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Development of Simplified Accounting Requirements (Tier 3 Not-for-Profit Private Sector Entities)

1. Intro - Contribute to the development of simplified accounting requirements for smaller entities

The AASB is proposing a third tier of Australian Accounting Standards (AAS) dealing with common balances and transactions for smaller not-for-profit private sector entities (NFP entities). NFP entities include charities, incorporated associations, companies limited by guarantee, other corporations and unincorporated entities that are NFPs.

This third tier will be based on reporting requirements that are simpler to understand and apply compared to existing accounting requirements and is expected to improve comparability and the quality of financial reporting, with consistent recognition and measurement requirements for smaller NFP entities.

In formulating your responses, please consider transactions and balances of NFP entities with revenue of between $500,000 and $3 million. The application of the eventual standard is expected to be determined by other regulatory requirements.

The snapshot document provides an overview of the proposed Tier 3 requirements and is suggested for reading before the completion of the survey.

Comments are invited on any of the preliminary views in this survey by 31 March 2023. Feedback plays an important role in the decisions that the AASB will make, and the AASB regards supportive and non-supportive comments as essential to a balanced review of the issues.

This survey will take approximately 20 minutes to complete. You can close the survey and return it and submit later if you are unable to complete the survey in one seating. The survey can be completed via portable devices like smartphones or tablets.

The detailed proposals are included in the AASB Discussion Paper — *Development of Simplified Accounting requirements (Tier 3 Not-for-Profit Private Sector Entities)*. It is not necessary to read this Discussion Paper to answer the questions in this survey.

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2. Privacy Statement

The personal information you provide will not be shared with anyone else unless you have given express consent or we are authorised or required to do so by law. We may contact you in regard to the Discussion Paper.

Our Privacy Policy describes when this might occur. Please see the AASB Privacy Policy on our website www.aasb.gov.au for more information about how we handle your personal information, how you can request to access or correct the personal information we hold about you, and whom to contact if you have a privacy enquiry or complaint.

Providing us with the requested information is not required by law. If you choose not to provide information, no further action will occur.

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3. About you

In relation to financial statements, would you identify yourself as:

- ○ a preparer
- ○ an auditor
- ○ a user
- ○ a regulator
- ○ Other (please specify)

Which of the following(s) best describe(s) the size of the NFP entities you deal with?

- ☐ annual revenue under $500,000
- ☐ annual revenue between $500,000 and $1m
- ☐ annual revenue between $1m and $2m
- ☐ annual revenue between $2m and $3m
- ☐ annual revenue of $3m or more
- ☐ Other (please specify)

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4. How will the Tier 3 accounting requirements be set out?

The AASB proposes that:

- **the requirements will be set out in a single stand-alone standard;**
- **the standard will specify accounting requirements relevant to transactions and other events and circumstances that are common to smaller NFP entities;**
- **the requirements will be expressed in a manner that is easy to understand; and**
- **guidance, including template financial statements, will accompany the standard.**

Do you agree with the proposal?

( ) Yes

( ) No

Please provide comments (if any) for the AASB's consideration.

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5. How will the Tier 3 accounting requirements interact with other reporting Tiers?

Smaller NFP entities would be able to ‘opt-up’ to Tier 2 or Tier 1 AAS in their entirety.

Tier 1 AAS are 'full International Financial Reporting Standards' with some NFP modifications and Tier 2 AAS comprises the same recognition and measurement requirements as Tier 1 but with simplified disclosures.

However, the AASB has not yet decided whether to permit entities preparing Tier 3 general purpose financial statements (GPFS) to elect to apply Tier 1 or Tier 2 reporting requirements to a specific type of transaction/balance on a policy-by-policy basis (i.e. free choice).

In your opinion, should an entity preparing Tier 3 GPFS have the ability to opt up on a policy-by-policy basis to Tier 1 or Tier 2 reporting requirements?

- Yes
- No

Please provide comments (if any) for the AASB's consideration.

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6. Proposed Tier 3 accounting requirements - Consolidation

The AASB proposes that a parent entity preparing Tier 3 GPFS can choose to prepare:

- **consolidated financial statements (i.e. in accordance with AASB 10, an entity consolidates all its controlled entities); or**
- **separate financial statements with information about the parent entity's significant relationships.**

Do you agree with the proposal?

