joint ventures and associates and this standard will not have any material financial impact on them.

### **3.5 AASB 2018-6 AMENDMENTS TO AUSTRALIAN ACCOUNTING STANDARDS – DEFINITION OF A BUSINESS (APPL. 1 JANUARY 2020)**

#### **Background**

AASB 2018-6 amends AASB 3 *Business Combinations* to clarify the definition of a business, assisting agencies to determine whether a transaction should be accounted for as a business combination or as an asset acquisition. The amendments:

- clarify that to be considered as a business, an acquired set of activities and assets must include, at a minimum, an input and a substantive process that together significantly contribute to the ability to create outputs;
- remove the assessment of whether market participants are capable of replacing any missing inputs or processes and continuing to produce outputs;
- add guidance and illustrative examples to help entities assess whether a substantive process has been acquired;
- narrow the definitions of a business and of outputs by focusing on goods and services provided to customers and by removing the reference to an ability to reduce costs; and
- add an optional concentration test that permits a simplified assessment of whether an acquired set of activities and assets is not a business.

### Impact

There is no financial impact on directorates and territory authorities.

## **3.6 AASB 2018-7 AMENDMENTS TO AUSTRALIAN ACCOUNTING STANDARDS – DEFINITION OF MATERIAL (APPL. 1 JANUARY 2020)**

### Background

AASB 2018-7 amends the definition of material in AASB 101 *Presentation of Financial Statements* and AASB 108 *Accounting Policies, Changes in Accounting Estimates and Errors*. The amendments clarify the definition of material and its application by improving the wording and aligning the definition across AASB standards and other publications. The amendment also includes some supporting requirements in AASB 101 in the definition to give it more prominence.

### Impact

There is no financial impact on directorates and territory authorities.

## **3.7 AASB 2019-1 AMENDMENTS TO AUSTRALIAN ACCOUNTING STANDARDS – REFERENCES TO THE CONCEPTUAL FRAMEWORK (APPL. 1 JANUARY 2020)**

### Background

AASB 2019-1 sets out amendments to the Australian Accounting Standards, Interpretations and Other pronouncements to reflect the issue of the *Conceptual Framework for Financial Reporting (Conceptual Framework)* by the AASB.

The application of the *Conceptual Framework* is at present limited to:

- for-profit private sector entities that have public accountability and are required by legislation to comply with Australian Accounting Standards; and
- other for-profit entities that voluntarily elect to apply the Conceptual Framework, which would permit compliance with Australian Accounting Standards (Tier 1) and International Financial Reporting Standards (IFRS Standards).

AASB 2019-1 makes amendments to Australian Accounting Standards, Interpretations and other pronouncements to permit other entities to continue using the *Framework for the Preparation and Presentation of Financial Statements* adopted by the AASB in 2004 (*Framework*) and Statement of Accounting Concepts SAC 1 *Definition of the Reporting Entity* to determine whether they are a reporting entity that needs to prepare general purpose financial statements that comply with Australian Accounting Standards.

### Impact

This standard will not apply to ACT Government directorates and Territory authorities and will have no financial impact on them.



### **3.8 AASB 2019-2 AMENDMENTS TO AUSTRALIAN ACCOUNTING STANDARDS – IMPLEMENTATION OF AASB 1059 (APPL. 1 JANUARY 2020)**

#### **Background**

AASB 2019-2 amends AASB 16 *Leases* and AASB 1059 *Service Concession Arrangements: Grantors* mainly to:

- Provide a practical expedient to grantors of service concession arrangements so that AASB 16 need not be applied to service concession assets recognised under AASB 1059; and
- Clarify measurement requirements for the liability of grantors that use the modified retrospective approach upon initial adoption of AASB 1059.

#### **Impact**

This standard will impact only impact the Transport and City Services Directorate.

### **3.9 AASB 2019-3 AMENDMENTS TO AUSTRALIAN ACCOUNTING STANDARDS – INTEREST RATE BENCHMARK REFORM (APPL. 1 JANUARY 2020)**

#### **Background**

AASB 2019-3 amends AASB 7 *Financial Instruments: Disclosures*, AASB 9 *Financial Instruments* and AASB 139 *Financial Instruments: Recognition and Measurement*. These amendments were issued in response to the effects of Interbank Offered Rates reform on financial reporting. They provide mandatory temporary relief enabling hedge accounting to continue during the period of uncertainty before the replacement of an existing interest rate benchmark with an alternative 'nearly risk free' benchmark.

#### **Impact**

This standard will not apply to ACT Government directorates and territory authorities and will have no financial impact on them.

