

Public Governance, Performance and Accountability (Financial Reporting) Amendment Rules 2019

I, Mathias Cormann, Minister for Finance and the Public Service, make the following rules.

Dated 15 March 2019

Mathias Cormann

Minister for Finance and the Public Service

Contents

1 Name 1

2 Commencement 1

3 Authority 1

4 Schedules 1

Schedule 1—Amendments 2

Public Governance, Performance and Accountability (Financial Reporting) Rule 2015 2

1 Name

This instrument is the *Public Governance, Performance and Accountability (Financial Reporting) Amendment Rules 2019*.

2 Commencement

(1) Each provision of this instrument specified in column 1 of the table commences, or is taken to have commenced, in accordance with column 2 of the table. Any other statement in column 2 has effect according to its terms.

| Commencement information | | |
| --- | --- | --- |
| Column 1 | Column 2 | Column 3 |
| Provisions | Commencement | Date/Details |
| 1. The whole of this instrument | The day after this instrument is registered. | 26 March 2019 |

Note: This table relates only to the provisions of this instrument as originally made. It will not be amended to deal with any later amendments of this instrument.

(2) Any information in column 3 of the table is not part of this instrument. Information may be inserted in this column, or information in it may be edited, in any published version of this instrument.

3 Authority

This instrument is made under the *Public Governance, Performance and Accountability Act 2013.*

4 Schedules

Each instrument that is specified in a Schedule to this instrument is amended or repealed as set out in the applicable items in the Schedule concerned, and any other item in a Schedule to this instrument has effect according to its terms.

Schedule 1—Amendments

Public Governance, Performance and Accountability (Financial Reporting) Rule 2015

1 Subsection 3(2)

Omit “1 July 2017”, substitute “1 July 2018”.

2 Subsection 3(3)

Omit “under”, substitute “for the purposes of”.

3 Section 5 (definition of *AAS*)

Repeal the definition, substitute:

***AAS*** (short for Australian Accounting Standards) means the accounting standards.

4 Section 16 (heading)

Omit “**AASB 132 *Financial Instruments: Presentation* and AASB 139 *Financial Instruments: Recognition and Measurement***”, substitute “**AASB 9 *Financial Instruments* and AASB 132 *Financial Instruments: Presentation***”.

5 Subsection 16(1)

Omit “AASB 132 *Financial Instruments: Presentation* and AASB 139 *Financial Instruments: Recognition and Measurement* “, substitute “AASB 9 *Financial Instruments* and AASB 132 *Financial Instruments: Presentation*”.

6 Subsections 16(2) to (4)

Repeal the subsections, substitute:

Financial liabilities

(2) Unless otherwise required under AASB 9, an entity must use the same classification, for a financial liability that existed at the end of the last reporting period that began before 1 January 2018, as the entity used for the liability for that period.

Expected credit losses

(3) If permitted under an AAS, entities must apply, for the following, the simplified approach for recognition of expected credit losses available under AASB 9:

(a) trade receivables;

(b) contract assets (subject to subsection (4));

(c) lease receivables.

(4) Paragraph (3)(b) applies in relation to:

(a) the first reporting period to which AASB 15 *Revenue from Contracts with Customers* applies; and

(b) later reporting periods.

7 Subsection 16(6)

Repeal the subsection.

8 Section 18 (heading)

Omit “**and other reporting requirements**”.

9 Subsection 18(3) (after table item 2)

Insert:

|  |  |  |  |
| --- | --- | --- | --- |
| 2A | Department of Communications and the Arts | Administered financial assets  Administered financial instruments  Administered fair value measurement | AASB 7 *Financial Instruments: Disclosure*  AASB 13 *Fair Value Measurement* |

10 Subsection 18(3) (after table item 7)

Insert:

|  |  |  |  |
| --- | --- | --- | --- |
| 7A | Department of Infrastructure, Regional Development and Cities | Administered financial assets  Administered financial instruments  Administered fair value measurement | AASB 7 *Financial Instruments: Disclosure*  AASB 13 *Fair Value Measurement* |
| 7B | Department of the Environment and Energy | Administered financial assets  Administered financial instruments  Administered fair value measurement | AASB 7 *Financial Instruments: Disclosure*  AASB 13 *Fair Value Measurement* |

11 Subsection 18(4)

Repeal the subsection.

12 At the end of Part 3

Add:

18A Other information required for the Australian Government consolidated financial statements

(1) This section applies to information of a reporting entity if the information:

(a) is required for consolidation into the Australian Government consolidated financial statements; and

(b) is not reported in the entity’s financial statements.

(2) The reporting entity must:

(a) prepare the information on the basis of accounts and records kept in accordance with section 41 of the PGPA Act; and

(b) ensure that the information undergoes a management assurance process equivalent to that which the entity’s financial statements must undergo.

(3) The reporting entity must make the information available to the Department of Finance at the time and in the format requested by the Department of Finance.

(4) When the information is made available to the Department of Finance, it must be accompanied by a statement by the CFO of the reporting entity that the information:

(a) has been prepared on the basis of accounts and records kept in accordance with section 41 of the PGPA Act; and

(b) has undergone a management assurance process equivalent to that which the entity’s financial statements must undergo; and

(c) is complete and accurate.

13 Section 29 (guide)

Omit “AASB 139 *Financial Instruments: Recognition and Measurement*”, substitute “AASB 9 *Financial Instruments*”.

14 Paragraph 32(3)(c)

After “fair value”, insert “, with any changes in fair value being recognised in the statement of comprehensive income”.

15 At the end of Part 5

Add:

34B Aggregate assets and liabilities

Guide to this section

The purpose of this section is to require reporting entities to include in their financial statements a note disclosing total assets and total liabilities, broken down into:

(a) amounts expected to be recovered or settled within 12 months; and

(b) other amounts.

A reporting entity must disclose the following in a note in the financial statements for a reporting period:

(a) the total of:

(i) any amounts expected to be recovered from assets within 12 months after the end of the reporting period; and

(ii) cash;

(b) the total of any other amounts recoverable from assets;

(c) the total of any amounts expected to be settled for liabilities within 12 months after the end of the reporting period;

(d) the total of any amounts that are expected to be settled for liabilities more than 12 months after the end of the reporting period.

16 At the end of section 48

Add:

(8) If a reporting entity holds part of the closing balance of a special account on trust, the reporting entity must:

(a) disclose the amount so held as a footnote to the special accounts notes; and

(b) not include that amount in the entity’s statement of financial position; and

(c) not include that amount in any statements or notes required by AASB 7 *Financial Instruments: Disclosures* or AASB 9 *Financial Instruments*.