- Yes
- No
- Not applicable to my organisation/decision-making

Please provide comments (if any) for the AASB's consideration.

Development of Simplified Accounting Requirements (Tier 3 Not-for-Profit Private Sector Entities)

7. Proposed Tier 3 requirements - Non-financial assets acquired at significantly less than fair value

The AASB proposes to allow an entity the choice in the accounting policy for:

- **inventory – initially measure at cost or current replacement cost; and**
- **other non-financial assets (excluding concessionary leases) measured at cost or fair value**

An entity is not permitted to subsequently apply the revaluation or fair value model if the donated non-financial assets were initially measured at cost.

Do you agree with the proposal?

- ○ Yes
- ○ No
- ○ Not applicable to my organisation/decision-making

Please provide comments (if any) for the AASB's consideration.

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8. Proposed Tier 3 accounting requirements - Impairment of non-financial assets

The AASB proposes that non-financial assets:

- **subsequently measured at cost or deemed cost (i.e. an amount used as a surrogate for cost or depreciated cost at a given date) are subject to impairment testing;**
- **are assessed for impairment when the asset has been physically damaged or when its service potential is adversely affected; and**
- **are impaired when their carrying amount exceeds the recoverable amount.**

Do you agree with the proposal?

- Yes
- No
- Not applicable to my organisation/decision-making

Please provide comments (if any) for the AASB's consideration.

Development of Simplified Accounting Requirements (Tier 3 Not-for-Profit Private Sector Entities)

9. Proposed Tier 3 accounting requirements - Leases

The AASB proposes:

- **all leases to remain off-balance sheet and lease payments to be recognised on a straight-line basis over the term of the lease, unless another systematic basis is appropriate; and**
- **not to recognise right-of-use assets arising from concessionary lease arrangements.**

Do you agree with the proposal?

- ◯ Yes
- ◯ No
- ◯ Not applicable to my organisation/decision-making

Please provide comments (if any) for the AASB's consideration.

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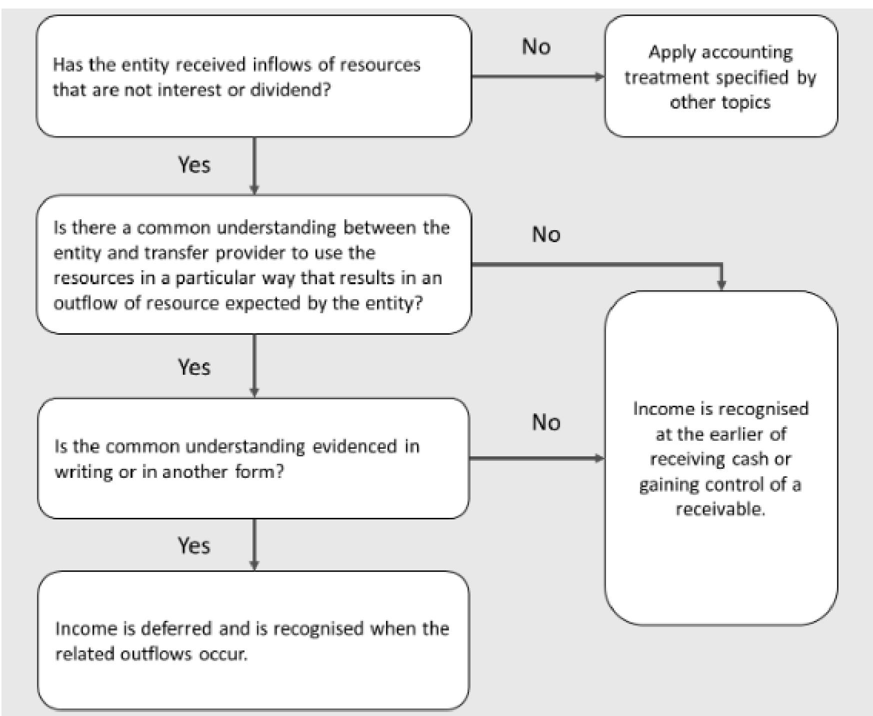
10. Proposed Tier 3 accounting requirements - Income (including revenue)

The AASB proposes that:

- **income is deferred when there is a common understanding that an entity is expected to use the inflows of resources in a particular way (e.g. incurring eligible expenditure for a specified purpose). Income is recognised when the related outflows occur;**
- **the common understanding is evidenced by the transfer provider (i.e. provider of the resources) in writing or in some other form; and**
- **for all other income transactions, income is recognised at the earlier of receiving cash or a receivable.**

Decision Tree: Income recognition approach for inflows of resources



Do you agree with the proposal?

