

# 2025 Accounting Standards Update

**Thursday, 29 May 2025**

**Basford**

Consulting

# WELCOME



**Bryce Scidone (CA, CTA)**

Director, Business Advisory & Tax

- Over 13 years' professional services experience across leading National mid-tier firms
- Expertise in structuring, succession planning, tax advisory and compliance for SME's, start-ups, and high-net-wealth groups across a wide range of industries
- Practical and hands on approach to assisting clients navigate their financial affairs
- Family man and sport enthusiast



**Gerrit Vorster (CA, MBA)**

Director, Business Advisory & Tax

- Over 15 years' experience in business advisory, tax compliance, and structuring
- Expertise in structuring, tax strategies, management reporting, strategic growth, and forecasting
- Committed to delivering high-quality, tailored solutions to reduce risk and improve business performance
- Competitive rower and treasurer for local non-for profit.



# 30 JUNE 2025 FINANCIAL REPORTING UPDATE





# TOPICS







# NEW ACCOUNTING STANDARDS EFFECTIVE FOR THE FIRST TIME FOR 30 JUNE 2025





**EFFECTIVE  
FOR THE  
FIRST TIME  
30 JUNE  
2025**

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Current / non-current classification  
changes in AASB 101

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*AASB 2023-1 Supplier Finance  
Arrangements*

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*AASB 2022-5 Lease liability in a sale and  
leaseback transaction*





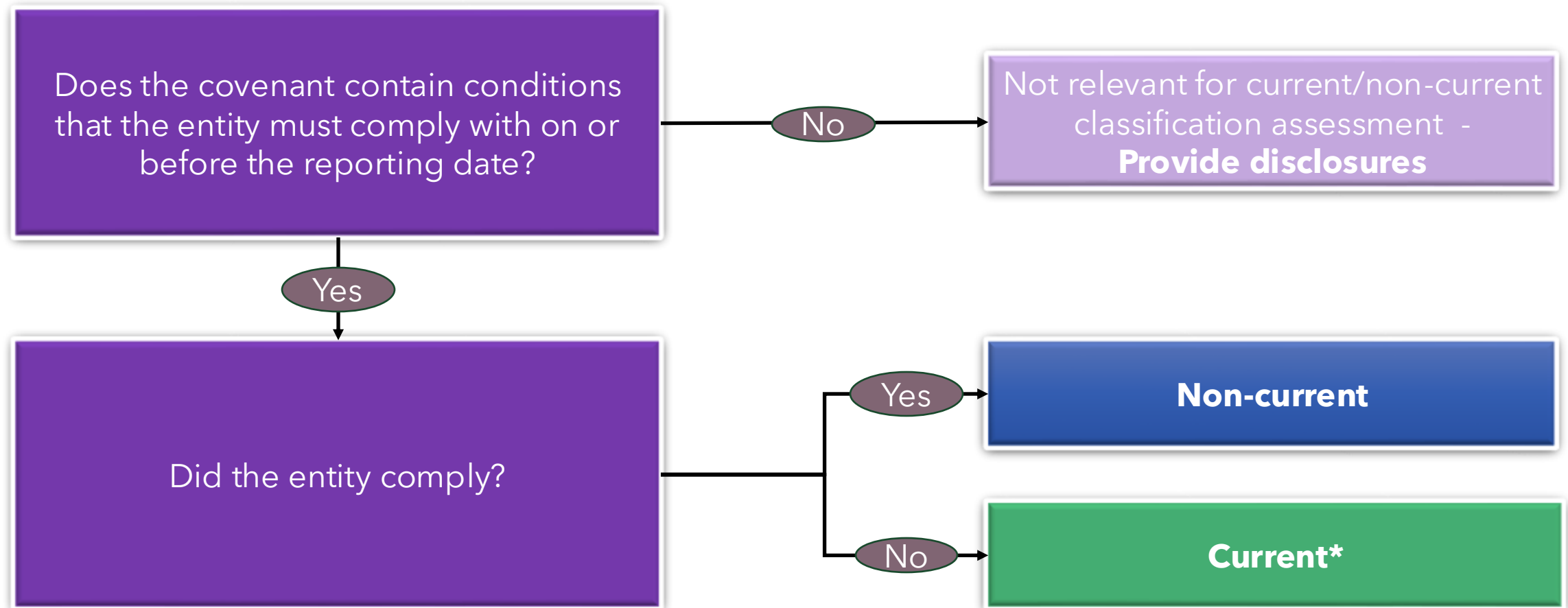
# CHANGES TO AASB 101 CURRENT / NON-CURRENT CLASSIFICATION OF LIABILITIES







# NEW REQUIREMENTS - LOAN COVENANTS (AASB 101.72B)



\* Unless the bank has agreed **before reporting date** not to demand repayment for at least 12 months after reporting date



# EXAMPLE 1

Entity Z's has a loan repayable in 3 years time with a covenant condition

Its current/non-current ratio is **1.0** at 30 June 2025. Reporting date is 30 June 2025.

Scenario	Covenant requirement - Current/Non-current Ratio	Assessment Date	Affect classification at reporting date 30 June 2025?	Did the entity comply?	Classification
1	> 1.5 at 30/6/2025	31/8/2025	Yes - Compliance date is 30 June 2025	No	Current
2	> 1.5 at 31/7/2025	31/8/2025	No, compliance date is after reporting date	N/A	Non-current, provide disclosure
3	➤ 1.5 at 30/9/2025 Management expects 1.3	30/9/2025	No, compliance date is after reporting date Management expectation is irrelevant	N/A	Non-current, provide disclosure



# NEW REQUIREMENT – AASB 101.75A

“If a liability meets the criteria in ...for classification as **non-current**, it is **classified as NON-CURRENT** **even if management intends or expects the entity to settle the liability within twelve months** after the reporting period, or **even if the entity settles the liability between the end of the reporting period and the date the financial statements are authorised for issue. ....**”



## EXAMPLE 2 - MANAGEMENT EXPECTATION IRRELEVANT



### Background

As at 31/12/2024, Entity Z has a loan that is due to be repaid in 3 years time

Entity Z has complied with all the covenant conditions.

It expects to repay the loan on 15/2/2025

The loan was repaid on 15/2/2025

Financial statements are signed and issued on 28 February 2025

### Question:

Is the loan classified as current / non-current as at 31/12/2024?

### Answer:

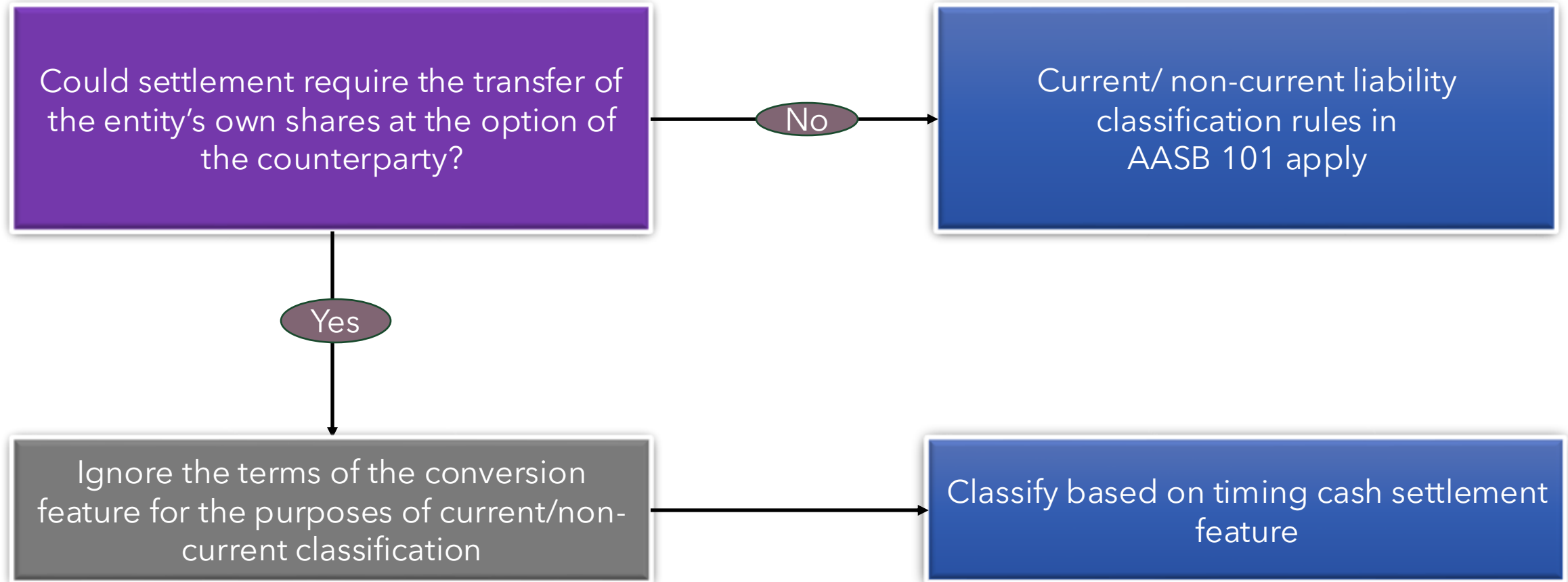
Non-current

Entity Z has the right to defer settlement of the loan for at least 12 months

Repayment disclosed as a non-adjusting event and provide information about timing of settlement

