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A-IFRS vs IFRS

Differences between Australian equivalents to International Financial Reporting Standards (A-IFRS) and International Financial Reporting Standards (IFRS)

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Deloitte is pleased to present our publication Differences between Australian Equivalents to International Financial Reporting Standards (A-IFRS) and International Financial Reporting Standards (IFRS).

From 1 January 2005, thousands of companies, particularly in Australia and Europe, have started applying for the first time IFRS or standards equivalent to IFRS. This will ultimately lead to greater comparability between the financial reports of Australian entities and their international counterparts. However, as the Australian Accounting Standards Board (AASB) considered the issuance of IFRS in Australia, several amendments were made to the finalised A-IFRS, including the removal of certain options permitted under IFRS, the inclusion of additional implementation guidance and other minor wording changes. As a result of these changes, the choices available and some of the implementation considerations encountered by Australian entities will differ somewhat compared to their international counterparts, despite the fact that Australian companies applying A-IFRS will generally be able to make an unreserved statement of compliance with IFRS.

The objective of this Publication is to provide a summary of key differences between the requirements of A-IFRS compared to IFRS. The publication does not attempt to capture all of the differences between A-IFRS and IFRS that may exist or that may be material to a particular company's financial report. In this publication, we have focused on differences that are commonly found in practice.

Deloitte is globally committed to the international convergence of accounting standards, as evidenced by our global IFRS web site, IAS PLUS (www.iasplus.com), which contains a wealth of information, thought leadership articles, publications and a myriad of other resources. In Australia, we have been recognised for our work on IFRS with a special 'Accounting Services Special Award' in the CFO Magazine 2004 Awards and the Business Review Weekly Most Innovative Firm Award 2005 – this Publication continues our tradition of delivering real value to our clients.

We trust that you will find this Publication a useful tool in your transition process and that this publication makes a positive contribution to the resolution of the various issues raised.

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Yours sincerely

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Executive summary

The Australian Accounting Standards Board (the AASB) has issued 41 Accounting Standards (Standards), referred to as Australian equivalents to International Financial Reporting Standards (A-IFRS), applicable for annual reporting periods beginning on or after 1 January 2005. Early adoption of the Standards is not permissible either on a piecemeal basis or in their entirety. Compliance with A-IFRS in the consolidated financial report of for-profit entities also equate to compliance with International Financial Reporting Standards (IFRS). However, compliance with IFRS will not necessarily equate to compliance with A-IFRS.

A-IFRS is not consistent with IFRS because of:

- wording amendments to accommodate the Australian legislative environment, for example, reference to the Corporations Act 2001 in the application paragraphs
- the deletion of transitional provisions in individual Standards due to the application of AASB 1 'First-Time Adoption of Australian Equivalents to International Financial Reporting Standards' on transition to A-IFRS
- additional/amended requirements for not-for-profit entities
- in some cases, the AASB permitting only one of a number of options available in the corresponding IFRS
- additional disclosures.

This document provides a high level summary of the key differences between A-IFRS and IFRS. The differences are based on A-IFRS and IFRS applicable for annual reporting periods beginning on or after 1 January 2005 and do not take into account any future amendments expected as a result of existing International Accounting Standards Board (IASB) or AASB projects.

This publication should not be considered to be a complete and exhaustive list of all differences between A-IFRS and IFRS. The intention of the publication is to assists first-time adopters of A-IFRS in understanding the key differences between A-IFRS and IFRS. The publication will be a useful guide in the following circumstances:

- foreign subsidiaries of Australian companies who are reporting under IFRS for local reporting purposes but require an understanding of A-IFRS for the purpose of consolidation in the Australian parent entity's financial report
- overseas reporting of foreign-owned Australian companies where the foreign parent entity is applying IFRS.

Exclusions

This publication does not attempt to capture all of the differences between A-IFRS and IFRS that exist, or may be material, to a particular company's financial report. In this publication, we have focussed on differences that are commonly found in practice. Specifically, this publication does not cover differences related to:

Not-for profit entities	A-IFRS applies to not-for profit entities preparing general purpose financial reports, whilst IFRS have been written with the intention that they apply to profit-oriented entities. Several A-IFRS have been amended to incorporate requirements that are only applicable to not-for profit entities, which may result in not-for-profit entities being able to claim compliance with A-IFRS but not simultaneously with IFRS.
Disclosures	Additional Australian disclosure requirements have been included in A-IFRS. The additional Australian disclosures will not prevent IFRS compliance. However, AASB 130 'Disclosures in the Financial Statements in Banks and Similar Financial Institutions' and AASB 132 'Financial Instruments: Disclosure and Presentation' contain relief from certain disclosures required by these Standard for parent entity financial reports where the financial report contains both consolidated and parent entity financial statements. Therefore, compliance with IFRS may not be possible in the parent entity financial statements where an entity avails itself of the disclosure relief provided in AASB 130 or AASB 132.