- Yes
- No
- Not applicable to my organisation/decision-making

Please provide comments (if any) for the AASB's consideration.

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11. Proposed Tier 3 accounting requirements - Employee benefits

The AASB proposes:

- **employee benefits are recognised as an expense when the employee has rendered the service;**
- **all short-term and long-term employee benefits are measured on an undiscounted basis;**
- **long service leave would reflect the probability that payment will be required; and**
- **no special requirements would be developed for accounting of termination benefits and defined benefit plans.**

Do you agree with the proposal?

- ◯ Yes
- ◯ No
- ◯ Not applicable to my organisation/decision-making

Please provide comments (if any) for the AASB's consideration.

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12. Proposed Tier 3 accounting requirements - Financial Instruments

The AASB proposes to develop reporting requirements for the following 'basic' financial instruments (i.e. only the most common financial instruments held by smaller NFP entities) in the Tier 3 Standard:

- **cash and cash equivalents;**
- **trade and other receivables;**
- **security bonds and similar debt instruments;**
- **term deposits and government bonds;**
- **units held in managed investment schemes, unit trusts and similar other investment vehicles;**
- **ordinary shares held in listed and non-listed entities;**
- **trade and other payables; and**
- **loans.**

Do you agree with the proposal?

- ◯ Yes
- ◯ No
- ◯ Not applicable to my organisation/decision-making

Please provide comments (if any) for the AASB's consideration.

Development of Simplified Accounting Requirements (Tier 3 Not-for-Profit Private Sector Entities)

13. Proposed Tier 3 accounting requirements - Financial Instruments

Below is a list of proposed Tier 3 accounting requirement(s) for financial instruments. If you agree with the proposals, please proceed to the next question.

If you **disagree** with any of the following proposed Tier 3 reporting requirement(s) for financial instruments, please tick all proposals you disagree with (you can tick more than one box).

- [ ] **All financial instruments** – *initial measurement*: at fair value with immediate expensing of transaction costs.
- [ ] **Financial assets** - *subsequent measurement*:
  (a) Financial assets held to generate both income and capital return, such as managed investment schemes, at fair value through other comprehensive income; and
  (b) all other financial assets at cost.
- [ ] **Financial assets** – *derecognition*: When either:
  (a) the contractual rights to the cash flows from the financial assets expire, or
  (b) the entity loses control of the asset.
- [ ] **Financial liabilities** – *subsequent measurement*: Measured at cost.
- [ ] **Financial liabilities** – *derecognition*: When the obligation is discharged. A modification of the terms of a financial liability or an exchange of financial liabilities extinguishes the original financial liability and creates a new financial liability.
- [ ] **Interest income/expenses**: Calculated by reference to the instrument's contractual interest rate with any initial premium or discount amortised over the expected life of the instrument.
- [ ] **Impairment**: Considered only when it is probable that the carrying amount will not be collectible.
- [ ] **Other simplification of financial instruments**: Hedge accounting is not permitted. Embedded derivatives and certain derivative financial instruments that are not readily identifiable and measurable do not need to be separately recognised.

Please provide comments (if any) for the AASB's consideration.

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14. Proposed Tier 3 accounting requirements - Financial Instruments

The AASB intends to require certain 'more complex' financial instruments to be accounted for in accordance with AASB 9 *Financial Instruments* (or other AAS, as appropriate) if the financial instrument is not otherwise addressed by a topic-based Tier 3 requirement.

In addition, the AASB intends not to specifically highlight or address particular financial instruments or transactions considered in AASB 9, AASB 132 *Financial Instruments: Presentation* and AASB 139 *Financial Instruments: Recognition and Measurement* where these items and transactions are not common to NFP entities.

Below is a list of proposed Tier 3 accounting requirement(s) for financial instruments that the AASB does not intend to address specifically. If you agree, please proceed to the next question.

If you believe the AASB should develop specific Tier 3 accounting requirements for a particular topic listed, please tick the relevant box(es) (you can tick more than one box).