### **3.10 AASB 2019-5 AMENDMENTS TO AUSTRALIAN ACCOUNTING STANDARDS – DISCLOSURE OF THE EFFECT OF NEW IFRS STANDARDS NOT YET ISSUED IN AUSTRALIA (APPL. 1 JANUARY 2020)**

#### **Background**

AASB 2019-5 makes amendments to AASB 1054 *Australian Additional Disclosures* by adding a disclosure requirement for an entity intending to comply with IFRS Standards will now be required to disclose the potential effect of new IFRS standards that have not yet been issued by the AASB as Australian Accounting Standards. This will ensure IFRS compliance for for-profit publicly accountable entities, when they comply with Australian Accounting Standards.

#### **Impact**

There is no impact on directorates and territory authorities.

### **3.11 AASB 2019-7 AMENDMENTS TO AUSTRALIAN ACCOUNTING STANDARDS – DISCLOSURE OF GFS MEASURES OF KEY FISCAL AGGREGATES AND GAAP/GFS RECONCILIATIONS (APPL. 1 JANUARY 2020)**

#### **Background**

AASB 2019-7 makes amendments to AASB 1049 Whole of Government and General Government Sector Financial Reporting to:

- Provide optional relief, for the General Government Sector (GGS) financial statements and the whole of government financial statements (including the Public Non-Financial Corporations (PNFC) and Public Financial Corporations (PFC) sectors) from:
  - disclosure of the key fiscal aggregates measured in accordance with the ABS GFS Manual where they differ from the key fiscal aggregates measured consistently with Australian Accounting Standards; and
  - a reconciliation of the two measures of key fiscal aggregates; and
- Where the entity elects to adopt the optional relief – require additional disclosure to explain how each key fiscal aggregate is calculated and how it differs from its corresponding GFS measure. The explanation may be qualitative rather than quantitative.

#### **Impact**

This standard applies to whole of government reporting and does not apply to directorates and territory authorities.

### **3.12 AASB 2020-1 AMENDMENTS TO AUSTRALIAN ACCOUNTING STANDARDS – CLASSIFICATION OF LIABILITIES AS CURRENT OR NON-CURRENT (APPL. 1 JANUARY 2022)**

#### **Background**

AASB 2021-1 amends AASB 101 *Presentation of Financial Statements* to clarify requirements for the presentation of liabilities in the statement of financial position as current or non-current. It currently applies to annual reporting periods beginning on or after 1 January 2022 with earlier application permitted, however the AASB has recently issued ED 301 *Classification of Liabilities as Current or Non-Current – Deferral of Effective Date* with the intention to defer the application by one year to periods beginning on or after 1 January 2023.

#### **Impact**

This standard is not expected to have a material financial impact on directorates and territory authorities.

### **3.13 AASB 2020-2 AMENDMENTS TO AUSTRALIAN ACCOUNTING STANDARDS – REMOVAL OF SPECIAL PURPOSE FINANCIAL STATEMENTS FOR CERTAIN FOR-PROFIT PRIVATE SECTOR ENTITIES (APPL. 1 JULY 2021)**

#### **Background**

AASB 2020-2 makes consequential amendments to several Australian Accounting Standards to update the set of for-profit entities for which the reporting entity concept in SAC 1 *Definition of the Reporting Entity* is no longer relevant. These entities are therefore not able to prepare special purpose financial statements when financial statements are to comply with Australian Accounting Standards or when legislation requires financial statements to comply with accounting standards.

#### **Impact**

There is no impact as this standard does not apply to directorates and territory authorities.

### **3.14 AASB 2020-3 AMENDMENTS TO AUSTRALIAN ACCOUNTING STANDARDS – ANNUAL IMPROVEMENTS 2018-2020 AND OTHER AMENDMENTS (APPL. 1 JULY 2022)**

#### **Background**

AASB 2020-3 amends:

- AASB 1 *First-time adoption of Australian Accounting Standards* to simplify the application of AASB 1 by a subsidiary that becomes a first-time adopter after its parent in relation to the measurement of cumulative translation differences;
- AASB 3 *Business Combinations* to update a reference to the *Conceptual Framework for Financial Reporting* without changing the accounting requirements for business combinations;
- AASB 9 *Financial Instruments* to clarify the fees an agency includes when assessing whether the terms of a new or modified financial liability are substantially different from the terms of the original financial liability;
- AASB 116 *Property, Plant and Equipment* to require an entity to recognise the sales proceeds from selling items produced while preparing property, plant and equipment for its intended use and the related cost in profit or loss, instead of deducting the amounts received from the cost of the asset;
- AASB 137 *Provisions, Contingent Liabilities and Contingent Assets* to specify the costs that an agency includes when assessing whether a contract will be loss-making; and
- AASB 141 *Agriculture* to remove the requirement to exclude cash flows from taxation when measuring fair value, thereby aligning the fair value measurement requirements in AASB 141 with those in other Australian Accounting Standards.