Other amendments with limited consequences
As noted above, the AASB has amended A-IFRS to accommodate the Australian legislative environment and other Australian-specific circumstances. The following are some of the other amendments made by the AASB which are considered to have limited consequences:

- inclusion of an application paragraph in each A-IFRS which generally makes reference to the Corporation Act 2001 and the concept of 'reporting entities' and 'general purpose financial reports'
- removal of effective dates contained in IFRS and the inclusion in A-IFRS that the Standards are applicable to financial years beginning on or after 1 January 2005 and cannot be early adopted
- inclusion of a statement in each A-IFRS that the requirements of a Standard are applicable where the information resulting from the Standard is material in accordance with AASB 1031 'Materiality'. The concept of materiality in IFRS is explained in the Framework for the Preparation and Presentation of Financial Statements and despite less guidance significant differences in interpretations should not arise.

Key differences

The table below provides a summary of the key differences between A-IFRS and IFRS, focusing on the recognition and measurement principles.

AASB reference[1]	Topic	A-IFRS	IFRS	Impact
Business combinations				
AASB 3.3-Aus3.2	Business combinations involving businesses or entities under common control.	Such transactions are included in the scope of AASB 3 for entities reporting under the Corporations Act and therefore the purchase method must be applied. Non-Corporations Act entities may elect to account for a reconstruction within a reporting entity at book value. (Note: The AASB has issued a revised AASB 3 which excludes business combinations involving businesses or entities under common control from the scope of the Standard. The revised AASB 3 is applicable for annual reporting periods beginning on or after 1 January 2006 but can be adopted earlier).	Such transactions are excluded from the scope of IFRS 3 and are commonly recognised based on existing book values.	Australian entities that do not adopt the revised AASB 3 early are required to carry out additional work to comply with AASB 3, such as identifying an acquirer, determining fair values of net assets and contingent liabilities. Most international entities commonly recognise combinations under common control based on existing book values. The Australian treatment may result in different outcomes in listed company financial reports to IFRS where 'business combination' transactions occur before entities are floated, split up, demerged etc. Where combinations lead to substantial fair value increases or goodwill, the Australian treatment will affect future profitability due to higher depreciation and amortisation expense, and potentially impairment of assets.
Insurance contracts				
AASB 4, AASB 1023, AASB 1038	General Insurance Contracts and Life Insurance Contracts.	General and life insurance contracts are excluded from the scope of AASB 4. Prescriptive accounting requirements, consistent with the principles of AASB 4, are contained in AASB 1023 'General Insurance Contracts' and AASB 1038 'Life Insurance Contracts'.	General and life insurance contracts are within the scope of IFRS 4, which prescribes some basic recognition and measurement requirements but allows various accounting policies to be adopted.	Alternative accounting policies may be applied by international entities under IFRS, limiting the comparability of financial information between Australian entities and their international counterparts.

