

Standards on issue

Updated as at 10 January 2024

This document outlines all standards issued by the AASB and the IASB which will be applicable for the first time or available for early adoption for any financial year ending on or after 31 December 2023. It will assist preparers of financial reports to:

- ensure all standards that are mandatory for adoption have been applied in the correct period
- identify and consider standards not yet mandatory which may have relevance to an entity upon adoption.

AASB 108 *Accounting Policies, Changes in Accounting Estimates and Errors* requires specific disclosures to be made when the adoption of a new or revised standard results in a change in existing policy or new policy that is significant. AASB 108 also requires disclosure of the possible impact of relevant standards on issue but not yet adopted.

Table 1: Newly effective standards for years ended 31 December 2023

Table 2: Standards available for early adoption for years ended 31 December 2023

Table 3: Standards applicable for years ended 31 December 2022 and prior

Table 4: IASB standards awaiting approval by the AASB

The chart focusses on 31 December year ends. All standards are effective from 1 January. Entities which are not 31 December year ends should refer to the effective dates of the standards detailed within Tables 1-3.

How to read the chart

Find your financial year end on the timeline. Each standard is either effective for the first time or not yet effective but available for early adoption, depending on whether the line is solid or hollow.

For example, if your financial year ends on 31 December 2023, the insurance contracts standard is mandatory for the first time for 31 December 2023, and amendments to AASB 16 in relation to Lease Liability in a Sale and Leaseback, amongst other standards, is available for early adoption.

Key

- Standards not yet effective, but available for early adoption
- Standards effective for the first time
- (NFP) Not-for-profit specific standards
- (PS) Public sector specific standards

In this publication, the term 'standards' is used broadly to refer to new standards, and amendments to or interpretations of standards.

Have you considered the IFRIC Agenda decisions? Refer to our [web article](#) for the latest summary of tentative and final decisions to determine whether your entity is impacted.

Which standards are mandatory for your financial year?