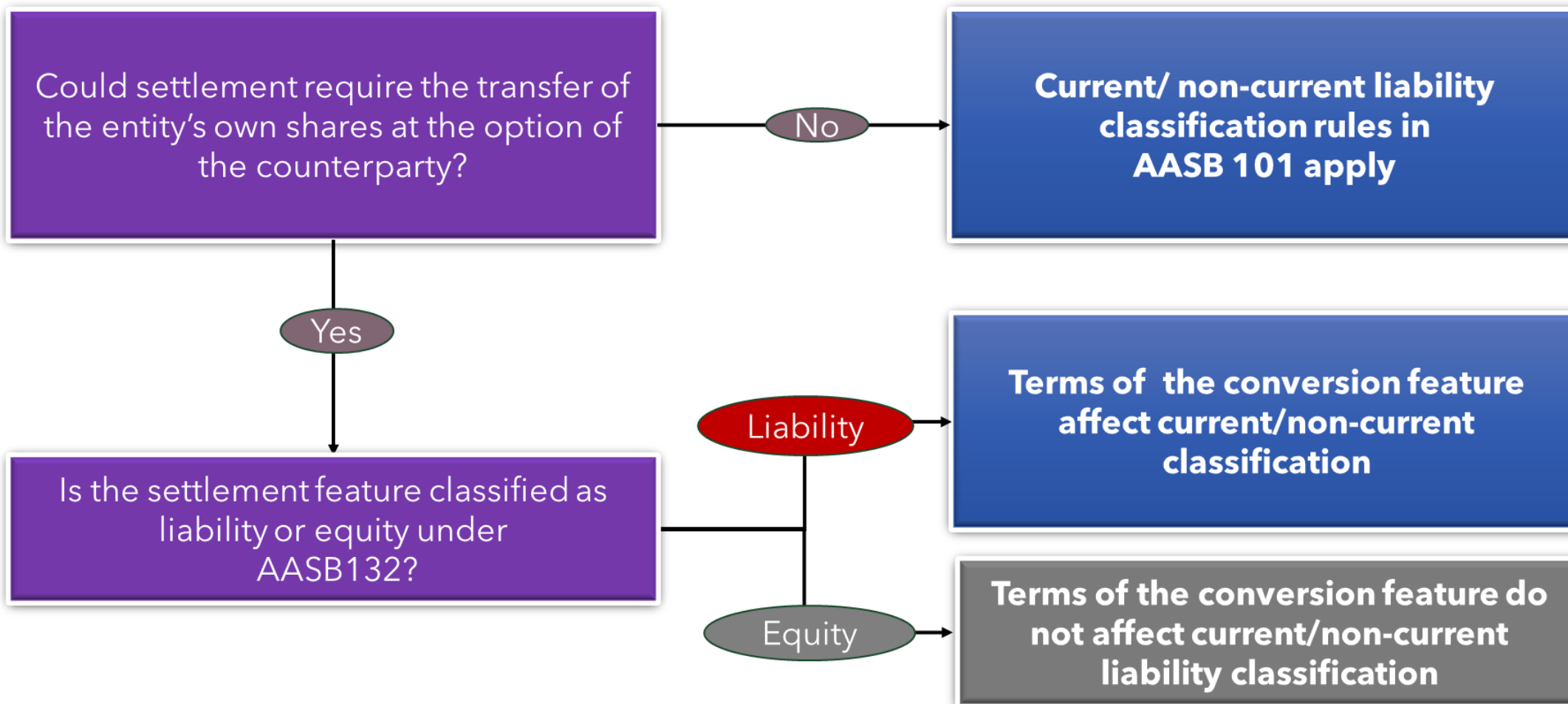


# OLD REQUIREMENTS





# NEW REQUIREMENTS - CONVERTIBLE NOTES (AASB 101.76B)







# EXAMPLE 1



## Background

- Entity Z's has issued a convertible note
- The note is repayable in cash in 5 years time,
- At any time prior to maturity the holder can elect to convert the note into shares
- The number of shares the note converts into is dependent on the share price on conversion date
- The conversion feature is classified as a financial liability

## Question:

Is the note classified as current / non-current?

## Answer:

### CURRENT

- Conversion can occur at any time at the holder's election
- No unconditional right to defer settlement i.e. conversion for at least 12mths



# TERMS THAT TYPICALLY RESULT IN THE SHARE CONVERSION FEATURE CLASSIFIED AS LIABILITY

- Convertible note denominated in a foreign currency
- Convertible note with conversion feature, where there is a floor price
- Convertible note with conversion feature, where there is a cap price
- Convertible note with conversion feature, where there is a cap and a floor price
- Convertible note with conversion feature, dependent on a weighted average share price



# DISCLOSURE



Risk that the liabilities could become repayable within twelve months after the reporting period



Information about the covenants (including the nature of the covenants and when the entity is required to comply with them)



Difficulty complying with the covenants

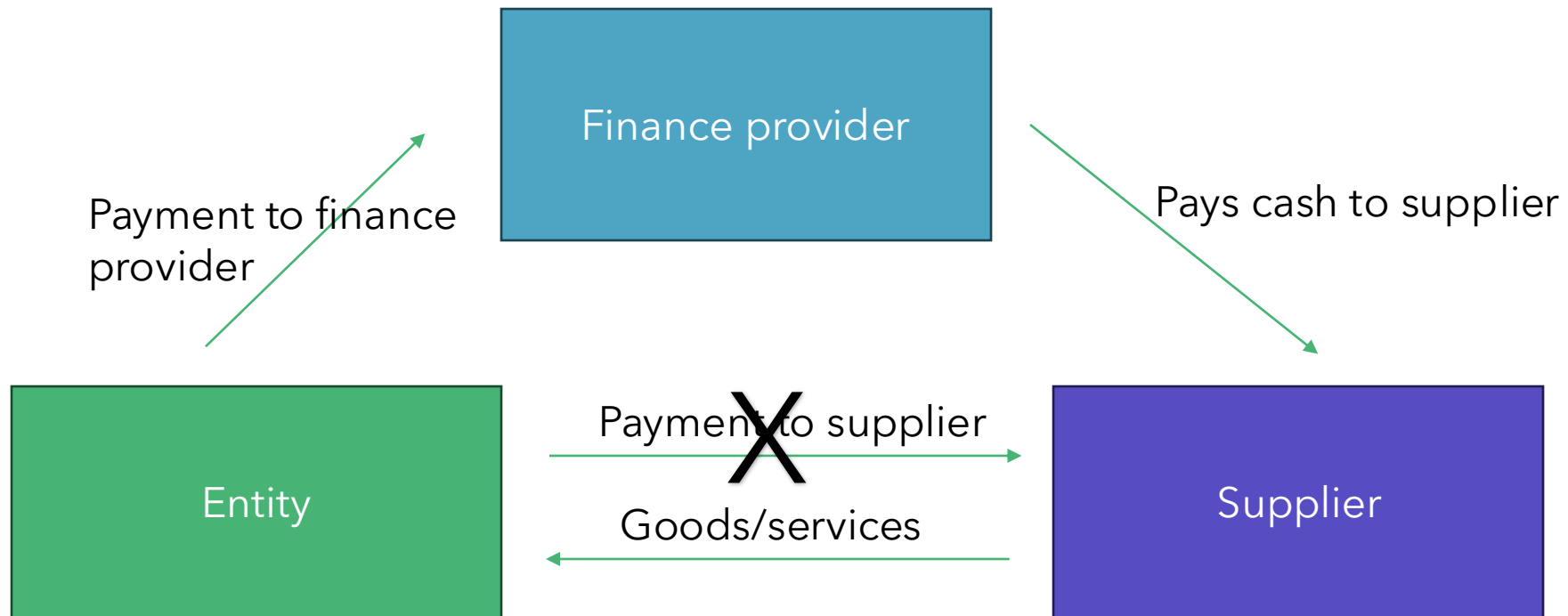




# SUPPLIER FINANCE ARRANGEMENTS



# WHAT IS A SUPPLIER FINANCE ARRANGEMENT?



# WHAT NEEDS TO BE DISCLOSED?



Terms and conditions



Carrying amount of the liabilities



Carrying amounts of those liabilities for which the suppliers have already received payment from the finance providers



Range of payment due dates



Effect of non-cash changes.

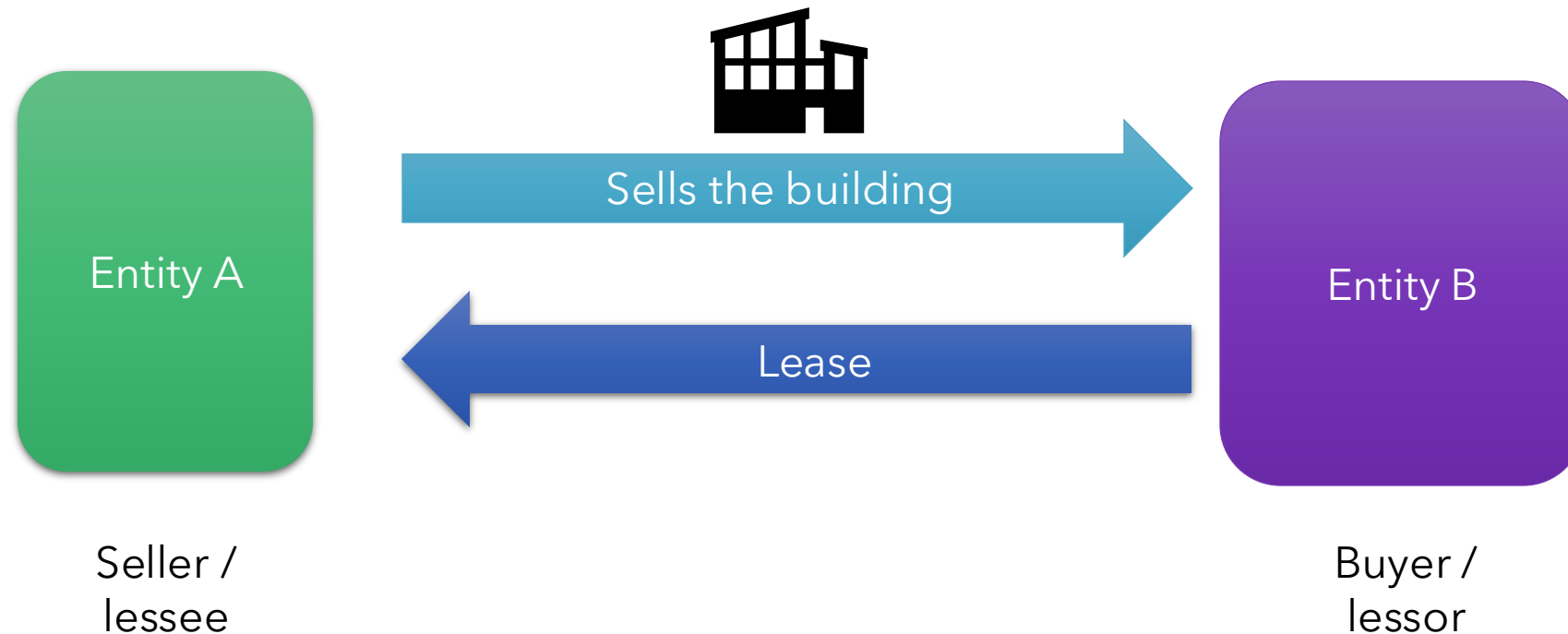




# LEASE LIABILITY IN A SALE AND LEASEBACK



# LEASE LIABILITY IN A SALE AND LEASEBACK TRANSACTION





# **AASB 2022-5 LEASE LIABILITY IN A SALE AND LEASEBACK TRANSACTION**

Applies to sale and leaseback transactions:

Qualifies as a sale  
under AASB 15

With variable  
lease payments



Effective: 1 January 2024





# LEASE LIABILITY IN A SALE AND LEASEBACK TRANSACTION

Lease liability in a sale and leaseback transaction that qualifies as a sale under AASB 15