AASB reference[1]	Topic	A-IFRS	IFRS	Impact
Extractive industries				
AASB 6	Exploration for and Evaluation of Mineral Resources.	Additional Australian specific requirements effectively limit the accounting policies available to Australian entities to those that were applied prior to transition to A-IFRS in accordance with the superseded AASB 1022 'Accounting for the Extractive Industries'.	International entities adopting IFRS 6 may continue to use the accounting policies applied immediately before adopting the IFRS with limited exceptions. However, as there was no previous IFRS guidance in relation to extractive industries, a variety of different alternative policies may be applied under IFRS.	Alternative accounting policies may be applied by international entities under IFRS, limiting the comparability of financial information between Australian entities and their international counterparts.
Presentation of financial statements				
AASB 101.17-101.20	True and fair override.	The Corporations Act 2001 does not permit departures from Australian Accounting Standards and other mandatory professional requirements. In the extremely rare circumstances where it is believed a true and fair override is required, the perceived misleading aspects of compliance should be explained through disclosure of additional information.	IFRS permits departure from the requirements of a Standard if compliance would be so misleading that it would conflict with the objective of financial statements set out in the Framework and if the relevant regulatory framework requires, or otherwise does not prohibit, such a departure.	Australian entities will be subject to a more rules based set of accounting standards whereas international entities will be able to apply more principle based accounting policies and argue substance over form and fair presentation.
AASB 101. Aus45.1	Language.	Financial reports must be presented in the English language.	Not addressed in IAS 1.	Difference is not expected to have a significant impact on financial information reported under A-IFRS compared to IFRS.
AASB 101.48.1	Rounding of financial information.	Australian entities must assess the regulatory framework to determine the level of rounding permitted. Refer ASIC Class Order 98/0100 for the conditions required to be met in order for companies to round off amounts.	Permits rounding if the level of rounding is disclosed and material information is not omitted.	Difference is not expected to have a significant impact on financial information reported under A-IFRS compared to IFRS.

AASB reference[1]	Topic	A-IFRS	IFRS	Impact
Statement of cash flows				
AASB 107.18	Format of statement of cash flow.	Entities must use the direct method of reporting cash flows from operating activities. A reconciliation of cash flows arising from operating activities to profit or loss shall be disclosed in the notes to the financial report.	Permits both the direct and indirect method of presenting cash flows from operating activities. Under the indirect method, the profit or loss is adjusted for the effects of transactions of a non-cash nature, any deferrals or accruals of past or future operating cash receipts or payments, and items of income or expense associated with investing or financing cash flows.	Difference is not expected to have a significant impact on financial information reported under A-IFRS compared to IFRS.
AASB 107.34	Classification of dividends paid.	Dividends paid must be classified as cash flow from financing activities.	Dividends paid may be classified as a component of cash flows from financing activities or from operating activities in order to assist users to determine the ability of an enterprise to pay dividends out of operating cash flows.	Australian entities will be disclosing higher cash flows from operating activities compared to international entities electing to disclose dividends paid as part of operating activities. However, there is no impact on the total net increment/decrement in cash and cash equivalent disclosed.
Income taxes				
AASB 112.1-Aus2.1	Scope.	Applies to the accounting for income taxes and income tax equivalents in the public sector.	Applies to the accounting for income taxes.	Difference is not expected to have a significant impact on financial information reported by for-profit entities under A-IFRS compared to IFRS.
Segment reporting				
AASB 114.1.1	Scope.	Applies to all for-profit entities preparing general purpose financial reports.	Applicable to entities whose equity or debt securities are publicly traded and by entities that are in the process of issuing equity or debt securities in public securities markets.	Non-publicly traded Australian reporting entities are subject to more onerous disclosures compared to their international counterparts. In addition to compliance costs, Australian entities are forced to disclose potentially sensitive and confidential information that may not be disclosed by their international counterparts (including competitors) who are not publicly traded entities.

AASB reference[1]	Topic	A-IFRS	IFRS	Impact
Property, plant and equipment				
AASB 116.28	Government grants (refer also AASB 120.24 below).	Not permitted to reduce the carrying amounts of property, plant and equipment by government grants.	The carrying amount of an item of property, plant and equipment may be reduced by government grants in accordance with IAS 20 'Accounting for Government Grants and Disclosure of Government Assistance'.	The assets and liabilities in the balance sheet of Australian entities are 'grossed up' by the value of the grant whilst international entities have the option of recognising the asset 'net' of the grant.
Employee benefits				
AASB 119.54, 119.92.1	Defined benefit plans.	Actuarial gains and losses related to defined benefit plans must be recognised immediately through the profit and loss. (Note: The AASB has issued a revised AASB 119 which permits the use of the 'corridor' approach and introduces an alternative allowing actuarial gains and losses to be recognised directly in retained earnings. The revised AASB 119 is applicable for annual reporting periods beginning on or after 1 January 2006 but can be early adopted).	'Corridor approach' available whereby only a portion of actuarial gains and losses related to defined benefit plans are recognised as income/expense if the net cumulative unrecognised actuarial gains and losses exceed, at the end of the previous reporting period, the greater of: (a) 10% of the present value of the defined benefit obligation (b) 10% of the fair value of any plan assets. (Note: The IASB has also introduced the alternative of allowing actuarial gains and losses to be recognised directly in retained earnings. This alternative is applicable for annual reporting periods beginning on or after 1 January 2006 but can be early adopted.)	Australian entities that do not adopt the revised AASB 119 early may experience greater volatility in profit or loss due to the requirement for immediate recognition of the impacts of actuarial gains and losses on the assets and liabilities of the plan. Further, Australian entities who do not adopt the revised AASB 119 early may find it difficult to present a case that a later change in policy to the additional options will meet the requirements in AASB 108. This is because the AASB have indicated that they believe the immediate recognition of actuarial gains and losses through the profit or loss is the most conceptually sound and useful approach.
Accounting for Government Grants				
AASB 120.23	Non-monetary government grants.	Non-monetary government grants are required to be recorded at fair value.	Non-monetary government grants may be recorded at fair value or at a nominal amount.	Australian entities must determine the fair value of any non-monetary grants provided whilst international entities are able to record such grants at their nominal amount. In most cases, the fair value of non-monetary assets contributed is likely to be higher than its nominal value, thereby resulting in greater net asset values but also depreciation charges being recognised by Australian entities compared to international entities.

