



Australian Government
Australian Accounting Standards Board

Memorandum

To:	AASB Members	Date:	2 December 2014
From:	Evelyn Ling	Agenda Item:	9.1 (M142)
Subject:	AASB 13 Disclosures for Not-for-Profit Public Sector Entities	File:	

Action

To consider results of the targeted outreach conducted by staff in relation to the applicability of AASB 13 *Fair Value Measurement* disclosures by not-for-profit public sector entities, and consider the next steps in the project.

Attachment

Agenda Paper 9.2 Staff paper: Staff Outreach and Alternatives for Progressing the Project

Overview

At its September 2014 meeting, the Board considered feedback from local government entities about their concerns in relation to some of the disclosures specified by AASB 13 and decided that it would undertake a project to assess whether the disclosures specified by AASB 13 should be modified for not-for-profit public sector entities. The Board directed staff to conduct targeted outreach to gain a further appreciation of the disclosure issues concerning not-for-profit public sector entities, and to report back to the Board on the findings by early 2015.

Staff sought feedback from preparers, valuation experts, and auditors operating in the not-for-profit public sector. Results of the feedback, and staff suggestions as to alternatives for progressing the project are summarised in Agenda Paper 9.2.

Background

AASB 13 was issued in September 2011 and is applicable to annual reporting periods beginning on or after 1 January 2013. The Standard defines fair value and sets out a framework for measuring the fair value of both financial and non-financial assets. Staff note that the Board considered the application of IFRS 13 *Fair Value Measurement* to not-for-profit entities at its meetings in March 2011 and June 2011, and at that time decided that no modification to IFRS 13 was necessary when making AASB 13.¹

Next steps

At the December 2014 Board meeting, staff are seeking the Board's direction on not-for-profit public sector entity disclosure concerns following the findings from the targeted outreach activity.

¹ Refer AASB June 2011 meeting minutes: http://www.aasb.gov.au/admin/file/content102/c3/Minutes_unsigned_8-9_June_2011.pdf