AASB 2022-5  
*Lease liability in a sale and leaseback transaction*



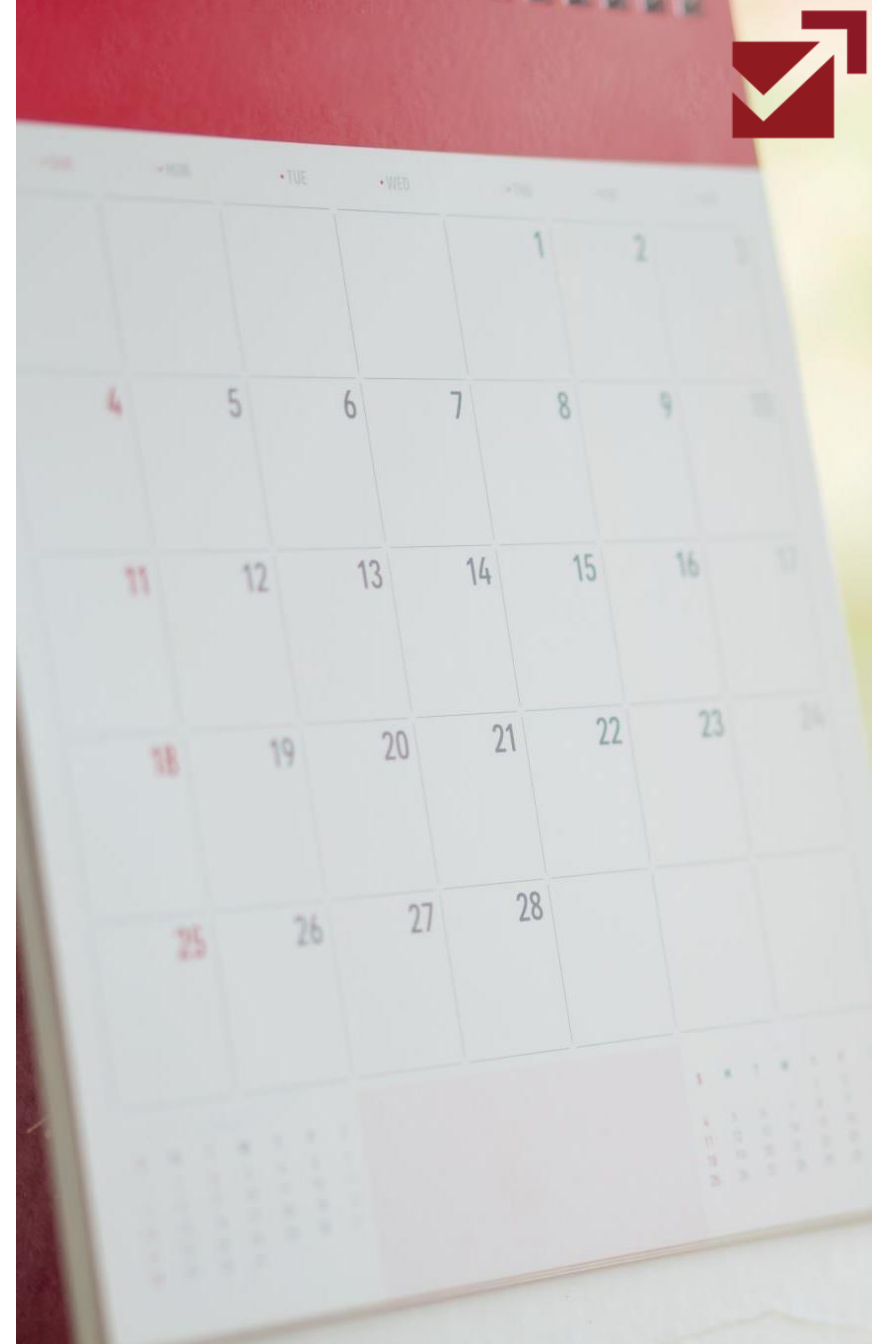
June 2020 IFRS  
Interpretations  
Committee Agenda  
Decision



# ***AASB 18 PRESENTATION AND DISCLOSURE IN FINANCIAL STATEMENTS***

# AASB 18 PRESENTATION AND DISCLOSURE IN FINANCIAL STATEMENTS

- Will replace AASB 101 (AASB 101) *Presentation of Financial Statements*
- Applicable for annual reporting periods beginning on or after 1 January 2027
  - 31 December 2027 and 30 June 2028 year ends
- First impact for half-year financial reports: For the 6 months ended 30 June 2027
- Adoption will require the restatement of 31 December 2026 (30 June 2027) comparatives
- Systems will need to be ready by 1 January 2026 / 1 July 2026
- Earlier application is permitted



# NEW DEFINED SUBTOTALS

Figure 1: Statement of profit or loss for most companies<sup>1</sup>

Categories	Income Statement
Operating	Revenue
	Cost of sales
	<b>Gross profit</b>
	Other operating income
	Selling expenses
	Research and development expenses
	General and administrative expenses
	Goodwill impairment loss
	Other operating expenses
	<b>Operating profit</b>
Investing	Share of profit and gains on disposal of associates and joint ventures
	<b>Profit before financing and income taxes</b>
Financing	Interest expense on borrowings and lease liabilities
	Interest expense on pension liabilities and provisions
	<b>Profit before income taxes</b>
Income taxes	Income tax expense
	<b>Profit from continuing operations</b>
Discontinued operations	Loss from discontinued operations
	<b>Profit</b>

Source: IASB AASB 18 Project Summary <https://www.ifrs.org/content/dam/ifrs/project/primary-financial-statements/ifrs-standard/projects/summary-ifrs18-april2024.pdf>





# ***AASB 18 PRESENTATION AND DISCLOSURE IN FINANCIAL STATEMENTS***

Introduces 3 sets of new requirements which the IASB believe will improve companies' reporting of financial performance and give investors a better basis for analysing and comparing companies.

More structured  
income  
statement

Disclose and  
report MPMs

Greater  
disaggregation  
of information

# MORE STRUCTURED INCOME STATEMENT

Defined differently to AASB 107

- More structured income statement and provide the user with greater comparability
- AASB 18 introduces three defined categories for income and expenses:







# SPECIFIED MAIN BUSINESS ACTIVITY

Invests in assets


Provide finance to customers

Investment income & expenses

Interest income & expenses arising from the liabilities that relate to providing finance to customers

**Operating Category**

# EXAMPLE - CURRENT FORMAT UNDER AASB 101



	\$
Revenue	500,000
Finance Income	150,000
Income from JVs and Associates	200,000
Gain from disposal of investment	500,000
Materials, consumables and office expense	(300,000)
Employee benefit expense	(250,000)
Depreciation and amortisation expense	(75,000)
Finance costs	(100,000)
<b>Profit before income tax</b>	<b>625,000</b>
Income tax expenses	(200,000)
<b>Profit for the year</b>	<b>425,000</b>

# EXAMPLE - AASB 18

	\$
Revenue	500,000
Materials, consumables and office expense	(300,000)
Employee benefit expense	(250,000)
Depreciation and amortisation expense	(75,000)
<b>Operating profit</b>	<b>(125,000)</b>
Finance Income	150,000
Income from JVs and Associates	200,000
Gain from disposal of investment	500,000
<b>Profit before financing and income taxes</b>	<b>725,000</b>
Interest expense on borrowings and lease liabilities	(100,000)
<b>Profit before income tax</b>	<b>625,000</b>
Income tax expenses	(200,000)
<b>Profit for the year</b>	<b>425,000</b>



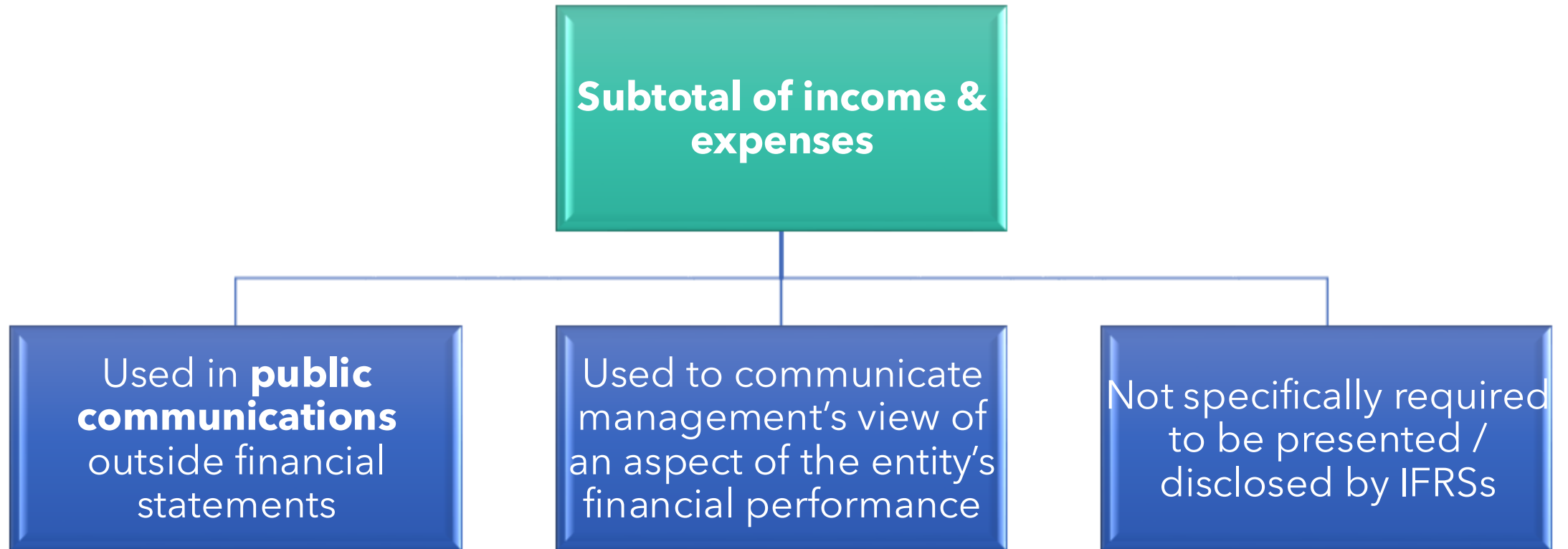
Operating

Investing

Financing



# MANAGEMENT-DEFINED PERFORMANCE MEASURES (MPMS)





# MPMS



Explanations of why, in management's view, the MPM provides useful information about the entity's financial performance



How the MPM is calculated



Reconciliation to the nearest comparable IFRS subtotal



Subject to audit



# POTENTIAL IMPACTS



New subtotal of **Operating Profit** excluding income from JVs, associates and investments

Entities may need to “**remap**” their accounting systems

Subsidiaries may have different main business activities to the group and therefore items may be presented differently to the Group

**Identifying MPMs** and incorporate the MPM disclosures into the financial statements

The background of the slide features a close-up of a black compass with a silver rim, resting on a map. The compass needle is green and points towards the bottom-left. The map has red lines and numbers, including '120' and '57'. The title text is overlaid on the compass.

# AMENDMENTS TO CLASSIFICATION AND MEASUREMENT OF FINANCIAL INSTRUMENTS



# OVERVIEW OF THE AMENDMENTS

Effective date:  
1 January 2026

Derecognition  
of financial  
liabilities when  
using an  
electronic  
payment system

Classification of  
financial assets  
with ESG linked  
features

Financial assets  
with non-  
recourse  
features

Additional  
disclosures for  
equity  
instruments  
classified at  
FVOCI



# GENERAL RULE FOR DERECOGNITION OF A FINANCIAL LIABILITY

General derecognition rule in AASB 9 for  
financial liabilities



**SETTLEMENT DATE** i.e. when cash is received by  
the creditor

Unless  
B3.3.8  
applies

*B3.3.8 introduces new guidance when derecognising financial liabilities that are settled with cash using an electronic payment system*



# **IFRS 9. B3.3.8 SETTLEMENT IN CASH USING AN ELECTRONIC PAYMENT SYSTEM**

Permitted to deem the financial liability to be discharged before the settlement date if, and only if, the entity has initiated a payment instruction:

No practical ability to withdraw, stop or cancel;

No practical ability to access the cash to be used for settlement;  
and

The settlement risk associated with the electronic payment system is insignificant



# **LIMITATION OF THE EXCEPTION**

- Not available for other settlement methods. E.g.:
  - Cheques
  - Debit
  - Credit cards
- Not available for electronic payment systems that do not meet the IFRS 9.B3.3.8 criteria
- Does not apply to financial assets e.g. trade receivables / inter company loan receivables





# IFRS INTERPRETATION COMMITTEE AGENDA DECISIONS





# IFRS INTERPRETATION COMMITTEE AGENDA DECISION: CLIMATE-RELATED COMMITMENTS (IAS 37)



# QUESTIONS

Does the entity have a constructive obligation?

