Standards Issued Not Yet Effective

As of 20 September 2025

A reference document for Financial Reporters

Author: Carmen Ridley
Principal and Director, Australian Financial Reporting Solutions
AASB Board Member (2012 – 2020)

Provided by: Caseware Australia & New Zealand
as a service to our customers

Transforming Insights into Impact.

Standards Issued Not Yet Effective

Updated: 20 September 2025

AASB 108 ACCOUNTING POLICIES, CHANGES IN ACCOUNTING ESTIMATES AND ERRORS

Paragraph 30 of AASB 108 requires entities to consider standards issued which are not yet effective and suggests entities consider disclosing the following information:

- the title of the new Australian Accounting Standard;
- the nature of the impending change or changes in accounting policy;
- the date by which application of the Australian Accounting Standard is required;
- the date as at which it plans to apply the Australian Accounting Standard initially; and either;
  - a discussion of the impact that initial application of the Australian Accounting Standard is expected to have on the entity's financial report or
  - if the impact is not known or reasonably estimable, a statement to that effect.

DOCUMENT STRUCTURE AND USE

This document provides a quick reference guide to Australian Accounting Standards which have been issued by the AASB or IASB but are not yet effective and therefore should be included in the standards issued not yet effective note.

- The document is sorted into subject areas and relevant standards affecting those areas are referenced within the Pronouncement section.
- The nature of the change in accounting policy for each pronouncement is outlined.
- An effective date for the standard is provided.

TIPS AND TRAPS

- Entities who prepare financial statements using the Simplified Disclosure Standard (AASB 1060) are EXEMPT from this disclosure.
- Entities that include an IFRS compliance statement in their financial statements will also need to monitor the standards issued by the IASB which have not yet been issued in Australia – *refer to the IFRS only section of this document if relevant standards have been issued.*
- Entities should **include only** those standards which are **relevant** to their organisation.
- The standards issued not yet effective disclosure should reflect standards issued up to the date of approval of the financial statements - this means that *this disclosure will need to be reviewed and potentially updated prior to the financial statements being signed*.
- This document refers to the amending standard name and number regardless of whether the standard has been compiled.
- Indicative impacts of the new/revised standard have been included as examples, but entities must review the standards to determine if there are specific implications based on their industry, typical transactions and balances.

Carmen Ridley, Principal and Director, Australian Financial Reporting Solutions Pty Ltd
0438 029867 or cridley@afrs.com.au

Standards Issued Not Yet Effective

Updated: 20 September 2025

TABLE OF CONTENTS

This document is regularly updated and available via the Caseware FAQ website at this link:
https://support.caseware.com.au/portal/kb/articles/accounting-standards-issued-not-yet-effective

Standards Issued Not Yet Effective

Updated: 20 September 2025

LACK OF EXCHANGEABILITY - FOREIGN CURRENCY

PRONOUNCEMENT	AASB 2023-5 Amendments to Australian Accounting Standards - Lack of Exchangeability
NATURE OF THE CHANGE IN ACCOUNTING POLICY	This Standard amends AASB 121 and AASB 1 to improve the usefulness of information provided to users of financial statements. The amendments require entities to apply a consistent approach to determining whether a currency is exchangeable into another currency and the spot exchange rate to use when it is not exchangeable. The Standard also amends AASB 121 to extend the exemption from complying with the disclosure requirements of AASB 121 for entities that apply AASB 1060 to ensure Tier 2 entities are not required to comply with the new disclosure requirements in AASB 121 when preparing their Tier 2 financial statements
EFFECTIVE DATE	Annual reporting periods beginning on or after 1 January 2025.
EXPECTED IMPACT ON THE FINANCIAL STATEMENTS	Little impact expected unless an entity undertakes transactions with currencies that may not be exchangeable e.g. hyperinflationary currencies.

