

AASB Standard

AASB 2011-11
September 2011

**Amendments to AASB 119
(September 2011) arising
from Reduced Disclosure
Requirements**



Australian Government

**Australian Accounting
Standards Board**

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Australian Accounting Standard AASB 2011-11 *Amendments to AASB 119 (September 2011) arising from Reduced Disclosure Requirements* is set out in paragraphs 1-5. All the paragraphs have equal authority.

PREFACE

Standards Amended by AASB 2011-11

This Standard makes amendments to AASB 119 *Employee Benefits* (September 2011), to incorporate reduced disclosure requirements into the Standard for entities applying Tier 2 requirements in preparing general purpose financial statements.

These amendments arise from the issuance of AASB 119 (September 2011).

Main Features of this Standard

Application Date

This Standard applies to annual reporting periods beginning on or after 1 July 2013. Earlier application is permitted for annual reporting periods beginning on or after 1 July 2009 but before 1 July 2013, provided that AASB 1053 *Application of Tiers of Australian Accounting Standards* is also applied for the period.

Main Requirements

This Standard gives effect to Australian Accounting Standards – Reduced Disclosure Requirements for AASB 119 (September 2011). AASB 1053 provides further information regarding the differential reporting framework and the two tiers of reporting requirements for preparing general purpose financial statements.

ACCOUNTING STANDARD AASB 2011-11

The Australian Accounting Standards Board makes Accounting Standard AASB 2011-11 *Amendments to AASB 119 (September 2011) arising from Reduced Disclosure Requirements* under section 334 of the *Corporations Act 2001*.

Dated 5 September 2011

Kevin M. Stevenson
Chair – AASB

ACCOUNTING STANDARD AASB 2011-11

AMENDMENTS TO AASB 119 (SEPTEMBER 2011) ARISING FROM REDUCED DISCLOSURE REQUIREMENTS

Objective

- 1 The objective of this Standard is to make amendments to AASB 119 *Employee Benefits* (September 2011) to incorporate reduced disclosure requirements for entities applying Tier 2 requirements in preparing general purpose financial statements.

Application

- 2 **This Standard applies to:**
 - (a) each entity that is required to prepare financial reports in accordance with Part 2M.3 of the *Corporations Act* and that is a reporting entity;
 - (b) general purpose financial statements of each other reporting entity; and
 - (c) financial statements that are, or are held out to be, general purpose financial statements.
- 3 **This Standard applies to annual reporting periods beginning on or after 1 July 2013.**
- 4 **This Standard shall be applied when AASB 1053 *Application of Tiers of Australian Accounting Standards* is applied. This Standard may be applied to annual reporting periods beginning on or after**

1 July 2009 but before 1 July 2013 provided AASB 1053 is also adopted early for the same period. When an entity applies this Standard to such an annual reporting period, it shall disclose that fact.

Amendments to AASB 119 (September 2011)

- 5 The following subheading and paragraphs are added to AASB 119 (September 2011):

Reduced Disclosure Requirements

Aus1.6 The following do not apply to entities preparing general purpose financial statements under Australian Accounting Standards – Reduced Disclosure Requirements:

- (a) in paragraph 25, the text “For example, AASB 124 requires disclosures about employee benefits for key management personnel. AASB 101 *Presentation of Financial Statements* requires disclosure of employee benefits expense.”;
- (b) paragraphs 54, 135(c), 137, 139(c), 141(a)-(e), 141(h), footnote 3 to paragraph 142, 145-147, 148(d)(v) and 149-151;
- (c) in paragraph 139(a), the text “, including:” and associated paragraphs (i)-(iii);
- (d) in paragraph 140(b), the text “An entity shall also describe the relationship between any reimbursement right and the related obligation.”;
- (e) in paragraph 141(f), the text “, showing separately those by the employer and by plan participants”;
- (f) in paragraph 141(g), the text “, showing separately the amount paid in respect of any settlements”;
- (g) in paragraph 142, the text “, subdividing each class of plan asset into those that have a quoted market price in an active market (as defined in

AASB 13 *Fair Value Measurement*³) and those that do not. For example, and considering the level of disclosure discussed in paragraph 136, an entity could distinguish between:” and associated paragraphs (a)-(h);

- (h) in paragraph 144, the text “Such disclosure shall be in absolute terms (eg as an absolute percentage, and not just as a margin between different percentages and other variables). When an entity provides disclosures in total for a grouping of plans, it shall provide such disclosures in the form of weighted averages or relatively narrow ranges.”
- (i) in paragraph 148(d)(iv), the text “, including the basis used to determine that deficit or surplus”;
- (j) in paragraph 158, the text “AASB 124 requires disclosures about employee benefits for key management personnel.”; and
- (k) in paragraph 171, the text “AASB 124 requires disclosures about employee benefits for key management personnel.”

Entities applying Australian Accounting Standards – Reduced Disclosure Requirements may elect to comply with some or all of these excluded requirements.

Aus1.7 The requirements that do not apply to entities preparing general purpose financial statements under Australian Accounting Standards – Reduced Disclosure Requirements are identified in this Standard by shading of the relevant text.

Aus1.8 The RDR paragraph in this Standard applies only to entities preparing general purpose financial statements under Australian Accounting Standards – Reduced Disclosure Requirements.

RDR140.1 An entity applying Australian Accounting Standards – Reduced Disclosure Requirements is not required to disclose the reconciliations specified in paragraphs 140 and 141 for prior periods.