Does the constructive obligation satisfy the criteria for recognising a provision?

If a provision is recognised, is the expenditure required to settle it recognised as an expense or as an asset?



# FACT PATTERN

In 20X0 an entity, a manufacturer of household products, publicly states its commitment:



To reduce its current greenhouse gas emissions by at least 60% by 20X9



To offset its remaining emissions in 20X9 and thereafter, by buying carbon credits and retiring them from the carbon market.



## FACT PATTERN

- Entity publishes a detailed plan setting out how it will gradually modify its manufacturing methods between 20X1 and 20X9 to achieve the 60% reduction in emissions by 20X9
- Involve investing in more energy-efficient processes, buying energy from renewable sources and replacing existing petroleum-based product ingredients and packaging materials with lower-carbon alternatives
- Management is confident that the entity can make all these modifications and continue to sell its products at a profit



# IF THE STATEMENT CREATES A CONSTRUCTIVE OBLIGATION...

**Does not recognise a provision when it makes the statement**



At that time, no past event has occurred



Constructive obligation not a present obligation as a result of a past event

**As the entity emits greenhouse gases from 20X9 onwards, it will incur a present obligation**



Recognise provision assuming:

- Not already retired the carbon credits needed to offset its past emissions; and
- A reliable estimate can be made of the amount





TDM	729.89	915.51	185.62	▲25.43%	FLR	660.27	745.28	85.01	▲12.88%
HUM	749.73	924.29	174.56	▲23.28%	UVD	155.59	181.57	25.98	▲16.70%
DMW	833.72	1004.01	170.29	▲20.43%	QUV	440.55	540.21	99.66	▲22.62%
YZJ	903.49	1127.46	223.97	▲24.79%	HZT	285.51	344.98	59.47	▲20.83%
GLY	982.07	1219.39	237.32	▲24.17%	PCW	811.44	1029.66	218.22	▲26.89%
VDA	113.74	143.41	29.67	▲26.09%	AIK	361.77	451.39	89.62	▲24.77%
UVV	468.08	535.41	67.33	▲14.38%	ZJJ	858.36	994.57	136.21	▲15.87%
HJS	545.49	659.05	113.56	▲20.82%	RHJ	894.79	1046.68	151.89	▲16.97%
EOC	566.96	664.69	97.73	▲17.24%	VGV	425.08	509.95	84.87	▲19.97%

PPJ	912.63	1038.36	125.73	▲13.78%	ZBK	391.59	491.48	99.89	▲25.51%
UAQ	1309.55	1655.62	346.07	▲26.43%	BNY	969.21	1130.65	161.44	▲16.86%
AAQ	1255.17	1641.66	386.49	▲30.76%	STW	735.41	933.39	197.98	▲27.05%
NR	654	775.84	121.84	▲18.63%	T	423.41	566.47	143.06	▲33.79%
TM	643	867.21	224.21	▲34.87%					

# REVENUES AND EXPENSES FOR REPORTABLE SEGMENTS

( I F R S 8 )





# IMPACT

Greater disaggregation and more disclosure on segment P&L items for each reportable segment



# REQUEST

How does an entity apply the requirements in paragraph 23 of IFRS 8 *Operating Segments* in relation to disclosing specified amounts related to segment profit or loss?



# AASB 8.23

## Specified Amounts

Disclosure  
required

Included in the measure of  
segment profit or loss  
reviewed by the CODM

OR

Are regularly provided to the  
CODM, even if not included  
in segment profit or loss



# SPECIFIED AMOUNTS

Revenue from  
external  
customers

Revenue from  
transactions with  
other operating  
segments

Interest revenue

Interest expense

Depreciation &  
amortisation

Material items of  
income & expense

Interest in profit or  
loss of associates  
and JV under the  
equity method

Income tax  
expense or  
income

Material non-cash  
items other than  
depreciation and  
amortisation

# WHAT IS CONSIDERED MATERIAL?



Write-downs of inventories to NRV or of PPE to recoverable amount, as well as any reversals



Restructurings expenses and reversals of any restructuring provisions



Disposals of items of PPE



Disposals of investments



Discontinued operations



Litigation settlements



Other reversals of provisions





# GUARANTEES ISSUED ON OBLIGATIONS OF OTHER ENTITIES







# GUARANTEES ISSUED ON OBLIGATIONS OF OTHER ENTITIES

Useful framework

No significant  
changes expected in  
practice

**!Common error! - Some contingent liabilities should be financial liabilities!**



# HOW AN ENTITY ACCOUNTS FOR GUARANTEES IT ISSUED

An entity guarantees to make a payment to:



BANK



CUSTOMER



3<sup>RD</sup> PARTY

JV fails to:

- meet its contractual obligations under its service contracts or partnership agreements
- make payments when due



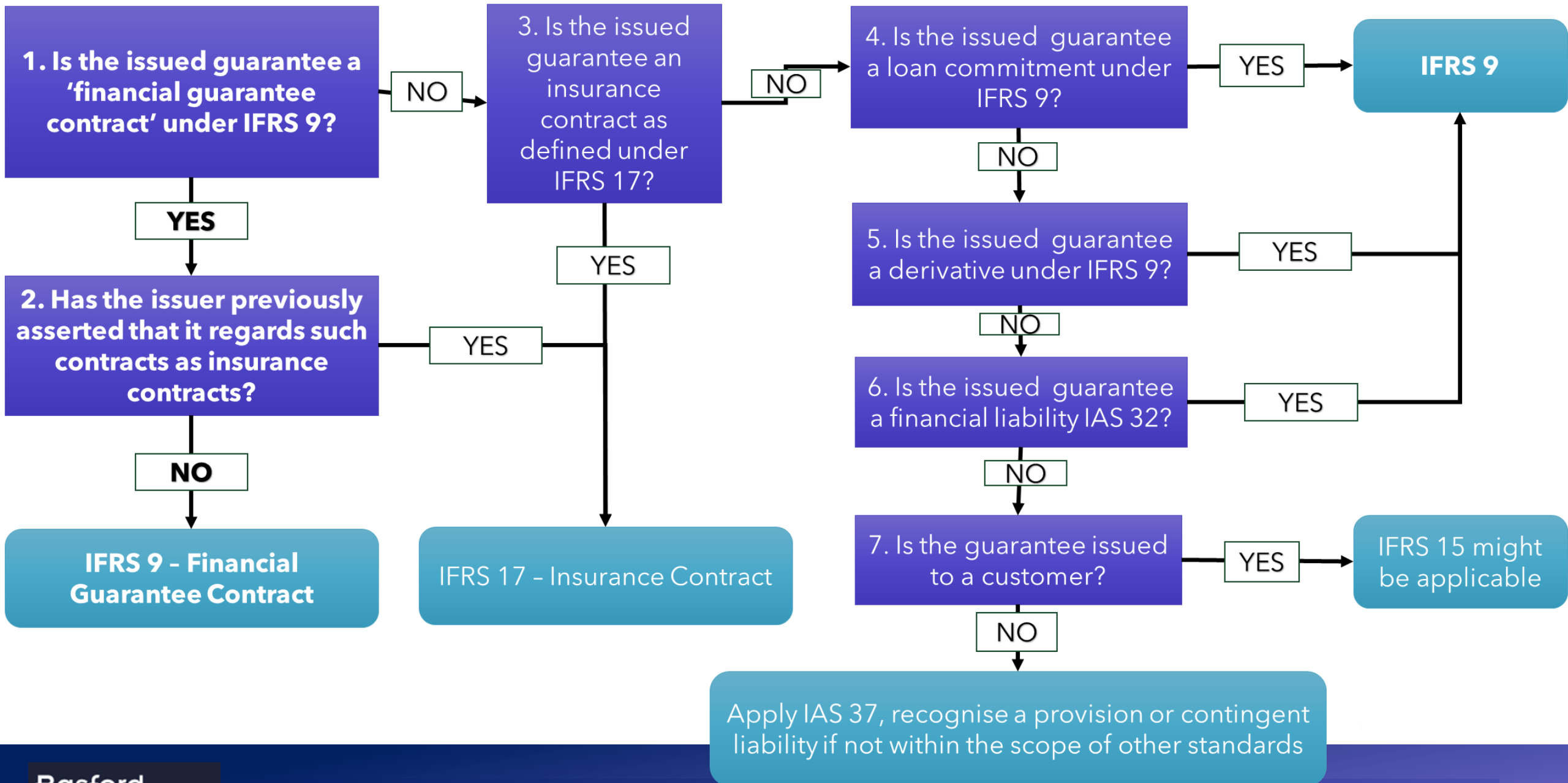
# QUESTION ASKED:

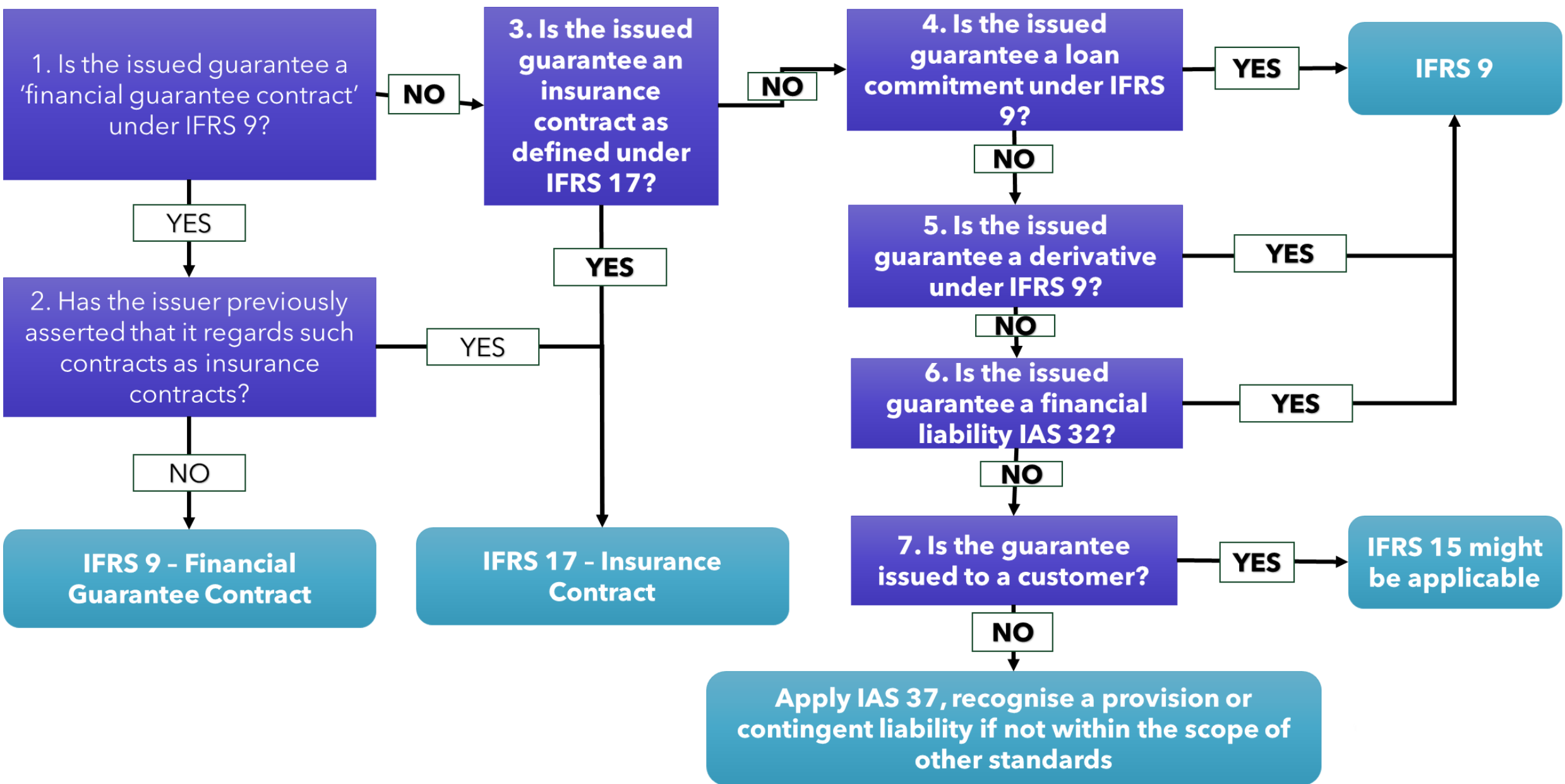


IFRS 9 Financial  
guarantee contracts?