#### **Impact**

This standard is not expected to have a material impact on directorates and territory authorities.

### **3.15 AASB 2020-4 AMENDMENTS TO AUSTRALIAN ACCOUNTING STANDARDS – COVID -19 RELATED RENT CONCESSIONS (APPL. 1 JUNE 2020)**

#### **Background**

AASB 2020-4 amends AASB 16 *Leases* to provide a practical expedient that permits lessors not to assess whether rent concessions that occur as a direct consequence as a consequence of the COVID-19 pandemic and meet specified conditions are lease modifications. Instead a lessee would account for those rent concessions as if they were not lease modifications.

In particular, the Standard amends AASB 16 to:

- provide lessees with an optional practical expedient regarding assessing whether a Covid-19-related rent concession is a lease modification;
- require lessees that apply the practical expedient to account for Covid-19-related rent concessions as if they were not lease modifications;
- require a lessee that applies the practical expedient to disclose that it has applied the practical expedient to all rent concessions that meet the conditions, or if not applied to all such rent concessions, information about the nature of the contracts to which it has applied the practical expedient;
- require lessees applying the practical expedient to disclose the amount recognised in profit or loss to reflect changes in lease payments that arise from Covid-19-related rent concessions;
- require lessees to apply the practical expedient retrospectively at the start of the reporting period in which the expedient is first applied; and
- not require lessees to disclose the information required by paragraph 28(f) of AASB 108 *Accounting Policies, Changes in Accounting Estimates and Errors* in the reporting period in which the practical expedient is first applied (this relates to disclosing adjustments for each financial line item affected).

#### **Impact**

Directorates and territory authorities will need to make an assessment of the financial impact of this standard.

## ATTACHMENT A

### Background

Below is a copy of the 'Impact of Accounting Standards Issued but yet to be Applied' disclosure as required by directorates and territory authorities for inclusion in their 2019-20 financial statements. **However, the list of standards needs to be tailored by including only those standards that are applicable to the agency and are assessed to have a material financial impact on the agency or where the impact on the agency has not yet been assessed.**

Please note that the standards and interpretations below are applicable to 'Example Agency'. Standards appearing in red were not included in the 2019-20 Model Financial Statements, as they were issued subsequent to the issue of the Model or upon further review their inclusion is appropriate. Other standards have been deleted as their application date meant they should be removed from the list. A complete list of standards for the consideration of each agency can be found by combining the list below and the list located within the grey commentary section. Each standard and interpretation mentioned below and appearing in the grey commentary section, is discussed in this paper.

### APPENDIX C – IMPACT OF ACCOUNTING STANDARDS ISSUED BUT YET TO BE APPLIED

- AASB 2014-10 *Amendments to Australian Accounting Standards – Sale or Contribution of Assets between an Investor and its Associate or Joint Venture* [AASB 10 & 128] (application date 1 Jan 2022)

This standard makes amendments to address an inconsistency between the requirements in AASB 10 and those in AASB 128 (August 2011), in dealing with the sale or contribution of assets between an investor and its associate or joint venture. The mandatory effective date of AASB 2014-10 has been deferred to 1 January 2022 by AASB 2017-5 *Amendments to Australian Accounting Standards - Effective Date of Amendments to AASB 10 and AASB 128 and Editorial Corrections*. There is no material financial impact on 'Example Agency'.

- AASB 2018-6 *Amendments to Australian Accounting Standards – Definition of a Business* [AASB 3] (application date 1 January 2020)

This standard amends AASB *Business Combinations* to clarify the definition of a business, assisting agencies to determine whether a transaction should be accounted for as a business combination or as an asset recognition.

There is no financial impact on 'Example Agency.'

## APPENDIX C – IMPACT OF ACCOUNTING STANDARDS ISSUED BUT YET TO BE APPLIED – continued

- AASB 2018-7 Amendments to Australian Accounting Standards – Definition of Material [AASB 2, 101, 108, 110, 134, 137, the *Framework*, and AASB Practice Statement 2] (application date 1 January 2020)

This standard principally amends AASB 101 Presentation of Financial Statements and AASB 108 Accounting Policies Changes in Accounting Estimates and Errors. The amendments refine the definition of material in AASB 101 and clarify the definition of material and its application across AASB Standards and other publications.