AASB reference[1]	Topic	A-IFRS	IFRS	Impact
Accounting for government grants (*continued*)				
AASB 120.24	Grants related to assets.	Presented in balance sheet as deferred income.	May be presented in balance sheet either as deferred income or by deducting the grant in arriving at the carrying amount of the asset.	The assets and liabilities in the balance sheet of Australian entities are 'grossed up' by the value of the grant whilst international entities have the option of recognising the asset 'net' of the grant. Australian entities will be required to track the period to period release of deferred income to the profit and loss to ensure matching with the related costs. International entities electing the 'net' approach will not be required to track such information.
AASB 120.29	Grant related to income.	Presented as a credit in the income statement.	May be presented as either a credit in the income statement or deducted in reporting the related expense.	The revenue and expenses of Australian entities are 'grossed up' by the value of the grant. However, there will not be any difference between the net profit or loss determined under A-IFRS and IFRS.
Consolidated and separate financial statements				
AASB 127.9-11	Exemption from preparing consolidated financial statements.	Each entity that is a parent of a group that is a reporting entity is required to prepare consolidated financial statements.	An exemption from preparing consolidated financial reports is provided where the parent's owners do not object to consolidated financial statements not being presented, the parent's debt or equity instruments are not traded in a public market and are not in the process of being issued into a public market, and the ultimate or any intermediate parent of the parent produces consolidated financial statements available for public use that comply with IFRS.	Australian entities will be subject to more detailed reporting requirements than their international counterparts requiring them to incur greater compliance costs. Further, not only does IFRS provide an exemption from the preparation of consolidated financial statements, it does not require the preparation of separate parent entity financial statements as required under the Corporations Act 2001 in Australia.
AASB 127.26-127.Aus27.1	Differences in reporting dates.	The Corporations Act 2001 requires a parent entity and its subsidiaries to have the same reporting date.	Different reporting dates between a parent entity and its subsidiaries is permitted so long as the difference is not more than three months and the financial statements of the subsidiaries used in the preparation of the consolidated financial statements are adjusted for significant transactions or events.	Difference is not expected to have a significant impact on financial information reported under A-IFRS compared to IFRS.

AASB reference[1]	Topic	A-IFRS	IFRS	Impact
Investment in associate				
AASB 128.13(b)	Accounting for associates.	Associates, not held for sale, are only exempted from being equity accounted where held by an investor whose owners do not object to the equity method not being applied, where debt or equity instruments are not publicly traded and are not in the process of being issued into a public market, and the ultimate Australian or any intermediary parent prepares and lodges consolidated financial reports in accordance with A-IFRS (instead of IFRS).	Associates, not held for sale, are exempt from being equity accounted where: • the exemption from preparing consolidated financial reports applies (see AASB 127.9-11 above) • held by an investor whose owners do not object to the equity method not being applied, where debt or equity instruments are not publicly traded and are not in the process of being issued into a public market, and the ultimate or any intermediary parent produces consolidated financial statements available for public use that comply with IFRS.	Australian entities will be subject to more detailed reporting requirements than their international counterparts requiring them to incur greater compliance costs (refer comments on AASB 127). It is unlikely that the exemption in Australia will be applied frequently in practice, especially in a foreign-owned group, as the exemption is only available if the parent entity prepares and lodges financial reports in accordance with A-IFRS instead of IFRS.
Interests in joint ventures				
AASB 131.30-131.37	Accounting for jointly controlled entities.	Jointly controlled entities must be equity accounted, subject to similar exemptions in AASB 128.13(b) above.	Either equity accounting (subject to above exemptions) or proportionate consolidation is permitted in accounting for jointly controlled entities.	Australian entities will recognise investments in jointly held entities as a single line item in the balance sheet and profit or loss statement. International counterparts will be able to 'gross up' revenue, expenses, assets and liabilities, if they elect to proportionately consolidate their investments. When a joint venture entity incurs losses, Australian entities will generally not continue to recognise losses where cumulative losses exceed the net investment in the joint venture entity. Under proportionate consolidation the share of all losses will be recognised.