- ☐ purchased debt instruments such as listed corporate bonds and convertible notes
- ☐ acquired equity instruments such as preference shares
- ☐ financial guarantee contracts
- ☐ interest rate swaps and forward exchange contracts
- ☐ commitments to provide a loan at a below market interest rate

Other (please specify)

Development of Simplified Accounting Requirements (Tier 3 Not-for-Profit Private Sector Entities)

15. Proposed Tier 3 accounting requirements - Changes in accounting policies and correction of errors

The AASB proposes that voluntary changes in accounting policy and correction of prior period errors are recognised as adjustments to the current period's opening financial position rather than revising comparative financial information (i.e. using a modified retrospective basis).

Changes in accounting estimates will continue to be accounted for prospectively.

Mandatory changes in accounting policy and related transitional provisions will be considered following stakeholder feedback.

Do you agree with the proposal?

- ◯ Yes
- ◯ No
- ◯ Not applicable to my organisation/decision-making

Please provide comments (if any) for the AASB's consideration.

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16. Proposed Tier 3 accounting requirements - Borrowing cost

The AASB proposes that all borrowing costs are expensed as incurred.

Do you agree with the proposal?

- Yes
- No
- Not applicable to my organisation/decision-making

Please provide comments (if any) for the AASB's consideration.

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17. Proposed Tier 3 accounting requirements - Primary financial statements

The AASB proposes that the following form part of Tier 3 GPFS:

- **a statement of financial position (same as Tier 2, including presentation requirements);**
- **a statement of profit or loss and other comprehensive income (same as Tier 2, including presentation requirements);**
- **a statement of cash flows (using the direct method for ‘operating’ activities, with no need to separately present ‘investing’ and ‘financing’ activities); and**
- **notes to the financial statements.**

Do you agree with the proposal?

- ○ Yes
- ○ No
- ○ Not applicable to my organisation/decision-making

Please provide comments (if any) for the AASB's consideration.

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18. Primary financial statements - Statement of changes in equity

The AASB has not yet formed a view whether a statement of changes in equity should also form part of the Tier 3 GPFS.

Do you think the statement of changes in equity should also form part of the Tier 3 GPFS?

- ◯ Yes
- ◯ No
- ◯ Not applicable to my organisation/decision-making

Please provide comments (if any) for the AASB's consideration.

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19. Primary financial statements - Statement of changes in equity

Do you think the information that would be presented in the statement of changes in equity should be required as part of the notes to the financial statements instead?

- ◯ Yes
- ◯ No
- ◯ Not applicable to my organisation/decision-making

Please provide comments (if any) for the AASB's consideration.

20. Proposed Tier 3 accounting requirements - Separate financial statements

The AASB proposes that a parent entity presenting separate financial statements can measure its interest in subsidiaries:

- **at cost; or**
- **at fair value through other comprehensive income; or**
- **using the equity method of accounting.**

Do you agree with the proposal?

- ◯ Yes
- ◯ No
- ◯ Not applicable to my organisation/decision-making

Please provide comments (if any) for the AASB's consideration.

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21. Proposed Tier 3 accounting requirements - Inventory

The AASB proposes that the Tier 3 accounting requirements for inventory to be consistent with Tier 1/Tier 2 to measure:

- **inventory at the lower of cost and net realisable value; and**
- **inventories held for distribution at cost adjusted for impairment for any loss of service potential.**

Do you agree with the proposal?

- Yes
- No
- Not applicable to my organisation/decision-making

Please provide comments (if any) for the AASB's consideration.

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22. Proposed Tier 3 accounting requirements - Fair value measurement

The AASB proposes to retain fair value definition and measurement in Tier 3 reporting requirements consistent with AASB 13 *Fair Value Measurement*. That is:

"*Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date.*"

However, the basis for estimating the fair value of an item will be expressed in a manner that is easier for preparers to follow.

Cost may be an appropriate estimate of fair value (at initial or subsequent measurement) when there is a wide range of possible fair value measurements and cost represents the best estimate of fair value within that range, or when there is insufficient recent information available to measure fair value.

Do you agree with the proposal?

- ◯ Yes
- ◯ No
- ◯ Not applicable to my organisation/decision-making

Please provide comments (if any) for the AASB's consideration.

Do you agree with the proposal that cost is an appropriate estimate of fair value for unlisted share investments when there is insufficient recent information available to measure fair value?

