

**Australia
Assurance & Advisory Services**

Monthly roundup

Staying on top of financial reporting developments

IASB defers effective date of Revenue standard, Changes to discount rates used in respect of employee benefits, Release of 30 June 2015 model financial statements.

May 2015 edition

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Monthly highlights

Effective date of the new revenue standard deferred

The IASB has decided to propose to defer the effective date of IFRS 15 'Revenue from Contracts with Customers' to 1 January 2018 in its most recent Board meeting in April 2015.

Although the mandatory date of the new revenue standard has been deferred by a year, it is recommended that entities should continue or commence its process to assess the impacts of the new revenue recognition standard in the industry to ensure a smooth transition when adopting the new standard.

Please refer to the following for further details:

- [IASB project update](#)
- [IFRS in Focus — IASB tentatively decides to defer the effective date of IFRS 15 by one year](#)
- [FASB press release](#)
- [FASB Accounting Standard Update](#).

Changes to discount rate applied to AASB 119 Employee Benefits

As a result of research conducted by actuarial firm Milliman Australia, the G100 recently announced the existence of a deep market for high quality corporate bonds (HQCBS) in Australia. Where such a market exists, AASB 119 requires that the rate used to discount employee benefit liabilities shall reflect those market yields . Given that a deep market for high quality corporate bonds now exists in Australia, the yield on HQCBS should be used where required by AASB 119. Use of the Milliman/G100 published rate is not compulsory and it is possible for an entity to use an alternative rate if it satisfies the requirements of the accounting standards to be considered a high quality corporate bond rate.

Please refer to [Deloitte Heads Up - Changes to discount rate applied to AASB 119 Employee Benefits](#) for further details.

Release of 30 June 2015 model financial statements

Deloitte Australia has published its general purpose model financial statements for financial years ending 30 June 2015 tailored specifically for a consolidated entity. Also included in the publication is a summary of what's new for 30 June 2015 financial reports.

Please refer to [Deloitte Illustrative financial reports](#) for further details.

New pronouncements

(A listing of new accounting standards, interpretations, exposure drafts, discussion papers and similar documents issued during the month by the AASB and IASB/IFRIC, along with other IFRS-related documents by other bodies that may be of interest and related links to Deloitte publications and alerts. See also our [What's new in the June 2015 financial reporting cycle](#) summary.)

Australian Accounting Standards Board (AASB)

Pronouncement	Key dates	More information
<p>AASB 2015-6 Amendments to Australian Accounting Standards – Extending Related Party Disclosures to Not-for-Profit Public Sector Entities</p> <p>Makes amendments to AASB 124 'Related Party Disclosures' to extend the scope of AASB 124 to include not-for-profit public sector entities and also makes related amendments to AASB 10 'Consolidated Financial Statements and AASB 1049 'Whole of Government Sector Financial Reporting'.</p>	Effective for annual periods beginning on or after 1 July 2016, with earlier application permitted	AASB 2015-6 (PDF)

International Accounting Standards Board (IASB)

Pronouncement	Key dates	More information
<i>No major accounting pronouncements released by the IASB in April 2015.</i>		

Standard setter meetings

(A listing of meetings of various standard setters during the month or where documents were issued during the month in respect of the previous month's meetings, with links to our analysis, agenda papers and so on)

Meeting	Highlights	More information
<p>IASB regular meeting</p> <p>27 - 29 April 2015</p>	<p>Agenda for the meeting was as follows (click on the links for direct access to the Deloitte observer notes for that topic):</p> <ul style="list-style-type: none">• Revenue recognition• Disclosure Initiative• Fair value measurement• IFRS implementation issues• Inflation	<p>Deloitte observer notes</p> <p>IASB updates (PDF)</p>
<p>AASB meeting</p> <p>16 April 2015</p>	<p>Key issues discussed include:</p> <ul style="list-style-type: none">• Fair Value Disclosures for Not-for-Profit Public Sector Entities• Fair Value Measurement of Defence Weapons Platforms• Reporting Service Performance Information	<p>AASB action alert (PDF)</p>

New Deloitte publications

(Key IFRS-related and other publications issued by Deloitte during the month, not covered elsewhere. You can find full details and back issues of our various publications by following these links: [Accounting alerts](#), [IAS Plus publications](#), [IFRS in Focus Newsletters](#), [Webcasts](#) and [Podcasts](#)).