AASB reference[1]	Topic	A-IFRS	IFRS	Impact
Earnings per share				
AASB 133. Aus63.1 – Aus63.5	Disclosure of alternative EPS information.	Alternative EPS information can be disclosed based on: • an alternative 'earnings' amount. However, the weighted average number of ordinary shares used in the calculation of the alternative EPS information must be determined in accordance with the Standard (except as noted below) • an alternative number of shares when and only when the entity has undergone a major capital restructuring during the reporting period and such information is considered to be more meaningful than the EPS information determined in accordance with the Standard.	Alternative EPS information can only be disclosed based on an alternative 'earnings' amount. The weighted average number of ordinary shares used in the calculation of the alternative EPS information must be determined in accordance with the Standard.	Australian entities have greater flexibility to provide alternative EPS information when they have undertaken major capital restructurings during the year. This will result in more meaningful information being included in the financial reports of such Australian entities.

1. *AASB paragraph references are equivalent to IFRS paragraph references, except for the inclusion of additional AUS paragraphs, which have been inserted numerically into the Standards.*

Differences in interpretation on implementation of A-IFRS

Additional Australian guidance and analysis

The AASB has issued additional Australian Guidance, which is not contained in the equivalent IFRS, to assist in the implementation of certain A-IFRS. Australian Guidance has been issued for the following Accounting Standards:

- AASB 1 'First-time Adoption of Australian Equivalents to International Financial Reporting Standards' (additional Australian guidance paragraphs denoted as AIG included within the Implementation Guidance section)
- AASB 101 'Presentation of Financial Statements'
- AASB 102 'Inventories'
- AASB 111 'Construction Contracts'
- AASB 116 'Property, Plant and Equipment'
- AASB 119 'Employee Benefits'
- AASB 127 'Consolidated and Separate Financial Statements'
- AASB 128 'Investments in Associates'
- AASB 137 'Provisions, Contingent Liabilities and Contingent Assets'
- AASB 141 'Agriculture'.

Further, each A-IFRS contains an analysis of differences between A-IFRS and the superseded AASB Standard. This section often contains examples and additional commentary highlighting such differences, thereby, implicitly providing further guidance on the appropriate accounting treatment for certain transactions under A-IFRS.

The Australian Guidance sections and differences sections do not form part of the Accounting Standards and are intended to provide further clarification on the application of the Accounting Standards only. Such guidance and analysis, although A-IFRS and IFRS compliant, may not represent the only options for accounting available under IFRS. There may be instances where several viable alternative interpretations exist under IFRS, however, as a result of specific guidance provided in Australia, Australian entities need to give due consideration to the approach prescribed in the Australian Guidance despite the fact that such guidance does not technically have mandatory application. International counterparts adopting IFRS (including any foreign subsidiary or foreign parent entity) may however be permitted to elect a different approach that is considered to be equally in compliance with IFRS.

This Section provides a summary of potential differences in interpretations between A-IFRS and IFRS that have been encountered thus far in practice. It is not considered to be an exhaustive list and will continue to be updated as interpretations evolve.

- **Accounting for step acquisitions post obtaining control**
  AASB 3 and IFRS 3 define a 'business combination' as the bringing together of separate entities or businesses into one reporting entity. Therefore, where a prior transaction has been accounted for as a business combination and an additional ownership interest is acquired, this is not considered to be within the definition of a 'business combination'.