Other IFRS  
Accounting  
Standards?





A photograph of a school hallway with a checkered tile floor. Several students are walking towards the camera. On the left, there are yellow doors and a bulletin board. On the right, there are blue lockers. The text 'REVENUE RECOGNITION FROM TUITION FEES' is overlaid in the center in large white letters.

# REVENUE RECOGNITION FROM TUITION FEES





# RECOGNISE REVENUE

**Reminder: Revenue is only recognised when the customer obtains control and can benefit from the service**





# PERIOD TO RECOGNISES REVENUE FROM TUITION FEE



Students attend for approximately 10 months of the year with 2 months summer break

During the summer break:

- 4 week staff holiday
- Wrap up the previous academic year, e.g. marking and issuing certificates;
- Prepare for the next academic year

4 week holiday

- Academic staff continues to be employed and receive salary but provides no teaching services
- Non-academic staff provides some administrative support
- Institution continues to receive and pay for services such as IT and cleaning



# QUESTION ASKED:



10 months?



12 months?



Different period?



# FINDINGS & CONCLUSIONS



Facts and circumstances based



Mostly recognise revenue over the academic year



Some recognise over a different period reflecting different the different set of facts and circumstances



# RELATED PARTIES



# RELATED PARTIES



AASB 124



ASA 550



Material



## RELATED PARTIES

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Disclose all transactions

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Terms of transactions

# RELATED PARTIES



Procurement through BVI



Sell equipment at a discount



Use company fuel



Use company employees



Use company properties







# RELATED PARTY- CONTROLS



Complete



Approved



Code of conduct



Policies

# SECTION BREAK

Take a moment to relax, connect, and enjoy some light refreshments.

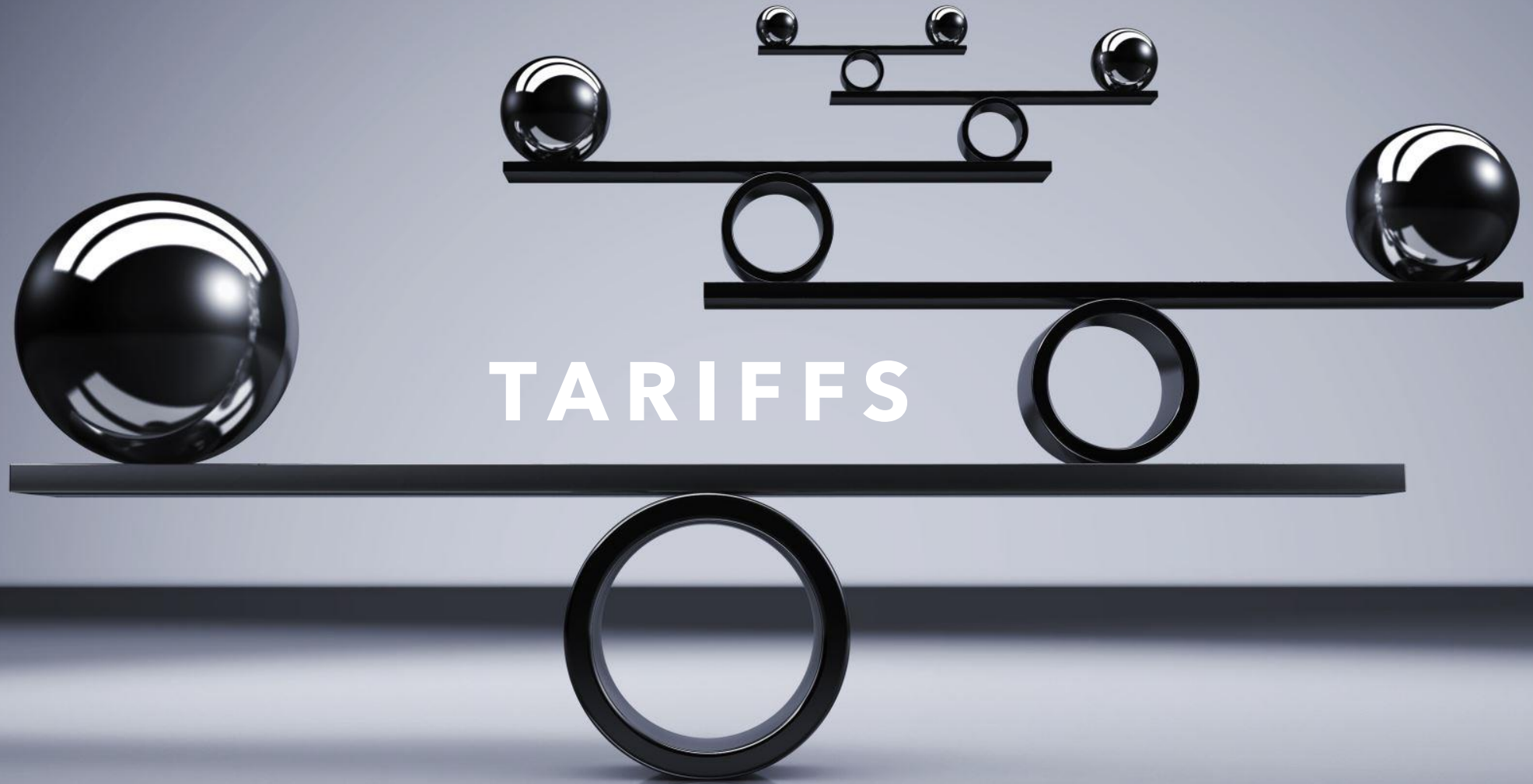
We'll resume shortly.





# ECONOMIC CLIMATE JUNE 2025







# TARIFFS



Risks



Subsequent events



Going Concern



# TARIFFS - RISKS



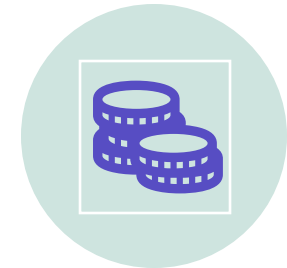
Forecasts



Discount rate



Cash flow  
forecasts



Costs to  
complete





# ECONOMIC CLIMATE

## JUNE 2025

# ECONOMIC CLIMATE

- Inflation
- High interest rates
- Bankruptcies
- Supply chain issues
- Labour shortages
- Focus on ESG / Sustainability
- Lithium and Nickel





# ECONOMIC CLIMATE

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Global Uncertainty

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Companies under pressure

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Difficult to raise finance

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Wage increases

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Increased interest costs

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Increased cost of raw materials

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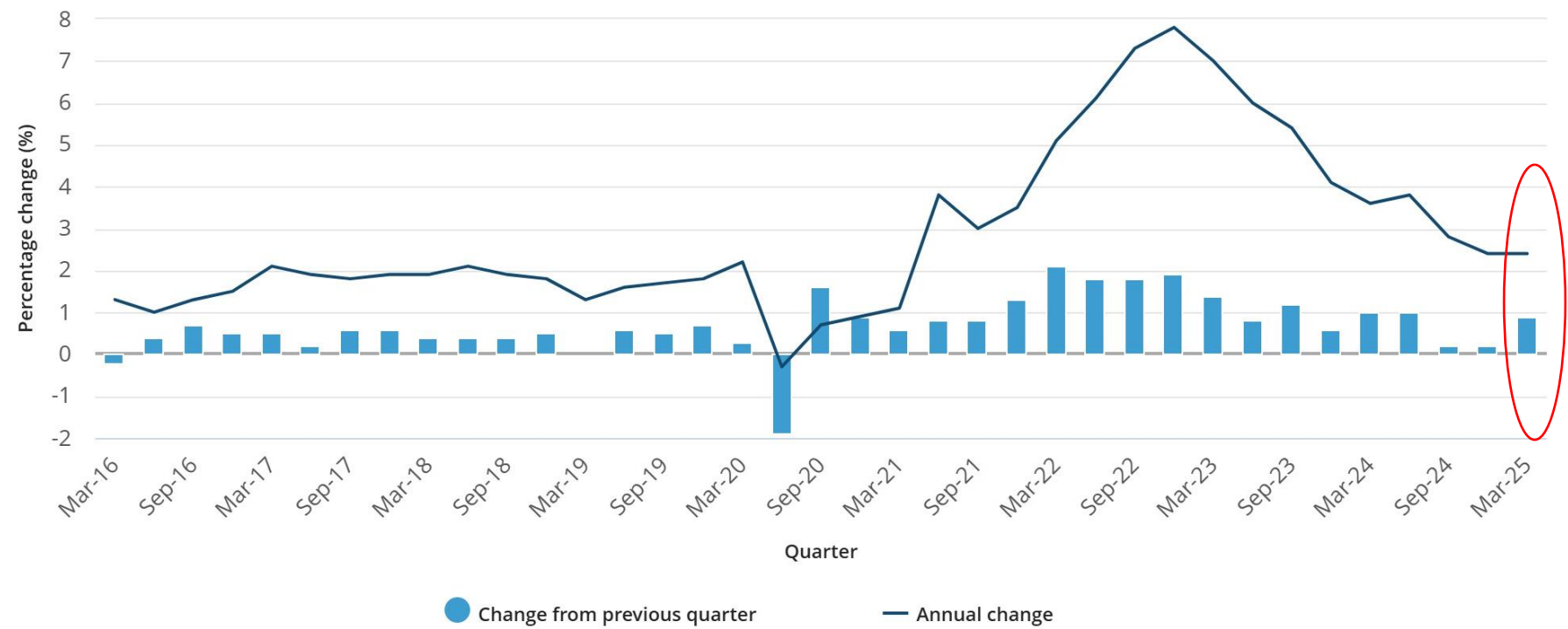
Increased cost of transport

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Increased overheads



All groups CPI, Australia, quarterly and annual movement (%)



