



# Disclosure Initiative

## Project summary

This is an IASB project. The IASB is undertaking a broad-based initiative to explore how disclosures in financial reporting can be improved. The Disclosure Initiative comprises several implementation and research projects:

Implementation projects:

- Materiality

Research projects:

- Principles of Disclosure
- Standards-level review of disclosure

Completed projects:

- Amendments to AASB 101
- Amendments to AASB 107 (Reconciliation of liabilities from financing activities)

Note: The IASB's project proposing amendments to AASB 108 (Distinction between a change in accounting policy and a change in accounting estimate) is no longer identified as a Disclosure Initiative project.

## Project contacts

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**Project priority: High**

## Implementation Projects

### Project

- Materiality – [Link to AASB project summary](#)

### Overview

- The objective of the Materiality project is to help preparers to use judgement when applying the concept of materiality.
- AASB ED 271 *IFRS Practice Statement: Application of Materiality to Financial Statements*, incorporating IASB ED/2015/8 *IFRS Practice Statement: Application of Materiality to Financial Statements*, was issued in October 2015 and is now closed for comment.
- The Practice Statement is targeted for issue in 2017.

## Research Projects

### Project

- Principles of Disclosure – [Link to AASB project summary](#)

### Overview

- The objective of this research project is to identify and develop a set of principles for disclosure that could form the basis of a Standards-level project.

The staff of the AASB have prepared this summary for information purposes only. The Board decisions described are tentative and do not change current accounting pronouncements unless otherwise indicated. Official positions of the AASB are determined only after extensive due process and deliberations. While this summary is regularly updated, it does not provide a comprehensive review or statement of events and should not be treated as such.

- Standards level review of disclosures – no AASB discussion as yet
- A Discussion Paper is targeted for issue in the first half of 2017.
- The objective of this project is to develop a drafting guide for the standard-setter to use when developing disclosure requirements in new and amended Standards. The project also aims to identify targeted improvements to disclosure requirements in existing accounting standards.

## Completed Projects

### Project

- Amendments to AASB 101
- Amendments to AASB 107 (Reconciliation of liabilities from financing activities) – [Link to AASB project summary](#)

### Overview

- The AASB issued AASB 2015-2 *Amendments to Australian Accounting Standards – Disclosure Initiative: Amendments to AASB 101* in January 2015. The amendments address some of the concerns expressed about existing presentation and disclosure requirements and ensure that entities are able to use judgement when applying AASB 101.
- The Standard is effective for annual periods beginning on or after 1 January 2016 with earlier application permitted.
- The AASB issued AASB 2016-2 *Amendments to Australian Accounting Standards – Disclosure Initiative: Amendments to AASB 107* in Month 2016. The amendments require disclosure of the changes in liabilities arising from financing activities, including changes arising from both cash flows and non-cash changes.
- The Standard is effective for annual periods beginning on or after 1 January 2017.
- Note: A component of this project was not finalised as part of AASB 2016-2 and may result in further amendments to AASB 107.