IFRS publications

- [IFRS in Focus](#) (PDF) – Summarises the March 2015 meeting of the IASB and FASB joint Revenue Transition Resource Group

- [IFRS in Focus](#) (PDF) – Summarises the April 2015 meeting of the IFRS Transition Resource Group for Impairment of Financial Instruments
- [IFRS project insights – Leases](#) (PDF) provides a summary of the IASB's projects on leases and discusses the recent tentative decisions reached by the Board
- [IFRS on point](#) (PDF) – March 2015 highlights critical IFRS-related financial reporting developments.

Other Australian publications

The 30 June 2015 general purpose model financial statements are now available. The model financial statements include a section on [what's new for financial reports at 30 June 2015](#), [model annual](#) and [concise financial reports](#), and a [summary of Australian regulatory reporting requirements](#).

Deloitte Comment letters

- Deloitte [comment letter](#) on IASB ED/2014/ 'Disclosure Initiative (proposed amendments to IAS7)'
- Deloitte [comment letter](#) on tentative agenda decision on IAS 24 – Related party disclosures.

Deloitte Webcast

- Deloitte [e-learning module on IFRS 15](#) is now available.

Other developments

(A brief listing of other financial reporting developments during the month. A full summary of all IFRS-related developments can be found in our [April historical summary on IAS Plus](#). You can also subscribe to our [Deloitte IAS Plus RSS feed](#) to be kept informed of developments as they happen)

Australian-specific topics

- The AASB has updated its [standard-setting work program](#) as at 17 April 2015.

International Accounting Standards Board

- The IASB has released a summary of the Capital Markets Advisory Committee (CMAC) meeting which was held in London on 27 February 2015 ([IAS Plus article](#))
- The IFRS Foundation has announced that the 'Financial Instruments 2015 Guide' is now available to buy ([IAS Plus article](#))
- At the IFRS Foundation trustees' stakeholder event in Toronto, Canada, IASB Chairman Hans Hoogervorst presented a mission statement for the IASB and the IFRS Foundation explaining not only 'what' but also 'why' the organisation does what it does ([IAS Plus article](#))
- The IFRS Foundation has issued the 2015 IFRS Taxonomy Formula Linkbase ([IAS Plus article](#))
- The staff of the IASB has published a document setting out the key tentative decisions made by the IASB up to the end of March 2015 that affect the proposals in the discussion paper on the conceptual framework ([IAS Plus article](#))
- IASB member Philippe Danjou gave a speech offering an inventory of IFRS adoption around the world and looked at trends and mega-trends in financial reporting at a conference in Madrid, Spain ([IAS Plus article](#))
- The IFRS Foundation Trustees and the Canadian Accounting Standards Oversight Council (AsSOC) jointly hosted an event to discuss Canada's perspective on IFRS and global standards ([IAS Plus article](#))
- In a report issued by the 'Banking magazine: Association of Banks in Israel', IASB member Sue Lloyd talks about IFRS 9, specifically looking at the new loan loss accounting model ([IAS Plus article](#)).

Other global news

- The International Public Sector Accounting Standards Board (IPSASB) has published Recommended Practice Guideline 3 (RPG 3) that provides guidance on the reporting of service performance information ([IAS Plus article](#))

- The Board of the European Financial Reporting Advisory Group (EFRAG) has announced the appointment of three new members of its Technical Experts Group (TEG) ([IAS Plus article](#))
- The South African Institute of Chartered Accountants (SAICA) has published the results of a survey that show that among organisations that produce high-quality integrated reports there is a strong awareness of the concept of integrated thinking and how it benefits the organisation ([IAS Plus article](#))
- The US FASB has issued Accounting Standards Update (ASU) No. 2015-03, "Simplifying the Presentation of Debt Issuance Costs", as part of its simplification initiative. The ASU changes the presentation of debt issuance costs in financial statements ([IAS Plus article](#))
- The Accounting and Auditing Organisation for Islamic Financial Institutions (AAOIFI) has amended its existing accounting standard on consolidation – FAS 23 'Consolidation' ([IAS Plus article](#))
- The US Financial Accounting Foundation (FAF) board of trustees has approved a final version of the strategic plan for the FAF, the Financial Accounting Standards Board (FASB), and the Governmental Accounting Standards Board (GASB), which outlines the three organisations' long-term vision and goals ([IAS Plus article](#))
- The Financial Services Agency of Japan (FSA) has released a report studying IFRS adoption by Japanese companies ([IAS Plus article](#))
- The EFRAG has published a feedback statement summarising the main messages from respondents to the Discussion Paper 'Separate Financial Statements' ([IAS Plus article](#))
- The Committee on Economic and Monetary Affairs (ECON) of the European Parliament has made available a recording of the hearing of Dr Wolf Klinz, who was recently nominated as President of the Board of the EFRAG by the European Commission ([IAS Plus article](#)).