Source: Australian Bureau of Statistics, Consumer Price Index, Australia March Quarter 2025

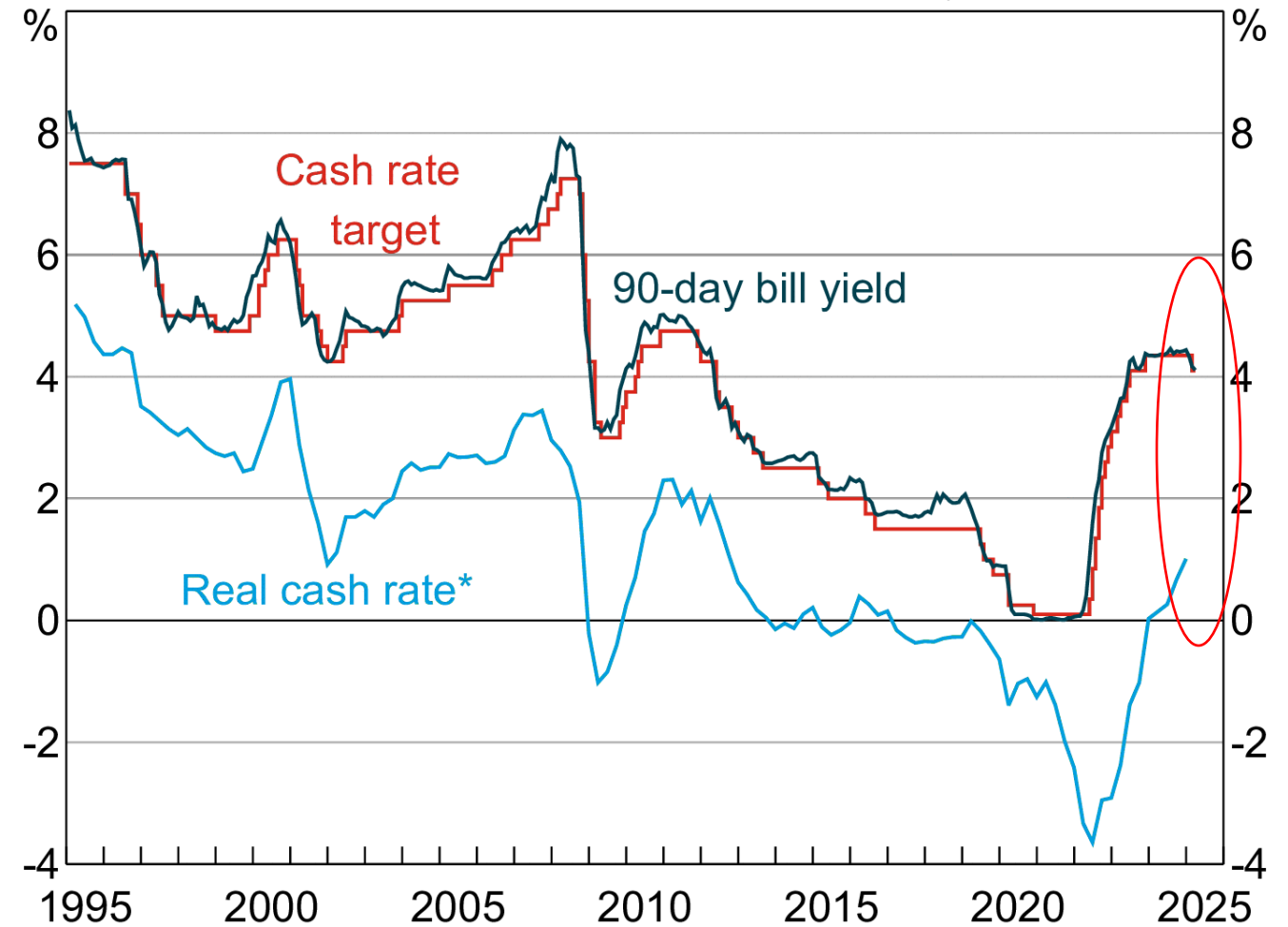
# AUSTRALIAN INFLATION RATE





# AUSTRALIAN INTEREST RATE CHARTS

## Australian Cash Rate and 90-day Bill Yield



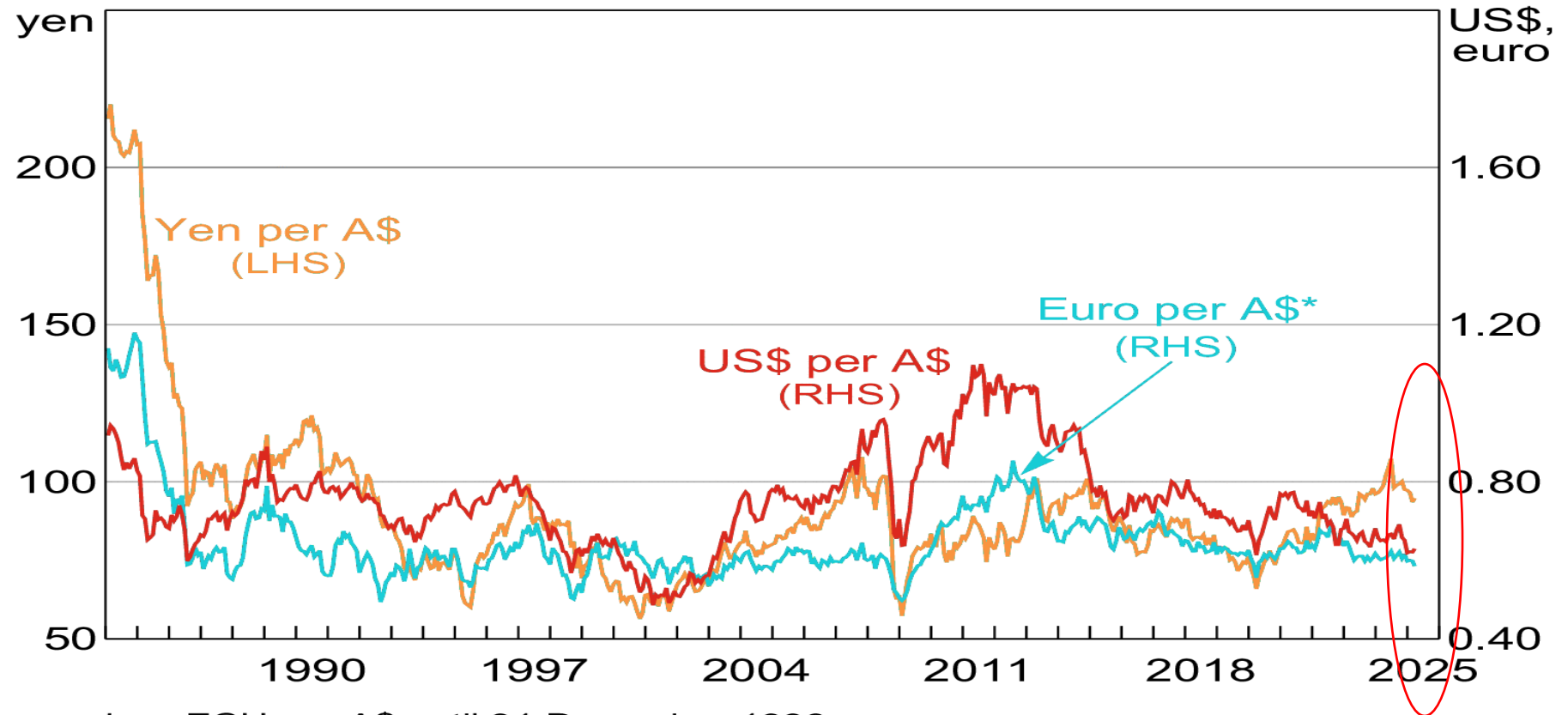
\* Calculated using average of year-ended weighted median inflation and year-ended trimmed mean inflation.

Sources: ABS; AFMA; ASX; RBA.



# AUD \$

## Australian Dollar



\* ECU per A\$ until 31 December 1998.

Source: Bloomberg.



