



Memorandum

To:	AASB members	Date:	28 June 2011
From:	Ahmad Hamidi	Agenda Item:	5.1
Subject:	Differential Reporting	File:	P 52

Action

Consider suggested clarifications of the operational guidance for Tier 2 Disclosure Principles with a view to directing staff to finalise it. (Specific editorial comments can be provided to staff out-of-session)

Attachments

9.2 Issues paper: Clarification of Tier 2 Disclosure Principles

Overview

‘Tier 2 Disclosure Principles’ is a reference to ‘user need’ and ‘cost-benefit’ principles and related operational guidance applied to disclosure requirements in Australian Accounting Standards (Tier 1) to determine reduced disclosure requirements under Tier 2.

There have been developments in the financial reporting environment since the operational guidance was first drafted. In particular, a number of new IFRSs have been issued in the past months and the IASB work plan envisages completing a number of other major projects during 2011.

Experiences have been gained in applying the Tier 2 Disclosure Principles to disclosure requirements in revised or new IFRSs. The objective is to draw on those experiences to remove ambiguities in application of the Tier 2 Disclosure Principles and clarify how the principles are applied in the changed, and ever changing, reporting environment.

Agenda paper 5.2 contains staff suggestions for clarifying the application of Tier 2 Disclosure Principles.