



Dr. Keith Kendall
Chair
Australian Accounting Standards Board
PO Box 204
Collins Street West VIC 8007

via email: standard@asb.gov.au

4 September 2020

Dear Keith

RE: Exposure Draft 302 *Amendments to Australian Accounting Standards – Disclosures in Special Purpose Financial Statements of Certain For-Profit Private Sector Entities*

I am responding to your invitation to comment on the Exposure Draft 302 (ED 302) on behalf of PwC.

PwC supports the AASB's proposal of the new disclosures requirements for entities preparing special purposes financial statements (SPFS). Users of financial statements that state compliance with the Australian Accounting Standards (AAS) should be able to assume that the financial statements comply with all aspects of the standards. Where entities can still prepare reports that do not comply in full with the standards, it is important that any non-compliance is clearly highlighted to ensure that users of the financial statements are not misled, and to maintain trust in the brand of Australian Accounting Standards.

We recommend the AASB considers also requiring entities to identify standards where material disclosures have been omitted in the SPFS, that would normally be included in general purpose financial statements for these types of entities. This will highlight to users where information has been omitted that may be relevant for their understanding of the amounts presented in the financial statements. Disclosures will be particularly important to financial statements users where the carrying amounts are sensitive to management judgement, such as expected credit losses on financial assets.

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I would welcome the opportunity to discuss our firm's views at your convenience.

Yours sincerely,

A handwritten signature in black ink that reads 'Regina Fikkers'.

Regina Fikkers
PwC Australia