# ASIC INSOLVENCY DATA SHOWS INCREASE IN COMPANIES FAILING



10,880 companies  
entered external  
administration



40% increase



Construction 3,948

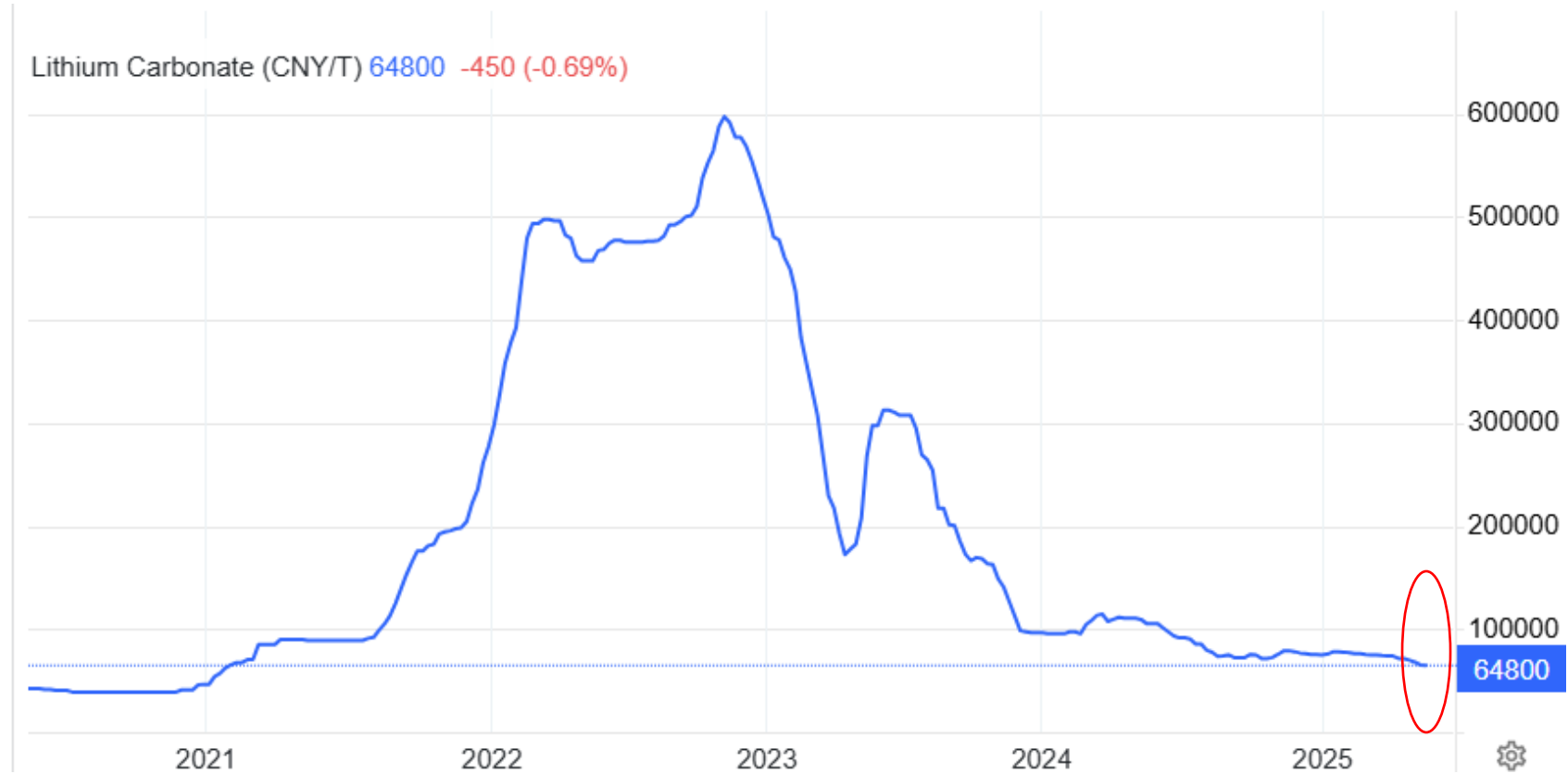


Accommodation and  
food services  
industries 2,657





# LITHIUM





# NICKEL PRICE

LME Nickel Official Prices graph





# ECONOMIC CLIMATE



Delays in completing contracts



Increased costs in completing contracts



Increased risk customers will go bankrupt



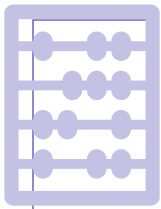
Uncertainty as to demand



Less profitable



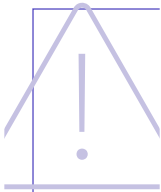
# ACCOUNTING CONSEQUENCES



Revenue recognition  
(Construction  
contracts) AASB 15



Impairment triggers  
AASB 136



Impairment trigger  
AASB 6




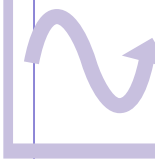
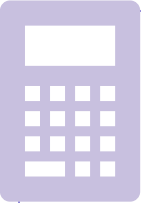
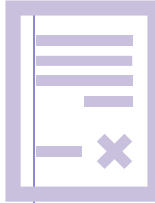
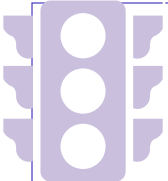

Impairment non-  
financial assets AASB  
136



Impairment of  
inventory (AASB 102)



# ACCOUNTING CONSEQUENCES

	Credit losses (AASB 9)		Fair value of non-financial assets AASB 13, AASB 116, AASB 140, AASB 141
	Fair value of financial assets AASB 9		Onerous contracts AASB 137
	Going concern AASB 101		Disclosures AASB 101 AASB 13



# ASIC'S FOCUS AREAS





Asset  
values

Provisions

Subsequent  
events

Disclosures

**ENDURING ASIC FOCUS AREAS**

# ASSET VALUES - IMPAIRMENT OF NON-FINANCIAL ASSETS



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Goodwill, indefinite useful life intangible assets and intangible assets not yet available for use must be tested for impairment annually.

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Entities adversely impacted in the current environment may have new or continuing indicators of impairment

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Key assumptions, supporting the carrying amount of non-financial assets, should be appropriate

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Valuation method used should be appropriate, use reasonable and supportable assumptions, and be cross checked

# ASSET VALUES - IMPAIRMENT OF NON- FINANCIAL ASSETS



Market cap is generally not representative of FV of a business



Values from applying the market cap. to revenue ratio generally more appropriate for valuation cross-checks



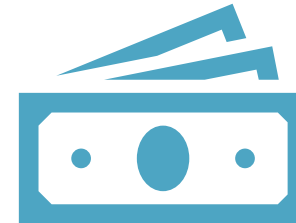
Disclosure



# ASSET VALUES - VALUES OF PROPERTY ASSETS



**Commercial and retail property  
values**



**Lessee right-of-use assets**



# ASSET VALUES - ECLS ON LOANS AND RECEIVABLES

Reasonable and supportable assumptions

Reliable and up-to-date information

Short-term liquidity issues, financial condition and earning capacity of borrowers & debtors

Accuracy of ageing

Using forward looking assumptions and not assuming all collectible

Relevance of past history of credit losses

Possible future losses, using probability weighted scenarios as necessary

Disclosure of estimation uncertainties and key assumptions



# ASSET VALUES - ECLS ON LOANS AND RECEIVABLES

ECLs should be a focus for companies in the financial sector and other sectors

Financial institutions should have particular regard to the impact of current economic and market conditions and uncertainties on ECLs

Includes assessing:

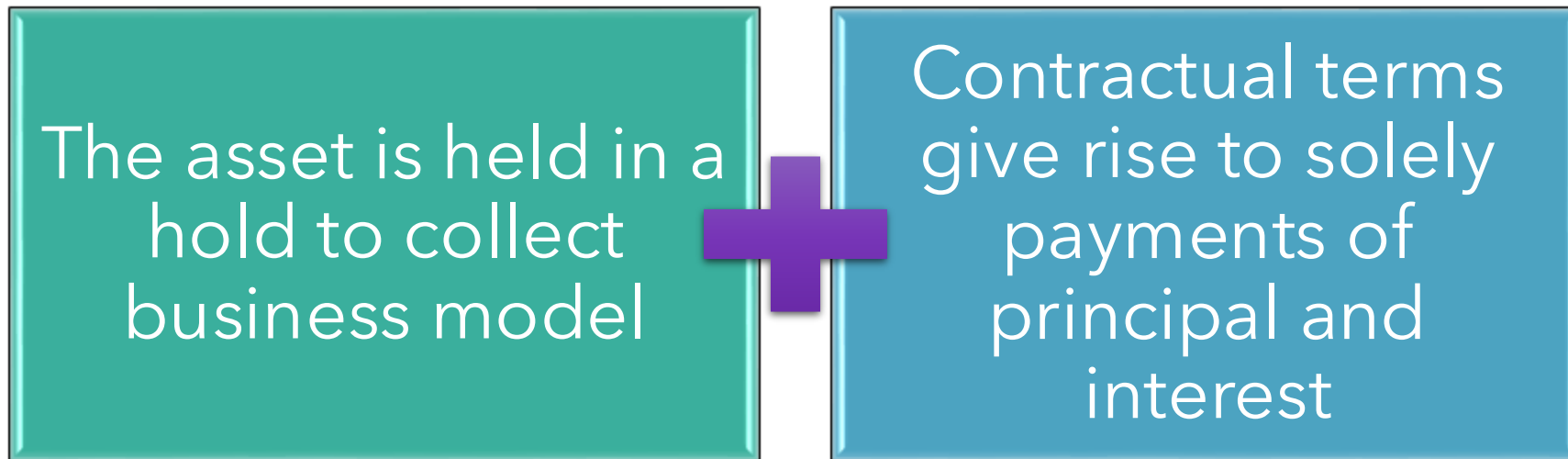
- Whether there are significant increases in credit risk for particular groups of lenders
- Adequacy of data, modelling, controls and governance in determining ECLs;
- Disclosing uncertainties and assumptions



# ASSET VALUES - FINANCIAL ASSET CLASSIFICATION



- Criteria for amortised cost classification





# ASSET VALUES - OTHER ASSETS



NRV of inventories



Deferred tax assets



Investments in unlisted entities

# CONSIDER THE NEED FOR & ADEQUACY OF PROVISIONS



ONEROUS  
CONTRACTS



LEASED  
PROPERTY MAKE  
GOOD



MINE SITE  
RESTORATION



FINANCIAL  
GUARANTEES  
GIVEN



RESTRUCTURING



# SUBSEQUENT EVENTS



Do they affect assets, liabilities, income or expenses at year-end?



Do they relate to new conditions requiring disclosure?



# DISCLOSURES - GENERAL CONSIDERATIONS



Specific to the entity



Disclose any changes



# DISCLOSURES IN THE FINANCIAL REPORT

Disclose  
uncertainties,  
changing key  
assumptions and  
sensitivities

Explain changes

Current/non-current  
classification





# DISCLOSURES IN THE OFR



Complimentary



Explain the underlying drivers of the results and financial position, as well as risks, management strategies and future prospects