PUBLIC SECTOR SPECIFIC - INSURANCE

PRONOUNCEMENT	AASB 17 Insurance Contracts AASB 2022-9 Amendments to Australian Accounting Standards - Insurance Contracts in the Public Sector
NATURE OF THE CHANGE IN ACCOUNTING POLICY	This standard will change insurance accounting in Australia, the level of impact will vary depending on the type of insurance entity and the current systems in place. AASB 17 treats insurance products with similar risks in the same manner, regardless of whether they are labelled as 'general', 'life' or 'health' insurance. Some products offered by life insurance entities may now qualify for a simpler way of determining their insurance liabilities. AASB 17 requires an insurer to recognise profits as it delivers insurance services (rather than when it receives premiums) and to provide information about insurance contract profits the company expects to recognise in the future. Insurer will reflect the time value of money in expected payments to settle incurred claims and will measure their insurance contracts based only on the obligations created by these contracts. AASB 2022-8 amends AASB 17 and associated standards to allow the existing standards to be adopted for public sector entities until the mandatory effective date of AASB 17 for public sector entities. AASB 2022-9 makes modifications to AASB 17 for public sector entities and defers the effective date of AASB 17 for these entities.
EFFECTIVE DATE	AASB 17 (with modifications) is effective for public sector entities for annual reporting periods beginning on or after 1 July 2026.

EXPECTED IMPACT ON THE FINANCIAL STATEMENTS	Potentially significant impact for certain entities issuing insurance contracts - all public sector entities will need to consider whether they issue these contracts. No impact for public sector entities who do not issue insurance contracts.

FINANCIAL INSTRUMENTS

PRONOUNCEMENT	AASB 2024-2 *Amendments to Australian Accounting Standards - Classification and Measurement of Financial Instruments* [AASB 7 and AASB 9] AASB 2025-2 *Amendments to Australian Accounting Standards – Classification and Measurement of Financial Instruments: Tier 2 Disclosures*
NATURE OF THE CHANGE IN ACCOUNTING POLICY	This Standard amends AASB 7 and AASB 9 in response to feedback from the 2022 Post-implementation Review of the classification and measurement requirements in AASB 9 and related requirements in AASB 7 and the subsequent 2023 Exposure Draft. This Standard amends requirements related to: (a) settling financial liabilities using an electronic payment system; and (b) assessing contractual cash flow characteristics of financial assets with environmental, social and corporate governance (ESG) and similar features. This Standard also amends disclosure requirements relating to investments in equity instruments designated at fair value through other comprehensive income and adds disclosure requirements for financial instruments with contingent features that do not relate directly to basic lending risks and costs. AASB 2025-2 makes similar changes to AASB 1060 *General Purpose Financial Statements – Simplified Disclosures for For-Profit Entities.*
EFFECTIVE DATE	Annual reporting periods beginning on or after 1 January 2026.
EXPECTED IMPACT ON THE FINANCIAL STATEMENTS ***(INDICATIVE WORDING ONLY)***	Likely impact of this standard is: ● reclassification of financial assets with ESG features based on the revised guidance in relation to whether amortised costs can be used. ● potentially earlier derecognition of liabilities settled by electronic means which meet the updated criteria in AASB 9. ● additional disclosures for equity instruments classified as fair value through other comprehensive income.

NATURE-DEPENDENT ELECTRICITY

PRONOUNCEMENT	AASB 2025-1 *Amendments to Australian Accounting Standards – Contracts Referencing Nature-dependent Electricity [AASB 7 and AASB 9]*
NATURE OF THE CHANGE IN ACCOUNTING POLICY	Nature-dependent electricity contracts help entities to secure their electricity supply from sources such as wind and solar power. The amount of electricity generated under these contracts can vary based on uncontrollable factors such as weather conditions.

	This Standard amends AASB 7 and AASB 9 to allow entities to better reflect these contracts in the financial statements. The amendments: a. clarify the application of the 'own-use' criteria to nature-dependent electricity contracts; b. permit hedge accounting if these contracts are used as hedging instruments; and c. add new disclosure requirements to enable users of financial statements to better understand the effect of these contracts on an entity's financial performance and cash flows
EFFECTIVE DATE	Annual reporting periods beginning on or after 1 January 2026.
EXPECTED IMPACT ON THE FINANCIAL STATEMENTS ***(INDICATIVE WORDING ONLY)***	There is unlikely to be significant impact to most entities on adoption of this standard, however entities who have contracts to buy nature-dependent electricity should review this standard to understand any changes which may need to be applied.

