

13 August 2015

Australian Accounting Standards Board  
PO Box 204  
Collins St West  
VIC 8007

To whom it may concern,

Family Planning NSW welcomes the opportunity to provide comment on the AASB Exposure Draft (ED 260), on the Income of Not-for-Profit Entities.

Please find below, our response to the Specific and General Matters for Comment, as requested in the Exposure Draft.

For further information, please contact:

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Yours sincerely,



Adj. Prof Ann Brassil  
Chief Executive Officer  
Family Planning NSW

## Family Planning NSW

Family Planning NSW is the leading provider of reproductive and sexual health services in NSW. We are experts on contraception, pregnancy options, Sexually Transmissible Infections (STIs), sexuality and sexual function, menstruation, menopause, common gynaecological and vaginal problems, cervical screening, breast awareness and men's sexual health.

We have five fixed clinics in NSW (Ashfield, Fairfield, Penrith, Newcastle and Dubbo) and use innovative partnerships to deliver services in other key locations across the state with more than 28,000 client visits annually. We also provide Family Planning NSW Talkline 1300 658 886, a confidential telephone and email information and referral service, connecting our expertise to people and communities across NSW.

We provide information and health promotion activities, as well as education and training for doctors, nurses, teachers and other health, education and welfare professionals.

Our services are targeted to marginalized and disadvantaged members of the community, including people from culturally and linguistically diverse and Aboriginal and Torres Strait Islander backgrounds, refugees, people with disability, young people, people from rural and remote communities and LGBTIQ people.

We respect the rights of our clients to make choices about their reproductive and sexual health and we treat each and every person with respect, dignity and understanding.

Our work is evidence-based, and shaped by our research through the Family Planning NSW Sydney Centre for Reproductive and Sexual Health Research, our published clinical practice handbooks on reproductive and sexual health, our nationally recognised data and evaluation unit and validated through our own extensive clinical practice.

## Response to AASB Exposure Draft (ED260):

### Income of Not-for-Profit Entities

#### Specific Matters for Comment

Please find below, Family Planning NSW's response and comments on the requested items.

1. In relation to the AASB's proposal to replace the reciprocal / non-reciprocal transfer distinction in AASB 1004 with income recognition requirements based on whether a not-for-profit entity needs to satisfy a performance obligation:

Family Planning NSW **agrees** that this proposal would provide a faithful depiction of a not-for-profit entity's financial performance.

2. In relation to the AASB's proposal that, to qualify as a performance obligation, a not-for-profit entity's promise to transfer a good or service to a counterparty in a contract must be 'sufficiently specific' to be able to determine when the obligation is satisfied (see paragraph IG13 of Part A):

Family Planning NSW **agrees** with this proposal.

3. Do you agree with the proposal in paragraphs IG19-IG30 of Part A that a not-for-profit entity would recognise a donation component in a contract with a customer as immediate income only if:

(a) a qualitative assessment of available evidence indicates that the customer intended to make a donation to the not-for-profit entity; and

(b) the donation component is separately identifiable from the goods or services promised in the contract? (See also paragraphs BC36-BC49 of the Basis for Conclusions.)

Family Planning NSW **agrees** with this proposal.

4. In relation to the AASB's proposals to:

(a) permit any not-for-profit entity to recognise volunteer services as income if the fair value of those services can be measured reliably; and

(b) carry forward the requirement in paragraph 44 of AASB 1004 that particular public sector entities must recognise volunteer services if those services would also have been purchased if they had not been donated,  
the AASB seeks views on:

(a) Family Planning NSW **agrees** the requirements (if any) for the recognition of volunteer services should be the same for all not-for-profit entities, regardless of whether they operate in the public or private sector; and

Family Planning NSW believes the recognition of volunteer services should be:  
**optional, provided that the fair value of those services can be measured reliably.**

5. Family Planning NSW **agrees** with the proposal in paragraph 38 of [draft] AASB 10XX that, when inventories are donated to a not-for-profit entity other than as part of a contract with a customer, assessments of whether the donations are material should be made on an individual transaction basis without reassessment at a portfolio or other aggregate level.

6. Australian Accounting Standards applicable to for-profit entities do not include a definition of 'contributions by owners'. Further, concerns have been expressed by some that the definition of 'contributions by owners' in AASB 1004 is too narrow. Do you consider that a definition of 'contributions by owners' is still necessary, or appropriate, in Australian Accounting Standards?

Family Planning NSW has **no comment** on this question, as it holds no implications for our organisation.

**Questions 7, 8, 9, 10 & 12:**

Family Planning NSW has **no comment** on these questions, as they are not applicable to our organisation.

**11.** Whether, overall, the proposals would result in financial statements that would be useful to users.

Family Planning NSW believes that overall, the proposals would result in immaterial differences to users – there would be no change in the usefulness of the financial statements.