Climate change risk



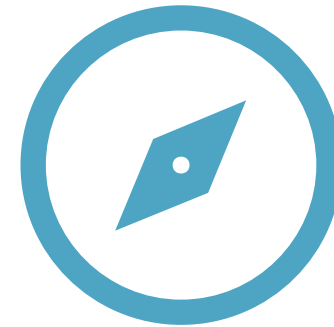
Cyber security risks



# NON-IFRS FINANCIAL INFORMATION



Should not be presented in a potentially misleading manner



Refer to RG 230 *Disclosing non-IFRS financial information*



# DISCLOSURE IN HALF-YEAR REPORTS

Significant  
developments

Changes in  
circumstances

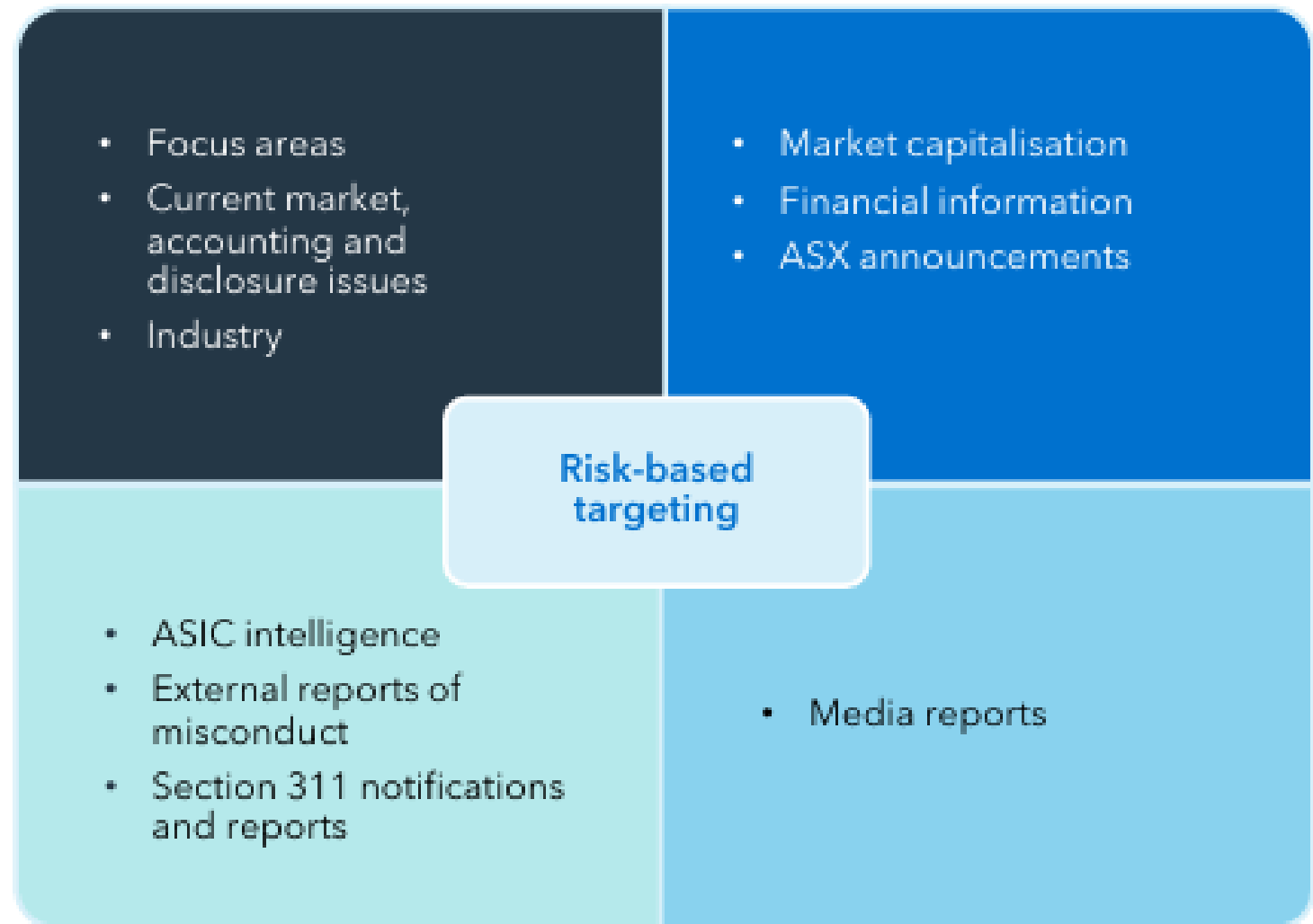


# ASIC'S ANNUAL FINANCIAL REPORTING AND AUDIT SURVEILLANCE REPORT



# ASIC'S RISK- BASED TARGETING

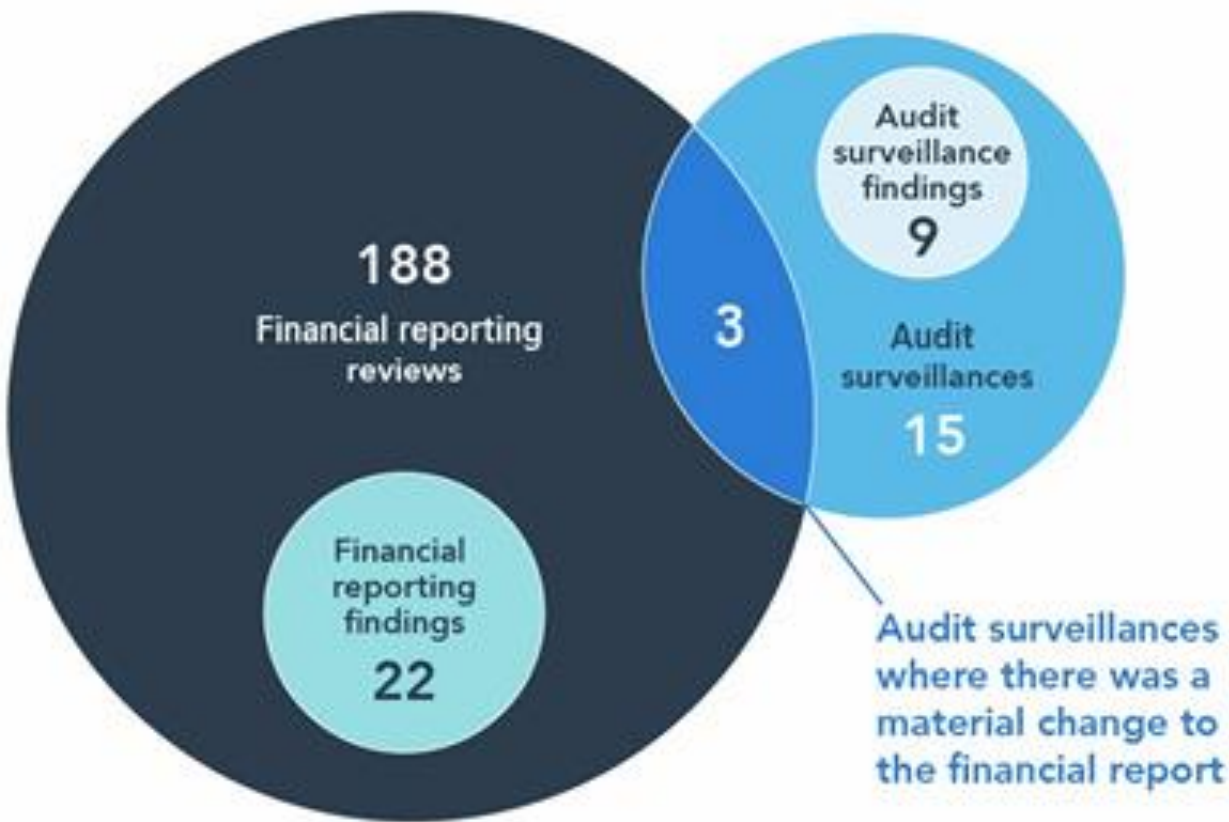
Figure 9: Components of risk-based targeting





# SURVEILLANCE RESULTS

Figure 1: Financial reporting reviews and audit surveillances where there was a material change to the financial report







# FINANCIAL REPORTING ISSUES

## Financial reporting surveillances by issue

Figure 2: Issues raised in financial reporting surveillances (all entities)





# WHAT WAS WRONG?

OFR - failure to provide balance in the reporting when disclosing material business risks

Asset classification between current and non-current assets

Failure to recognise impairment losses

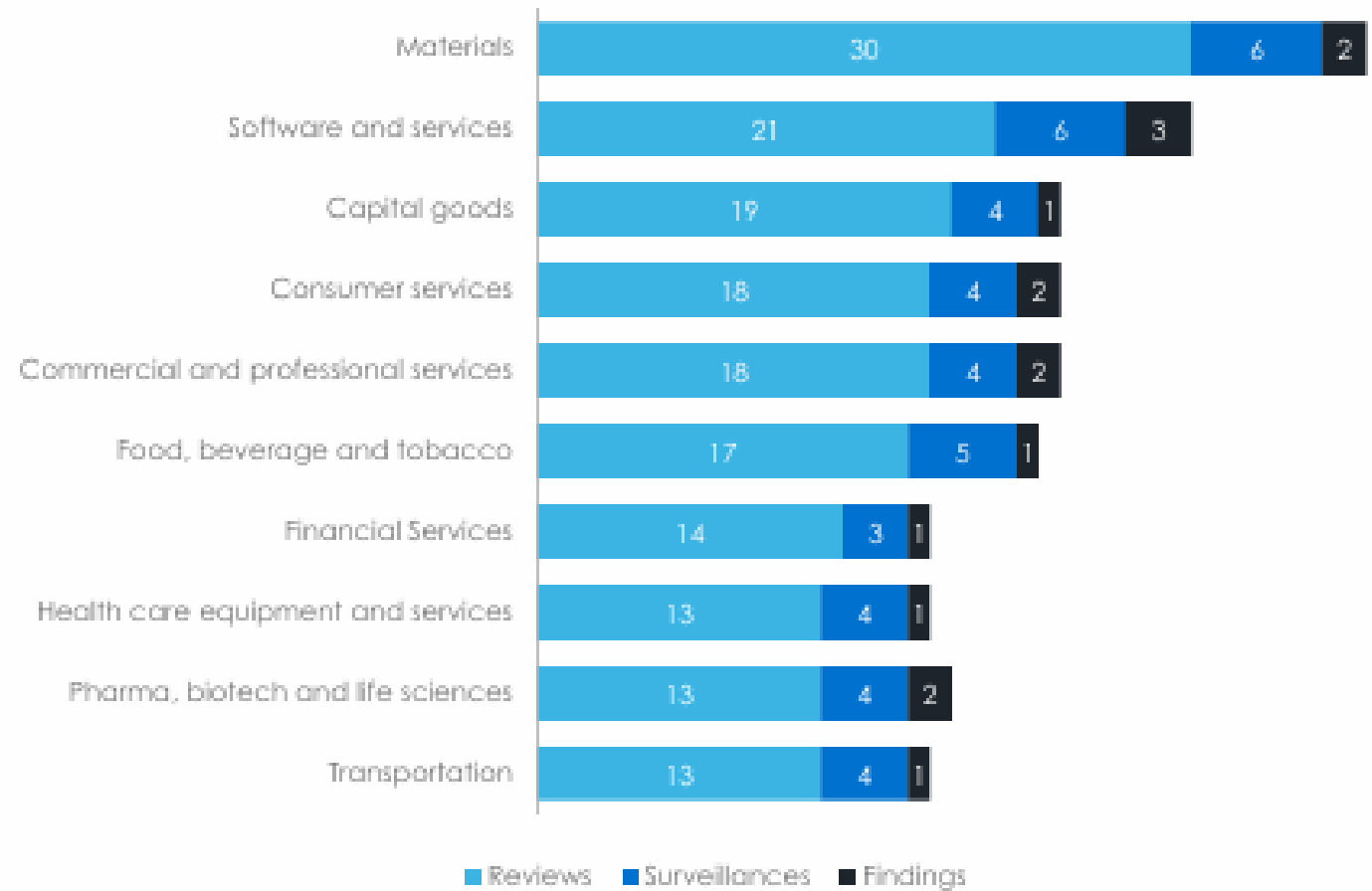
Non-IFRS profit information – reconciliation of non-IFRS profit measures

Revenue recognition – accounting policy disclosure and agent vs principal



# FINANCIAL REPORTING REVIEWS BY INDUSTRY

Figure 3: Top 10 industry reviews, surveillance and findings (all entities)







# LOOKING AHEAD

In 2024-25 ASIC's surveillance program will expand to include:

- Large Pty Ltd companies previously grandfathered from the requirement to lodge with ASIC
- Registrable superannuation entities
- Climate-related risks
- Consolidated entity disclosure statement requirements
- Auditor compliance requirements





# SUSTAINABILITY / ESG REPORTING IN AUSTRALIA





# TIMELINE

TIMELINE		
2025  31 December 2025 30 June 2026	Group1	Entities fulfilling 2 of the following criteria: <ul style="list-style-type: none"><li>• Employees &gt;500</li><li>• Consolidated assets &gt;\$1 billion</li><li>• Consolidated revenue &gt; \$500m</li></ul> NGER reporting entities that are “controlling corporations”
2026-27 30 June 2026	Group 2	Employees >250 Consolidated assets >\$500m Consolidated revenue > \$200m
2027-28 30 June 2027	Group 3	Employees >100 Consolidated assets >\$25m Consolidated revenue > \$50m





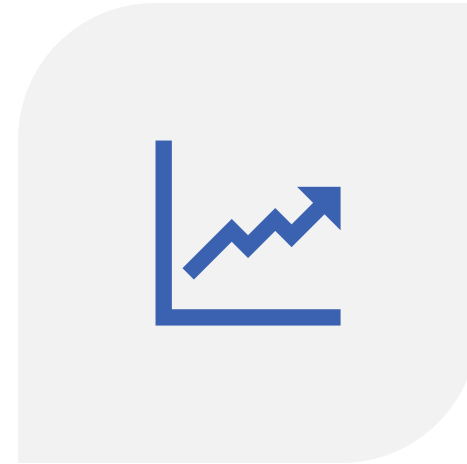
# **PROPOSED 5TH EDITION OF THE ASX CORPORATE GOVERNANCE PRINCIPLES AND RECOMMENDATIONS**



# PROPOSED CHANGES ARE INTENDED TO



**STRENGTHEN LISTED  
ENTITIES' GOVERNANCE**



**INCREASE TRANSPARENCY  
FOR INVESTORS**



- 5th Edition to be issued early in calendar 2025
- Potentially take effect for financial years commencing on or after 1 July 2025



# **TIMELINE**

# Basford

Consulting