- Yes
- No
- Not applicable to my organisation/decision-making

Please provide comments (if any) for the AASB's consideration.

Development of Simplified Accounting Requirements (Tier 3 Not-for-Profit Private Sector Entities)

23. Proposed Tier 3 accounting requirements - Assets held for sale

The AASB proposes that no special requirements will be developed for accounting of property, plant and equipment or other non-current assets that an entity intends to sell rather than hold for its continuing use.

Do you agree with the proposal?

- Yes
- No
- Not applicable to my organisation/decision-making

Please provide comments (if any) for the AASB's consideration.

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24. Proposed Tier 3 accounting requirements - Investments in associates and joint ventures

The AASB proposes that for the measurement of interest in associates and joint ventures:

- **a parent entity preparing consolidated financial statements - apply the equity method of accounting;**
- **a parent entity preparing separate financial statements - either at cost or at fair value through other comprehensive income; and**
- **an investor - either at cost or fair value through other comprehensive income in separate financial statements, in addition to preparing equity-accounted financial statements.**

Do you agree with the proposal?

- Yes
- No
- Not applicable to my organisation/decision-making

Please provide comments (if any) for the AASB's consideration.

Development of Simplified Accounting Requirements (Tier 3 Not-for-Profit Private Sector Entities)

25. Proposed Tier 3 accounting requirements - Property, plant and equipment

The AASB proposes to require property, plant and equipment and investment property, other than with respect to borrowing costs, to be recognised and measured in a consistent manner to Tier 1/Tier 2 AAS.

Do you agree with the proposal?

- Yes
- No
- Not applicable to my organisation/decision-making

Please provide comments (if any) for the AASB's consideration.

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26. Proposed Tier 3 accounting requirements - Volunteer services

The AASB proposes to allow an entity an accounting policy choice to recognise volunteer services at fair value, if fair value can be measured reliably.

Do you agree with the proposal?

- ( ) Yes
- ( ) No
- ( ) Not applicable to my organisation/decision-making

Please provide comments (if any) for the AASB's consideration.

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27. Proposed Tier 3 accounting requirements - Other topics

The AASB proposes that the following topics would be accounted for in accordance with the New Zealand Tier 3 Standard (similar to Tier 1 and Tier 2 reporting requirements except for simplification for foreign currency translations and income taxes) :

- **foreign currency translations (entities would apply the rate at the transaction date or at the end of the reporting period for monetary assets and liabilities);**
- **income taxes (would be based on income tax payable without any allowance for deferred tax assets or deferred tax liabilities);**
- **commitments (disclosed in the notes to the financial statements);**
- **events after reporting period;**
- **expenses;**
- **going concern;**
- **offsetting; and**
- **provisions, contingent liabilities, and contingent assets.**

Do you agree with the proposal?

- ○ Yes
- ○ No
- ○ Not applicable to my organisation/decision-making

Please provide comments (if any) for the AASB's consideration.

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28. Preliminary views yet to be determined - Intangible assets

The AASB will determine the accounting for intangible assets after considering feedback from stakeholders on the extent of use and types of intangible assets relevant to smaller NFP entities.

What types of intangible assets, either internally generated or externally acquired, are common among smaller NFP entities? (Please tick all intangible assets you believe are common. You can tick more than one box)

- ☐ Copyrights
- ☐ Cryptocurrencies
- ☐ Goodwill
- ☐ Patents
- ☐ Research & Development
- ☐ Software
- ☐ Trademarks

Other (please specify)

29. Proposed Tier 3 disclosure requirements

The AASB proposes to use the following approach to develop Tier 3 disclosure requirements:

- **for transactions and other events where there is a recognition and measurement difference between Tier 3 and Tier 1/Tier 2 reporting requirements, Tier 3 will:**
  - **adopt appropriate disclosure requirements from other jurisdictions/frameworks with comparable recognition and measurement requirements; or**
  - **develop fit for purpose disclosure requirements (e.g. using the existing disclosure requirements for topics whose requirements could be analogised to the Tier 3 topics as the base to develop fit-for-purpose Tier 3 disclosures) if there are no comparable recognition and measurement requirements in other jurisdictions/frameworks.**
- **for transactions where the recognition and measurement requirements for Tier 3 accouning requirements are the same or similar to the corresponding Tier 2 recognition and measurement requirements – the disclosure requirements in AASB 1060 will be used as a starting point with further consideration of simplifications that may be appropriate.**

The Board would welcome feedback on the approach to the disclosure illustrated for property, plant and equipment; investment property; leases; and changes in accounting policies and correction of errors.

