



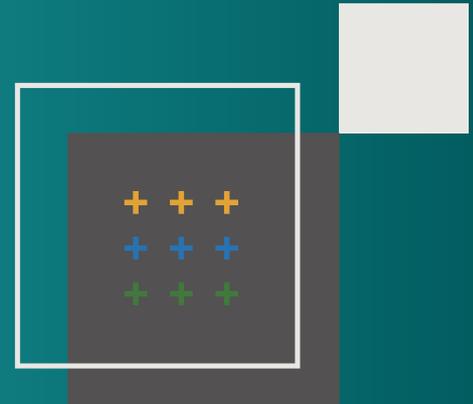
Australian Government

Australian Accounting Standards Board

AASB Financial Reporting Update for Academics

AFAANZ Insights Series

March 2026





Agenda



 AASB Domestic Projects

 Pronouncements

 Insights in Practice: Disclosures about Uncertainties in the Financial Statements



Australian Government

Australian Accounting Standards Board

Polling Questions



AASB Work Plan

Access: www.aasb.gov.au/current-projects/work-plan/

[Home](#) > [Current Projects](#) > [Work Plan](#)

Work Plan

The documents and actions noted are not a complete reflection of the matters the AASB will consider regarding each project. The timing and outcomes shown in the following tables are estimates that are subject to change.

View current work plan [here](#).  **Click here**





AASB Domestic Projects



- ▶ Agenda Consultation 2027-2031
- ▶ Review of AASB 1060
- ▶ AASB 18: NFP and Superannuation Entities
- ▶ NFP Private Sector Tier 3 Standard
- ▶ Conceptual Framework: NFP Amendments



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Pronouncements

Effective 2025/2026 FY

Pronouncements

Annual periods beginning on or after

AASB 2023-5 *Lack of Exchangeability*

1 January 2025

AASB 2026-1 *Disclosures about Uncertainties in the Financial Statements*

1 July 2025 that end on or after 28 February 2026



Pronouncements

Recently issued (Q3 2025 – current)

Pronouncements	Annual periods beginning on or after
AASB 2025-3 <i>Contracts Referencing Nature-dependent Electricity: Tier 2 Disclosures</i>	1 January 2026
AASB 2025-4 <i>Translation to a Hyperinflationary Presentation Currency</i>	1 January 2027
AASB 2026-1 <i>Disclosures about Uncertainties in the Financial Statements</i>	1 July 2025 that end on or after 28 February 2026



AASB 2025-4 *Translation to a Hyperinflationary Presentation Currency*

Clarify the translation procedures for an entity whose presentation currency is that of a hyperinflationary economy.





Insights in Practice

Disclosures about Uncertainties in the Financial Statements Illustrative Examples - Amendments





Disclosures about Uncertainties in the Financial Statements

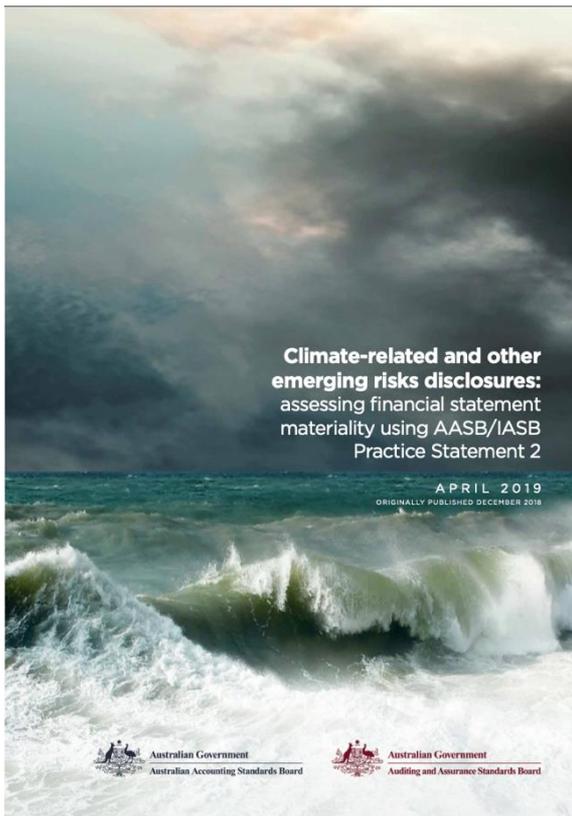
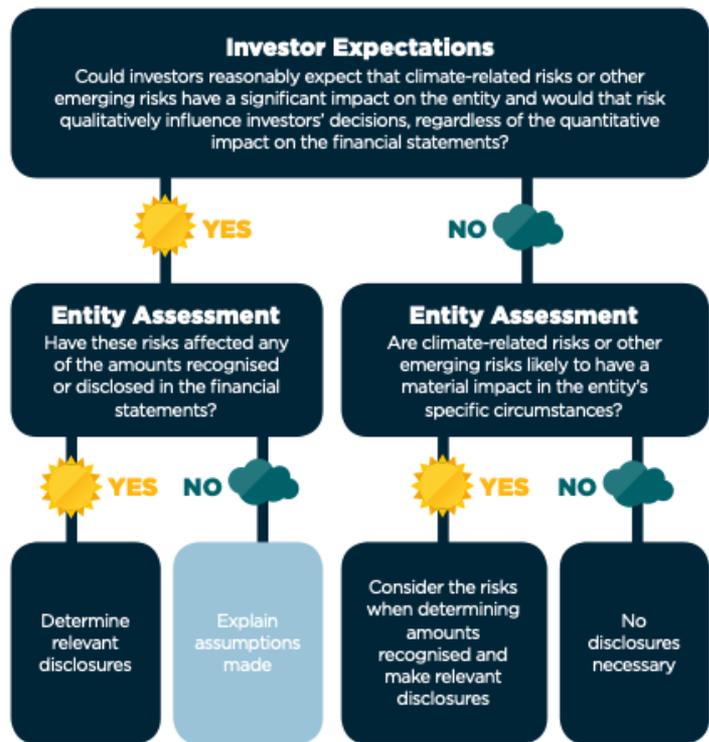
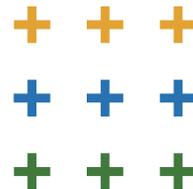


