

# **Explanatory Statement**

## **Accounting Standard AASB 2010-5** *Amendments to Australian Accounting* *Standards*

**October 2010**



**Australian Government**

---

**Australian Accounting  
Standards Board**

## **EXPLANATORY STATEMENT**

### **Standards Amended by AASB 2010-5**

This Standard makes amendments to the following Australian Accounting Standards and Interpretations:

1. AASB 1 *First-time Adoption of Australian Accounting Standards*;
2. AASB 3 *Business Combinations*;
3. AASB 4 *Insurance Contracts*;
4. AASB 5 *Non-current Assets Held for Sale and Discontinued Operations*;
5. AASB 101 *Presentation of Financial Statements*;
6. AASB 107 *Statement of Cash Flows*;
7. AASB 112 *Income Taxes*;
8. AASB 118 *Revenue*;
9. AASB 119 *Employee Benefits*;
10. AASB 121 *The Effects of Changes in Foreign Exchange Rates*;
11. AASB 132 *Financial Instruments: Presentation*;
12. AASB 133 *Earnings per Share*;
13. AASB 134 *Interim Financial Reporting*;
14. AASB 137 *Provisions, Contingent Liabilities and Contingent Assets*;
15. AASB 139 *Financial Instruments: Recognition and Measurement*;
16. AASB 140 *Investment Property*;
17. AASB 1023 *General Insurance Contracts*;
18. AASB 1038 *Life Insurance Contracts*;
19. Interpretation 112 *Consolidation – Special Purpose Entities*;

20. Interpretation 115 *Operating Leases – Incentives*;
21. Interpretation 127 *Evaluating the Substance of Transactions Involving the Legal Form of a Lease*;
22. Interpretation 132 *Intangible Assets – Web Site Costs*; and
23. Interpretation 1042 *Subscriber Acquisition Costs in the Telecommunications Industry*.

These amendments principally arise from editorial corrections made by the International Accounting Standards Board (IASB) to its Standards and Interpretations (IFRSs) and by the AASB to its pronouncements.

## **Main Features of AASB 2010-5**

### **Application Date**

This Standard is applicable to annual reporting periods beginning on or after 1 January 2011. Early adoption is permitted for annual reporting periods beginning on or after 1 January 2005 but before 1 January 2011, except that the amendments to AASB 3 may be applied early only to annual reporting periods beginning on or after 30 June 2007 but before 1 January 2011.

### **Main Requirements**

This Standard makes numerous editorial amendments to a range of Australian Accounting Standards and Interpretations, including amendments to reflect changes made to the text of IFRSs by the IASB.

These amendments have no major impact on the requirements of the amended pronouncements.

### **Consultation Prior to Issuing AASB 2010-5**

The AASB issued AASB 2010-5 after publishing a draft of the proposed Standard on its website prior to the Board meeting (conducted in public) at which it made the Standard. The Standard makes editorial corrections to many AASB pronouncements, most of which were themselves subject to consultation prior to issuance.

A Regulatory Impact Statement has not been prepared in connection with the issue of this Standard as the amendments made do not have a substantial direct or indirect impact on business or competition, are of a minor or machinery nature or clarify existing requirements.