Disclosure examples

Leases

Lessee

- Adopt IFRS for SMEs Standard disclosures for operating leases

Lessor

- Adopt AASB 1060 *General Purpose Financial Statements – Simplified Disclosures for For-profit and Not-for-profit Tier 2 Entities* disclosures for operating leases with simplification of the language

Changes in accounting policies and correction of errors

Changes in accounting policies

- Develop fit for purpose disclosures based on AASB 1060 and removing non-applicable disclosures

Correction of errors

- Adopt relevant disclosure requirements in the *New Zealand Public Benefit Entity Simple Format Reporting – Accrual (Not-for-Profit)*

Property, plant and equipment and investment property

Initial measurement of donated non-financial assets:

- Develop fit-for-purpose disclosures based on AASB 1060 as required for concessionary leases

Subsequent measurement of property, plant and equipment and investment property:

- Adopt AASB 1060 disclosures with simplification of the language

No specific disclosures for borrowing costs.

Do you agree with the proposed approach to develop Tier 3 disclosure requirements?

- ◯ Yes
- ◯ No

Please provide comments (if any) for the AASB's consideration.

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30. Items proposed to be excluded from the Tier 3 reporting requirements

The following items are intended to be **scoped out** from the Tier 3 Standard.

Which of the following item(s) do you think should be included in the Tier 3 reporting requirements? (Please tick all items you think should be included. You can tick more than one box)

- ☐ biological and agricultural assets
- ☐ insurance contracts issued, reinsurance contracts held, and investment contracts with discretionary participation features
- ☐ expenditures incurred in connection with the exploration for and evaluation of mineral resources before the technical feasibility and commercial viability of extracting mineral resources is demonstrable
- ☐ business combinations
- ☐ obligations arising under a defined benefit superannuation plan
- ☐ share-based payment arrangements
- ☐ the accounting by an operator in a service concession arrangement
- ☐ complex financial assets and financial liabilities

Please provide comments (if any) for the AASB's consideration.

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31. What if the Tier 3 Standard does not cover the transaction/balance?

The AASB proposes that for transactions and other events and conditions that are scoped out from the Tier 3 Standard, an entity should:

- **first apply Tier 2 reporting requirements; and**
- **in the absence of Tier 2 reporting requirements for the specific transaction, apply judgement to develop an accounting policy by reference to:**
  - **principles and requirements in Tier 3 accounting requirements dealing with similar or related issues; and**
  - **the definitions, recognition criteria and measurement concepts in the Australian Conceptual Framework that do not conflict with Tier 3 reporting requirements.**

When developing an accounting policy, an entity may also consider principles and requirements in Tier 1 and Tier 2 reporting requirements or pronouncements of other standard-setting bodies with a similar conceptual framework, other accounting literature and accepted industry practice.

Do you agree with the proposal?

- ○ Yes
- ○ No

Please provide comments (if any) for the AASB's consideration.

32. Timing of the proposed Tier 3 reporting requirements

The AASB has not yet finalised a timeline. However, the AASB proposes to align the timing of the Tier 3 reporting requirements with the timing of any extension of the AAS to the broader NFP entities which will remove the ability of NFP entities to prepare special purpose financial statements (SPFS).

Typically, the AASB will issue a standard with at least two years of lead time before its effective date and generally permits entities to apply those requirements early should they wish to do so.

Do you agree with the proposal?

- Yes
- No
- Other (please specify)

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33. How often are the Tier 3 accounting requirements likely to be updated?

Revisions of the Tier 3 accounting requirements will be made:

- **no more than once every AASB agenda consultation cycle (5 years); and**
- **in accordance with *AASB Due Process Framework for Setting Standards*.**

Do you agree with the proposal?

- Yes
- No

Please provide comments (if any) for the AASB's consideration.

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34. Reporting threshold

The AASB is of the view that it should not develop ‘reporting thresholds’ within the AAS to specify the reporting Tier that an NFP entity must, at a minimum, comply with in preparing financial statements. The establishment of appropriate reporting thresholds and any direction of a specific form of GPFS should be determined by the relevant regulatory requirements.