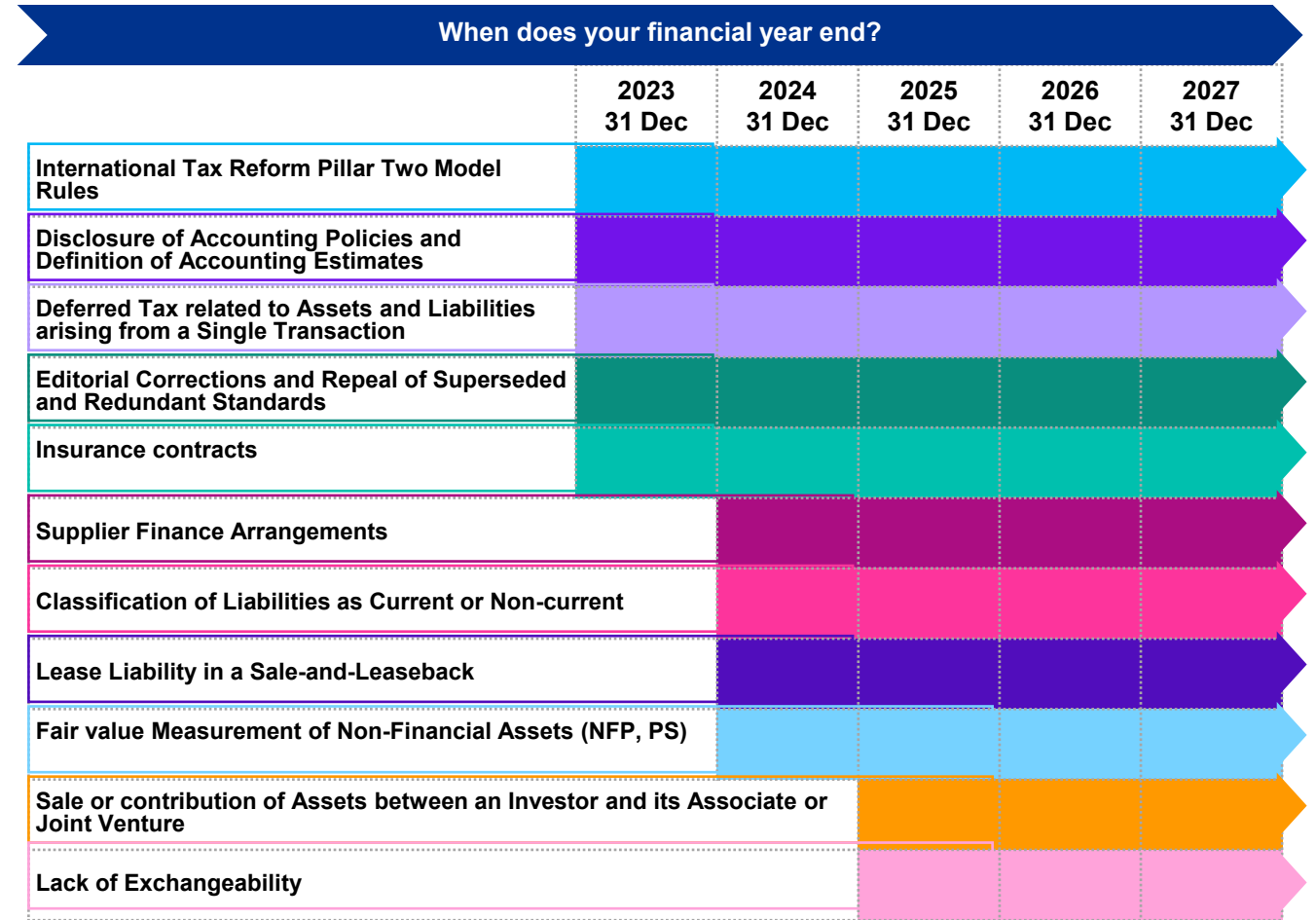


Table 1: Newly effective standards for years ended 31 December 2023

The following standards and interpretations are mandatorily applicable for the first time for years ended 31 December 2023. Entities should ensure that they have adopted all of these standards in the 31 December 2023 financial statements.

Standards	Effective date	KPMG guidance	Key requirements	Transitional provisions	Key ¹
AASB 2023-2 Amendments to Australian Accounting Standards – International Tax Reform – Pillar Two Model Rules	Effective immediately	Global minimum top-up tax	AASB 2023-2 amends AASB 112 <i>Income Taxes</i> to introduce: a) a mandatory temporary exception to accounting for deferred taxes arising from the implementation of the Pillar Two model rules published by the Organisation for Economic Co-operation and Development (OECD); and b) targeted disclosure requirements to help financial statement users better understand an entity's exposure to income taxes arising from the reform, particularly in periods before legislation implementing the rules is in effect.	New disclosure requirements apply only to financial statements beginning 1 January 2023.	
AASB 2021-2 Amendments to Australian Accounting Standards – Disclosure of Accounting Policies and Definition of Accounting Estimates AASB 2021-6 Amendments to Australian Accounting Standards – Disclosure of Accounting Policies: Tier 2 and Other Australian Accounting Standards	1 January 2023	Materiality – Amendments on accounting policy disclosures Accounting estimates – Term is defined and clarifications provided	AASB 2021-2 amendments provide a definition of and clarifications on accounting estimates and clarify the concept of materiality in the context of disclosure of accounting policies. AASB 2021-6 amends AASB 1049 <i>Whole of Government and General Government Sector Financial Reporting</i> , AASB 1054 <i>Australian Additional Disclosures</i> and AASB 1060 <i>General Purpose Financial Statements – Simplified Disclosures for For-Profit and Not-for-Profit Tier 2 Entities</i> to address disclosure of material accounting policy information rather than significant accounting policies consistent with AASB 2021-2.	Prospective application. Early adoption is permitted.	

¹Refer back to page 1 for key.

Table 1: Newly effective standards for years ended 31 December 2023 (cont.)

Standards	Effective date	KPMG guidance	Key requirements	Transitional provisions	Key ¹
AASB 2021-5 Amendments to Australian Accounting Standards – Deferred Tax related to Assets and Liabilities arising from a Single Transaction	1 January 2023	Recognising deferred tax on leases	The amendments narrow the scope of the initial recognition exemption so that it does not apply to transactions that give rise to equal and offsetting temporary differences and clarify that the exemption does not apply to transactions such as leases and decommissioning obligations.	Early adoption is permitted. For leases and decommissioning liabilities, retrospective application from the beginning of the earliest comparative period presented, with any cumulative effect recognised as an adjustment to retained earnings at that date. Prospective application for all other transactions.	
AASB 2022-7 Editorial Corrections to Australian Accounting Standards and Repeal of Superseded and Redundant Standards	1 January 2023	N/A	AASB 2022-7 makes editorial corrections to AASB 7 <i>Financial Instruments Disclosures</i> , AASB 116 <i>Property, Plant and Equipment</i> , AASB 124 <i>Related Party Disclosures</i> , AASB 128 <i>Investments in Associates and Joint Ventures</i> , AASB 134 <i>Interim Financial Reporting</i> , AASB 1054 <i>Australian Additional Disclosures</i> and AASB Practice Statement 2 <i>Making Materiality Judgements</i> . The amendments do not change the requirements of Australian Accounting Standards.	N/A	

¹Refer back to page 1 for key.

