



Accounting Update

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New Accounting Standards, Interpretations, and IFRIC Agenda Decisions

New Accounting Standards, Interpretations, and IFRIC Agenda Decisions – 31 December 2021

Part A – New and amended Accounting Standards and Interpretations that are applicable for the first time.

Part B - IFRS Interpretations Committee (IFRIC) Agenda Decisions issued during the current reporting period.

Part C – New and amended Accounting Standards and Interpretations that have been issued but are not yet mandatorily effective.



AASB 1060 General Purpose Financial Statements – Simplified Disclosures for For-Profit and Not-for-Profit Tier 2 Entities

What?

A new stand-alone disclosure standard to replace RDR

Who?

All Tier 2 entities

When?

Mandatory from 1 July 2021 (early adoption permitted)



AASB 1060 General Purpose Financial Statements – Simplified Disclosures for For-Profit and Not-for-Profit Tier 2 Entities

What are some key changes?

- Primary Financial Statements – SOCI, SOCIE
- Remuneration of auditors
- Leases



Software-as-a-Service (SaaS) development costs

Customisation and configuration

- A licence to access a SaaS application is a service not an intangible asset
- Modifications that are not separate to the SaaS application is also not an asset
- Expect most arrangements will be expensed
- Only IP controlled by the customer and separate from the SaaS application may be capitalised
- Assessment of useful life of separately recognised intangible



Regulatory matters

Director Identification Number (DIN)

Who is required to have a DIN?

- A director or alternate director who is acting in that capacity of a:
 - Company incorporated under the Corporations Act
 - Aboriginal and Torres Strait Islander corporation registered under the CATSI Act.

Includes ACNC registered entities incorporated under the Corporations Act or CATSI Act.

Director Identification Number (DIN)

When do you need to apply?

Date you first become a director under Corporations Act	Application date
On or before 31 October 2021	By 30 November 2022
Between 1 November 2021 and 4 April 2022	Within 28 days of appointment
From 5 April 2022	Before appointment



Other developments

Changes to ACNC reporting requirements

Size	Annual revenue threshold	
	Previously	From 2021-22
Small	Less than \$250,000	Less than \$500,000
Medium	\$250,000 to < \$1.0m	\$500,000 to < \$3.0m
Large	\$1.0m or more	\$3.0m or more

- Large charities - include KMP remuneration disclosures from 2022
- Large and medium charities - include Related Party disclosures from 2023



NFP Reporting Framework

Development of a Tier 3 GPFR for NFP entities

- What do the primary statement look like
 - SOCI, SOCIE
- Accounting for leases?
- Consolidation?
- Other measurement, recognition, and disclosures requirements



NFP revenue recognition

- 'identified specifications' criteria for Capital grants
- Grants received in arrears
- Interpreting the 'enforceable' criteria
- Assessing termination for convenience clauses
- Measuring peppercorn leases



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