Figure 1 **Considerations in Assessing Materiality**





Disclosures about Uncertainties in the Financial Statements

AASB 2026-1

AASB 136
AASB 137

https://standards.aasb.gov.au/sites/default/files/2026-01/AASB2026-1_01-26.pdf

IASB Support Material

IFRS 7
IFRS 18
IAS 1
IAS 8

https://aasb.gov.au/admin/file/content105/c9/AASB2026-1_IE_01-26.pdf

Illustrative Examples

- Not changing IFRS Accounting Standards requirements
- May result in additional disclosures



AASB 2026-1

AASB 136 Impairment of Assets

- **Key assumptions** used to determine the **recoverable amounts** of assets

AASB 137 Provisions, Contingent Liabilities and Contingent Assets

- **Plant decommissioning and site-restoration obligations** even if their **effect** on the carrying amount of the entity's plant decommissioning and site-restoration provision **is immaterial**



AASB 2026-1

■ AASB 136 *Impairment of Assets*

Scenario

- Required **emission allowances**
- Recoverable amount of Cash Generating Unit (CGU) > Carrying amount (i.e. **no impairment**)
- Recoverable amount is **sensitive** to assumptions about future emission allowance costs

Application

Measure the value in use of the CGU, include future emission allowance costs

Disclose:

- Key **assumptions** and **approach** used in the measurement of value in use
- **Sensitivity** information



AASB 2026-1

■ AASB 137 Provisions, Contingent Liabilities and Contingent Assets

Scenario

- Discounted to present value: Cost to settle plant decommissioning and site restoration is **quantitatively immaterial**
- But cost to settle obligation will be **high**
- Increased risk of early settlement
- Risk stems from **regulatory/policy actions** to reduce greenhouse gas emission

Application

Factors in determining if obligation is material:



Disclose

- A brief description of **obligations' nature**
- **Expected timing** of the outflows of economic benefits required to settle them
- An indication of the **uncertainties:** amount/timing of the outflows



IASB Support Material

■ Materiality judgements

Scenario 1

- Exposed to **significant** climate-related transition risks
- Has a transition plan but does not affect recognition and measurement
- Consider facts and circumstances, entity specific and external qualitative factors
- **Disclose** the reason why the transition plan had no effect

Scenario 2

- Limited exposure to climate-related transition risks, low level of greenhouse gas emissions
- No effect on recognition and measurement
- **No** additional disclosure needed



IASB Support Material

■ Disaggregated information

Scenario

- High degree of exposure to climate-related transition risks
- Owns and uses two types of PPE (same class and quantitatively material) that generate significantly different amount of greenhouse gas emissions

Application

- Paragraphs 41-42 and B110 of AASB/IFRS 18
- Sufficiently dissimilar risk characteristics
- Consider – size of the carrying amount, transition risks and external qualitative factors
- **Disaggregate information** about the types of PPE would result in material information



IASB Support Material

■ Assumptions – General requirements

- Disclose information about material assumptions even if such assumptions will not be resolved within the next year (i.e. long-term uncertainty)

■ Credit risk

- Consider disclosure requirements in paragraph 35A-36 of AASB/IFRS 7



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Future Events and Opportunities ▶▶▶▶▶

▶ AASB SSRN Working Papers

▶ AASB Dialogue Series

▶ AASB Research Forum

▶ AFAANZ Conference



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