Table 1: Newly effective standards for years ended 31 December 2023 (cont.)

Standards	Effective date	KPMG guidance	Key requirements	Transitional provisions	Key ¹
<p>AASB 17 <i>Insurance Contracts</i></p> <p>AASB 2020-5 Amendments to Australian Accounting Standards – Insurance Contracts</p> <p>AASB 2022-1 Amendments to Australian Accounting Standards – Initial application of AASB 17 and AASB 9 – Comparative Information</p> <p>AASB 2022-8 Amendments to Australian Accounting Standards – Insurance Contracts: Consequential Amendments</p> <p>AASB 2022-9 Amendments to Australian Accounting Standards – Insurance Contracts in the Public Sector (PS)</p>	<p>1 January 2023</p> <p>(AASB 2022-9 (PS): 1 July 2026)</p>	<p>New insurance contracts standard – Introducing IFRS 17</p> <p>Insights into IFRS (8.1A)</p> <p>IFRS 17 – Final amendments are out now</p> <p>Insurance contracts</p> <p>IFRS 17 for non-insurers</p>	<p>AASB 17 supersedes AASB 4 <i>Insurance Contracts</i> and similarly applies to insurance contracts. The classification of insurance contracts is similar to AASB 4 however unbundling rule changes may mean some contract components now need to be measured under AASB 17.</p> <p>The new standard contains a lower level of aggregation / smaller portfolios, changes to contract boundaries and valuation approaches, the application of Contractual Service Margins to policies valued under certain methodologies, changes in treatment to reinsurance and an ability to use OCI for changes in asset values.</p> <p>The amendments add a new transition option to AASB 17 to alleviate operational complexities and one-time accounting mismatches in comparative information between insurance contract liabilities and related financial assets on the initial application of AASB 17. It allows presentation of comparative information about financial assets to be presented in a manner that is more consistent with AASB 9 <i>Financial Instruments</i>.</p> <p>AASB 17 is applicable for financial years beginning on or after 1 January 2023.</p> <p><i>Public Sector application</i></p> <p>AASB 2022-8 makes temporary consequential amendments to various Accounting Standards to permit public sector entities to continue to apply AASB 4 <i>Insurance Contracts</i> and AASB 1023 <i>General Insurance Contracts</i> to annual periods beginning on or after 1 January 2023 but before 1 July 2026.</p> <p>AASB 2022-9 makes public-sector-specific modifications to AASB 17 and defers its application for public sector entities to 1 July 2026.</p>	<p>Early adoption is permitted for entities that apply AASB 9 <i>Financial Instruments</i> and AASB 15 <i>Revenue from Contracts with Customers</i> on or before the date of initial application of AASB 17.</p> <p>For public-sector entities – transitional provisions include grandfathering of the classification of certain liabilities for settlement of claims incurred before the liability was acquired.</p>	
<p>AASB 2022-3 Amendments to Australian Accounting Standards – Illustrative Examples for Not-for-Profit Entities accompanying AASB 15</p>	<p>1 July 2022</p>	<p>N/A</p>	<p>The amendments provides an illustrative example for not-for-profit (NFP) entities of how AASB 15 <i>Revenue Contracts with Customers</i> applies to the recognition and measurement of up-front fees charged to its customers or members.</p> <p>The amendments do not change the requirements of AASB 15.</p>	<p>N/A</p>	

¹Refer back to page 1 for key.