Do you agree with the AASB's view?

- ◯ Yes
- ◯ No

Please provide comments (if any) for the AASB's consideration.

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35. Service performance information

The AASB does not intend to develop proposals for reporting service performance information as part of this project. The AASB considers such information highly relevant to users of a NFP entity's financial statements but is conscious that developing proposals will likely delay the finalisation of any Tier 3 reporting requirements.

The AASB also observed that reporting service performance information is not a matter specific only to smaller NFP entities. A separate project on service performance reporting is not expected to commence until the second half of 2023.

Do you agree with the AASB's plan to **not** develop proposals for service performance reporting as part of the *Simplified Accounting Requirements (Tier 3 NFP entities)* project?

◯ Yes

◯ No

Please provide comments (if any) for the AASB's consideration.

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36. Extend the population of entities required to prepare general purpose financial statements

The AASB proposes to extend the set of NFP entities to which AAS apply by superseding (in part) SAC 1 and NFP entities will no longer be able to prepare SPFS.

The effect of the AASB's proposal is that more entities will be required to prepare GPFS when the entity must prepare financial statements that comply with AAS.

Do you agree with the proposal?

- ◯ Yes
- ◯ No

Please provide comments (if any) for the AASB's consideration.

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37. Not developing a fourth reporting tier

The AASB proposes to not develop a fourth tier of accounting for NFP entities.

Introducing a further reporting tier would introduce additional complexity for entities when determining regulatory reporting obligations. The AASB considers a fourth reporting tier, for example, based on cash accounting, might not be fit for purpose.

Do you agree with the proposal?

- ◯ Yes
- ◯ No

Please provide comments (if any) for the AASB's consideration.

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38. No changes to the current Tier 1 and Tier 2 Australian Accounting Standards

The AASB proposes not to make any changes to the existing requirements specified by Tier 1 and Tier 2 AAS, as presently modified for NFP entities.

- **Tier 1 GPFS prepared by an NFP entity fully comply with all the requirements specified by AAS, as modified for application by NFP entities; and**
- **Tier 2 GPFS prepared by an NFP entity comply with all the presentation, recognition, measurement and classification specified by AAS - other than with respect to the statement of changes in equity - but fewer disclosures**

Do you agree with the proposal?

- ○ Yes
- ○ No

Please provide comments (if any) for the AASB's consideration.

Australian Government

Australian Accounting Standards Board

Development of Simplified Accounting Requirements (Tier 3 Not-for-Profit Private Sector Entities)

39. About the NFP entity that you mostly work with or support

Which state or territory is your organisation based in?

Which of the following best describes the main activities and/or services your organisation provides?

Is your organisation a (tick all that apply):

- Co-operative
- Company limited by guarantee
- Incorporated association
- Private company
- Trust
- Member-based entity
- Other (please specify)

Australian Government

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Development of Simplified Accounting Requirements (Tier 3 Not-for-Profit Private Sector Entities)

40. Contact information

Thank you very much for completing the survey.

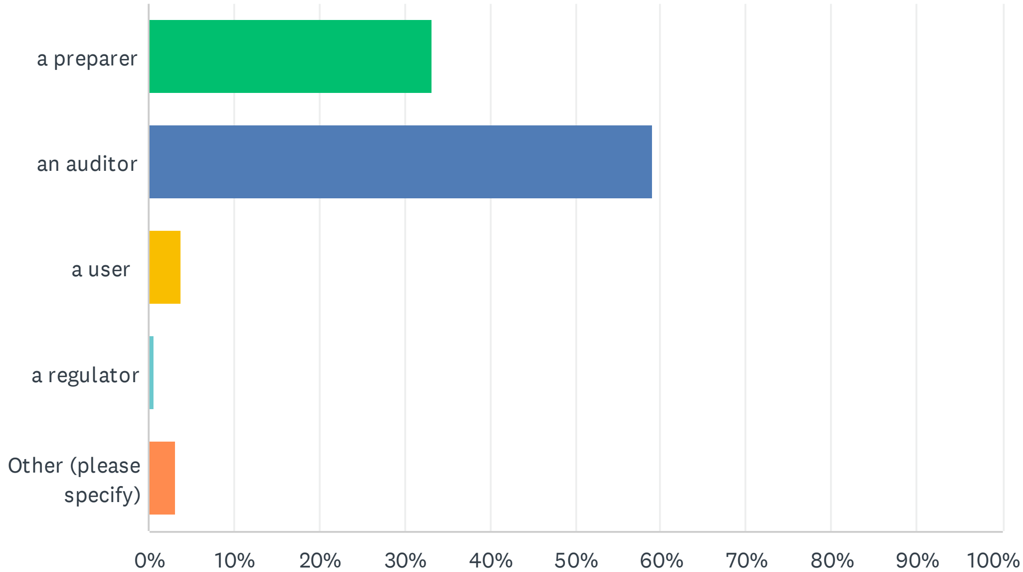
The detailed proposals are included in the AASB Discussion Paper - *Development of Simplified Accounting requirements (Tier 3 Not-for-Profit Private Sector Entities)*.