There is no financial impact on 'Example Agency'

- AASB 2020-1 Amendments to Australian Accounting Standards – Classification of Liabilities as Current or Non-current [AASB 101] (application date 1 January 2022)

There is no financial impact on 'Example Agency'

- *AASB 2020-3 Amendments to Australian Accounting Standards – Annual Improvements to 2018-2020 and Other Amendments* [AASB 1, 3, 9, 116, 137 & 141] (application date 1 January 2022)

There is no financial impact on 'Example Agency'

- *AASB 2020-4 Amendments to Australian Accounting Standards – Covid-19 Related Rent Concessions* [AASB 16] (application date 1 June 2020)

This standard amends AASB 16 *Leases* to provide a practical expedient that permits lessors not to assess whether rent concessions that occur as a direct consequence as a consequence of the COVID-19 pandemic and meet specified conditions are lease modifications. Instead a lessee would account for those rent concessions as if they were not lease modifications.

'Example Agency' is assessing the impact of this standard.

## APPENDIX C – COMMENTARY

The listing of standards and the associated commentary is to assist agencies to make the necessary disclosures. Agencies should make their own assessment on the impact and relevance of the standards listed to their financial statements, bearing in mind that they should only disclose those standards and amending standards that are expected to have a material impact on them or where they have not yet assessed their impact.

The Model does not contain a complete list of standards issued but not yet applicable. Instead it contains those standards not yet applicable which will most likely apply to most agencies (as at March 2020). This is because agencies do not have to include standards that would never apply to them (e.g. AASB 129 *Financial Reporting in Hyperinflationary Economies*). As such, most agencies will be able to simply use the list contained in the model note, disclosing only the standards that are expected to have a material impact on them or where they have not yet assessed the impact of a standard.

However, additional standards may be issued (which are applicable) between April and the date of signing of the financial statements and therefore further standards may need to be included in the Notes. The Financial Reporting and Framework Branch will issue an updated Note disclosure in July to assist agencies in picking up additional standards issued in their Note disclosures. Agencies should monitor any further standards issued after that July update. Agencies need to assess each new and amended standard issued but not yet applicable and disclose if their adoption is likely to have a significant impact. The 'Example Agency' impacts are indicative and agencies need to make their own assessment. Further guidance on this will be included in the Accounting Policy on *Treatment of AASB Standards issued which are not yet effective as at 30 June 2019* to be issued in July 2020. Agencies should review this policy in assessing the impact of standards that released but are not yet effective as at 30 June 2020 for disclosure in their 2019-20 financial statements.

For the information of agencies, the additional standards issued but not yet applicable (as at March 2020 which are not disclosed in the Model are:

- AASB 17 *Insurance Contracts* (application date 1 January 2021);
- AASB 1059 *Service Concession Arrangements: Grantors\** (application date 1 January 2020);

\*This standard will impact a small number of ACT Government agencies.

- AASB 1060 *General Purpose Financial Statements – Simplified Disclosures for For-Profit and Not-for-profit Tier 2 Entities* (application date 1 July 2021);
- AASB 2018-7 *Definition of Material* (application date 1 January 2020);
- AASB 2019-1 *Amendments to Australian Accounting Standards – References to the Conceptual Framework* [covers numerous Accounting standards, Interpretations and Pronouncements] (application date 1 January 2020);
- AASB 2019-2 *Amendments to Australian Accounting Standards – Implementation of AASB 1059*  
[AASB 16 and AASB 1059] (application date 1 January 2020);
- AASB 2019-3 *Amendments to Australian Accounting Standards – Interest Rate Benchmark Reform* [AASB 7, AASB 9 and AASB 1039] (application date 1 January 2020);
- AASB 2019-5 *Amendments to Australian Accounting Standards – Disclosure of the Effect of New IFRS Standards Not Yet Issued in Australia* [AASB 1054] (application date 1 January 2020); and
- AASB 2019-7 *Amendments to Australian Accounting Standards – Disclosure of GFS Measures of Key Fiscal Aggregates and GAAP/GFS Reconciliations* [AASB 1049] (application date 1 January 2020);
- AASB 2020-1 *Classification of Liabilities as Current or Non-current* (application date 1 January 2022); and
- AASB 2020-2 *Amendments to Australian Accounting Standards – Removal of Special Purpose Financial Statements for Certain For-Profit Public Sector Entities* (application date 1 July 2021);

Note, it is recommended that agencies review the above standards to ensure they do not apply to