Table 2: Standards available for early adoption for years ended 31 December 2023

Standards	Effective date	KPMG guidance	Key requirements	Transitional provisions	Key ¹
AASB 2023-1 Amendments to Australian Accounting Standards – Supplier Finance Arrangements	1 January 2024	Disclosure of supplier finance arrangements	AASB 2023-1 amends AASB 107 <i>Statement of Cash Flows</i> and AASB 7 <i>Financial instruments: Disclosures</i> to require an entity to provide additional disclosures about its supplier finance arrangements to enable users of financial statements to assess how supplier finance arrangements affect an entity's liabilities, cash flows and exposure to liquidity risk. The amendments require an entity to disclose the terms and conditions of the arrangements, the carrying amount of the liabilities that are part of the arrangements, the carrying amounts of those liabilities for which the suppliers have already received payment from the finance providers, the range of payment due dates and the effect of non-cash changes.	Some relief from providing certain information in the year of initial application is available.	
AASB 2020-1 Amendments to Australian Accounting Standards – Classification of Liabilities as Current or Non-current AASB 2020-6 Amendments to Australian Accounting Standards – Classification of Liabilities as Current or Non-current – Deferral of Effective Date AASB 2022-6 Amendments to Australian Accounting Standards – Non-current Liabilities with Covenants AASB 2023-3 Amendments to Australian Accounting Standards – Disclosure of Non-current Liabilities with Covenants: Tier 2	1 January 2024	Classifying liabilities as current or non-current	AASB 2020-1 amends AASB 101 <i>Presentation of Financial Statements</i> to require a liability be classified as current when companies do not have a substantive right to defer settlement at the end of the reporting period. AASB 2020-6 defers the mandatory effective date of amendments that were originally made in AASB 2020-1 so that the amendments are required to be applied for annual reporting periods beginning on or after 1 January 2023 instead of 1 January 2022. AASB 2022-6 specified that only covenants with which an entity must comply on or before the reporting date affect the classification of a liability as current or non-current. Covenants with which the company must comply after the reporting date (i.e. future covenants) do not affect a liability's classification at that date. However, when non-current liabilities are subject to future covenants, companies will now need to disclose information to help users understand the risk that those liabilities could become repayable within 12 months after the reporting date. AASB 2022-6 further defers the mandatory effective date of amendments that were originally made in AASB 2020-1 and AASB 2020-6 so that the amendments are required to be applied for annual reporting periods beginning on or after 1 January 2024 instead of 1 January 2023. AASB 2023-3 makes amendments to AASB 1060 similar to the ones described above for AASB 101.	Retrospective application. Early adoption is permitted. The 2022 amendments specify the transition requirements for entities that may have early-adopted the previously issued but not yet effective 2020 amendments.	

¹Refer back to page 1 for key.

Table 2: Standards available for early adoption for years ended 31 December 2023 (cont.)

Standards	Effective date	KPMG guidance	Key requirements	Transitional provisions	Key ¹
AASB 2022-5 Amendments to Australian Accounting standards – Lease Liability in a Sale and Leaseback	1 January 2024	Lease liability in a sale-and-leaseback	<p>The amendments introduce a new accounting model for how a seller-lessee accounts for variable lease payments that arise in a sale-and-leaseback transaction. It confirms the following:</p> <ul style="list-style-type: none"> On initial recognition, the seller-lessee includes variable lease payments when it measures a lease liability arising from a sale-and-leaseback transaction. After initial recognition, the seller-lessee applies the general requirements for subsequent accounting of the lease liability such that it recognises no gain or loss relating to the right of use it retains. 	<p>Retrospective application. A seller-lessee will need to apply the amendments retrospectively to sale-and-leaseback transactions entered into or after the date of initial application of AASB 16.</p> <p>Early adoption is permitted.</p>	
AASB 2022-10 Amendments to Australian Accounting Standards – Fair Value Measurement of Non-Financial assets of Not-for-Profit Public Sector Entities (NFP)(PS)	1 January 2024	N/A	AASB 2022-10 amends AASB 13 <i>Fair Value Measurement</i> to modify the application of AASB 13 in relation to non-financial assets of NFP public sector entities not held primarily for their ability to generate net cash inflows.	Prospective application. Early adoption is permitted.	

¹Refer back to page 1 for key.

Table 2: Standards available for early adoption for years ended 31 December 2023 (cont.)