ANNUAL IMPROVEMENTS

PRONOUNCEMENT	AASB 2024-3 *Amendments to Australian Accounting Standards – Annual Improvements Volume 11 [AASB 1, AASB 7, AASB 9, AASB 10 and AASB 107].*
NATURE OF THE CHANGE IN ACCOUNTING POLICY	This Standard amends: a. AASB 1 to improve consistency between paragraphs B5–B6 of AASB 1 and the requirements for hedge accounting in AASB 9 and improve the understandability of AASB 1; b. AASB 7 to (i) replace a cross-reference in paragraph B38 of AASB 7 to a deleted AASB 7 paragraph with a reference to AASB 13 Fair Value Measurement; and (ii) improve consistency in the language used in AASB 7 with the language used in AASB 13; c. AASB 9 to: (i) clarify how a lessee accounts for the derecognition of a lease liability when it is extinguished; and (ii) address an inconsistency between paragraph 5.1.3 of AASB 9 and the requirements in AASB 15 Revenue from Contracts with Customers in relation to the term 'transaction price'; d. AASB 10 to amend paragraph B74 in relation to determining de facto agents of an entity; and e. AASB 107 to replace the term 'cost method' with 'at cost' as the term is no longer defined in Australian Accounting Standards.
EFFECTIVE DATE	Annual reporting periods beginning on or after 1 January 2026.
EXPECTED IMPACT ON THE FINANCIAL STATEMENTS ***(INDICATIVE WORDING ONLY)***	There is unlikely to be significant impact to entities on adoption of this standard.

PRESENTATION AND DISCLOSURE IN FINANCIAL STATEMENTS

PRONOUNCEMENT	AASB 18 *Presentation and Disclosure in Financial Statements*
NATURE OF THE CHANGE IN ACCOUNTING POLICY	This standard replaces AASB 101 *Presentation of Financial Statements* and sets out the requirements for the structure of the financial statements, including the application of fundamental concepts such as materiality.

Standards Issued Not Yet Effective

Updated: 20 September 2025

	AASB 18 introduces additional subtotals into the Statement of Profit or Loss as well as restructuring the statement into operating, investing and financing elements. Management performance measures are also required to be disclosed.
EFFECTIVE DATE	• Tier 1 for-profit entities - Annual reporting periods beginning on or after 1 January 2027. • NFP private and public sector entities and superannuation entities applying AASB 1056 - Annual reporting periods beginning on or after 1 January 2028. • Tier 2 entities - AASB has not provided an effective date, will be part of the AASB 1060 post-implementation review and associated work.
EXPECTED IMPACT ON THE FINANCIAL STATEMENTS ***(INDICATIVE WORDING ONLY)***	This standard affects presentation and disclosure of the primary statements and will not change the recognition or measurement of any reported numbers.

SALE OR CONTRIBUTION OF ASSETS

PRONOUNCEMENT	AASB 2014 – 10 *Sale or contribution of Assets between an Investor and its Associate or Joint Venture* Effective date deferred by amending standards: AASB 2017-5, AASB 2021-7 and AASB 2024-4.
NATURE OF THE CHANGE IN ACCOUNTING POLICY	The amendments address an acknowledged inconsistency between the requirements in AASB 10 and those in AASB 128 (2011), in dealing with the sale or contribution of assets between an investor and its associate or joint venture. The main consequence of the amendments is that a full gain or loss is recognised when a transaction involves a business (whether it is housed in a subsidiary or not). A partial gain or loss is recognised when a transaction involves assets that do not constitute a business, even if these assets are housed in a subsidiary. AASB 2024-4 defers the effective date of AASB 2014-10 to 1 January 2028.
EFFECTIVE DATE	Annual reporting periods beginning on or after 1 January 2028.
EXPECTED IMPACT ON THE FINANCIAL STATEMENTS ***(INDICATIVE WORDING ONLY)***	This will only have impact for entities with associates or joint ventures where there has been a sale or contribution of assets between the entity and its investor.

For further information on any of these standards, please contact
Carmen Ridley, Principal and Director, Australian Financial Reporting Solutions Pty Ltd
0438 029867 or cridley@afrs.com.au

AUSTRALIAN FINANCIAL REPORTING SOLUTIONS