  Australian commentary in the 'Differences between AASB 127 and AASB 1024' section attached to AASB 127 'Consolidated and Separate Financial Statements' has effectively provided guidance on accounting for such transactions. The commentary indicates that the acquisition by a parent of additional ownership interests in a subsidiary subsequent to the parent obtaining control should be accounted for as an equity transaction with goodwill recognised in respect of the additional ownership interest as this has effectively been purchased from the minority interests.

  Similar accounting is required in the reverse situation where there is a reduction of ownership with retention of control.

  IFRS 3 does not provide any specific guidance on the accounting of additional ownership interests acquired in a subsidiary. Therefore, alternative interpretations may exist under IFRS.

Urgent issues group interpretations

Australian specific urgent issues group interpretations
The Urgent Issues Group (UIG), a sub-committee of the AASB, is the Australian equivalent to the International Financial Reporting Interpretations Committee (IFRIC). The UIG is responsible for providing guidance on financial reporting issues requiring urgent resolution and they have issued numerous UIG Interpretations including those based on IFRIC/SIC Interpretations. However, in addition to Australian equivalents to IFRIC/SIC Interpretations, the UIG has also issued several Australian specific Interpretations which do not have international equivalents. The Australian specific Interpretations generally address matters that are considered unique to the Australian environment but in some instances, these UIG Interpretations also address other accounting issues that may be encountered internationally. Although the guidance provided in the UIG Interpretations are considered to be consistent with A-IFRS and IFRS, potentially different interpretations may exist and be adopted by international entities.

The following Australian specific Interpretations have been issued to date:

- UIG Interpretation 1001 'Consolidated Financial Reports in relation to Pre-Date-of-Transition Dual Listed Company Arrangements'
- UIG Interpretation 1013 'Consolidated Financial Reports in relation to Pre-Date-of-Transition Stapling Arrangements'
- UIG Interpretation 1017 'Developer and Customer Contributions for Connection to a Price-Regulated Network'
- UIG Interpretation 1019 'The Superannuation Contributions Surcharge'
- UIG Interpretation 1030 'Depreciation of Long-Lived Physical Assets: Condition-Based Deprecation and Related Methods'
- UIG Interpretation 1031 'Accounting for the Goods and Services Tax (GST)'
- UIG Interpretation 1038 'Contributions by Owners Made to Wholly-Owned Public Sector Entities'
- UIG Interpretation 1039 'Substantive Enactment of Major Tax Bills in Australia'
- UIG Interpretation 1042 'Subscriber Acquisition Costs in the Telecommunications Industry'
- UIG Interpretation 1047 'Professional Indemnity Claims Liabilities in Medical Defence Organisations'
- UIG Interpretation 1052 'Tax Consolidation Accounting'
- UIG Interpretation 1055 'Accounting for Road Earthworks'.

Application dates of urgent issues group interpretations

The application dates of the UIG Interpretations are sometimes written for legal purposes, to be operative for 'annual reporting periods ending on or after' a specific date whilst the application dates of IFRIC Interpretations are written to be operative for 'annual periods beginning on or after' a specific date. For example, UIG 2 'Members' Shares in Co-operative Entities and Similar Instruments' is applicable for annual reporting periods ending on or after 31 January 2005 whilst its international equivalent, IFRIC 2 is applicable for annual reporting periods beginning on or after 1 January 2005.

Where a financial year is less than 12 months, the difference in application dates may result in potentially different accounting treatments under IFRS compared to AIFRS due to the fact that an IFRIC Interpretation may have mandatory application under IFRS but not under A-IFRS. For example, a company incorporated on 1 January 2005 with a year end of 30 June 2005 will not be required to apply UIG 2 under A-IFRS but will be required to apply IFRIC 2 under IFRS. Accordingly, Australian entities with financial years that are less than twelve months will need to early adopt such UIG Interpretations in order to claim compliance with both A-IFRS and IFRS.

At the time of this publication, there is currently only one IFRIC equivalent UIG Interpretation, that is UIG 2, for which the difference in application date may be relevant. All other UIG Interpretations with application dates ending on or after a specific date relate to Australian specific Interpretations only. Nevertheless, as more IFRIC equivalent UIG Interpretations are issued in the future, newly incorporated companies or companies changing their year ends should consider carefully the impact of the differences in application dates when determining the relevant pronouncements to apply in order to enable them to claim compliance with both A-IFRS and IFRS.