Standards	Effective date	KPMG guidance	Key requirements	Transitional provisions	Key ¹
<p>AASB 2014-10 Amendments to Australian Accounting Standards – Sale or Contribution of Assets between an Investor and its Associate or Joint Venture</p> <p>AASB 2015-10 Amendments to Australian Accounting Standards – Effective Date of Amendments to AASB 10 and AASB 128</p> <p>AASB 2017-5 Amendments to Australian Accounting Standards – Effective Date of Amendments to AASB 10 and AASB 128 and Editorial Corrections</p> <p>AASB 2021-7(a-c) Amendments to Australian Accounting Standards – Effective Date of Amendments to AASB 10 and AASB 128 and Editorial Corrections</p>	1 January 2025	N/A	<p>The amendments require the full gain or loss to be recognised when the assets transferred meet the definition of a ‘business’ under AASB 3 <i>Business Combinations</i> (whether housed in a subsidiary or not).</p> <p>AASB 2017-5 defers the mandatory effective date of amendments to AASB 10 <i>Consolidated Financial Statements</i> and AASB 128 <i>Investments in Associates and Joint Ventures</i> that were originally 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 instead of 1 January 2018.</p> <p>AASB 2021-7(a-c) further defers the mandatory effective date to periods beginning on or after 1 January 2025.</p>	Prospective application. Early adoption is permitted.	
<p>AASB 2023-5 Amendments to Australian Accounting Standards – Lack of Exchangeability</p>	1 January 2025	Lack of exchangeability	<p>AASB 2023-5 amends AASB 121 <i>The Effects of Changes in Foreign Exchange Rates</i> to clarify:</p> <ul style="list-style-type: none"> when a currency is exchangeable into another currency; and how a company estimates a spot rate when a currency lacks exchangeability. <p>New disclosures are required to help users assess the impact of using an estimated exchange rate on the financial statements.</p>	Prospective application. Early adoption is permitted.	

¹Refer back to page 1 for key.

Table 3: Standards applicable for years ended 31 December 2022 and prior

The following standards and interpretations are applicable for the first time for years ending on or prior to 31 December 2022.

Standards	Effective date
AASB 2021-3 Amendments to Australian Accounting Standards – COVID-19 - Related Rent Concessions beyond 30 June 2021	1 April 2021
AASB 2020-7 Amendments to Australian Accounting Standards - COVID-19 - Related Rent Concessions: Tier 2 Disclosures	1 July 2021
AASB 2020-8 Amendments to Australian Accounting Standards – Interest Rate Benchmark Reform – Phase 2	1 January 2021
AASB 2020-9 Amendments to Australian Accounting Standards – Tier 2 Disclosures: Interest Rate Benchmark Reform (Phase 2) and Other Amendments	1 July 2021
AASB 1060 <i>General Purpose Financial Statements – Simplified Disclosures for For-Profit and Not-for-Profit Tier 2 Entities</i>	1 July 2021
AASB 2021-1 Amendments to Australian Accounting Standards – Transition to Tier 2: Simplified Disclosures for Not-for-Profit Entities	1 July 2021
AASB 2022-2 Amendments to Australian Accounting Standards – Extending Transition Relief under AASB 1	Annual reporting periods ending on or after 30 June 2022
AASB 2020-2 Amendments to Australian Accounting Standards – Removal of Special Purpose	1 July 2021
AASB 2022-4 Amendments to Australian Accounting Standards – Disclosures in Special Purpose Financial Statements of Certain For-Profit Private Sector Entities	Annual reporting periods ending on or after 30 June 2022
AASB 2020-3 Amendments to Australian Accounting Standards – Annual Improvements 2018-2020 and Other Amendments	1 January 2022

Table 4: IASB standards awaiting approval by the AASB

In order to claim compliance with IFRSs, entities must disclose the possible impact of relevant IASBs and IFRIC Interpretations¹ on issue but not yet adopted. Accordingly, the impact of the IASBs in Table 4 would need to be included in such disclosures, if relevant. These standards cannot be (early) adopted until made by the AASB.

IFRSs	Effective date	KPMG guidance	Key requirements	Transitional provisions
None as at 10 January 2024				

Further information

Links to the relevant KPMG resources are included with each of the standards. In some cases the KPMG resources may not have been released as yet for all new standards and interpretations included in this edition of *Standards on issue*. Please refer to the KPMG website for the subsequent release of [IFRS News](#) and [Reporting Updates](#) as well as *Reporting Updates* on other financial reporting issues in Australia.

Contact Us

If you would like to discuss any of these standards or interpretations further, please contact your KPMG advisor.

¹ The impact of IFRIC Interpretations on issue but not yet adopted would also need to be considered by entities. Refer to our [web article](#) for the latest summary of IFRIC Agenda decisions to determine whether your entity is impacted.



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