If you would be happy for an AASB staff member to contact you for follow-up or further discussion, please complete the following:

Name	
Email Address	
Phone Number	

Q1 In relation to financial statements, would you identify yourself as:

Answered: 286   Skipped: 3

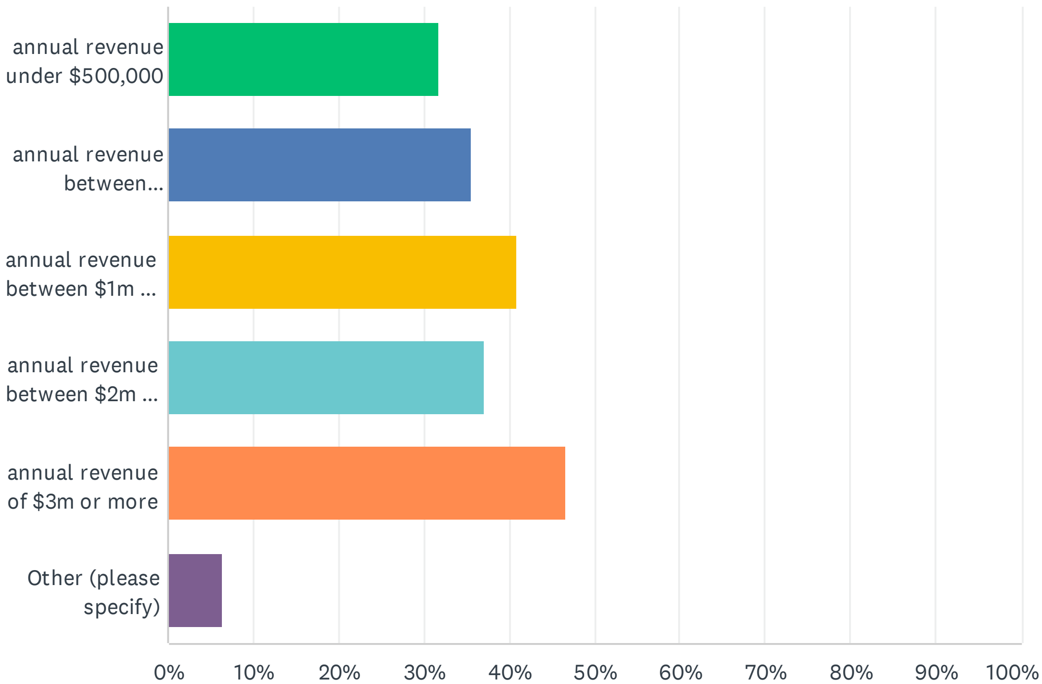


ANSWER CHOICES	RESPONSES	
a preparer	33.22%	95
an auditor	59.09%	169
a user	3.85%	11
a regulator	0.70%	2
Other (please specify)	3.15%	9
TOTAL		286

#	OTHER (PLEASE SPECIFY)	DATE
1	Board Director and former preparer	3/17/2023 4:16 PM
2	Standard-setter	2/22/2023 9:20 AM
3	Advisory	2/22/2023 9:15 AM
4	Standard-setter	2/22/2023 9:15 AM
5	Consultant	11/18/2022 11:35 AM
6	director	10/19/2022 11:39 AM
7	I am both preparer, auditor and user for different bodies	10/13/2022 4:53 PM
8	Technical adviser	10/11/2022 9:49 AM
9	Director	9/28/2022 9:37 AM

Q2 Which of the following(s) best describe(s) the size of the NFP entities you deal with?

Answered: 283 Skipped: 6



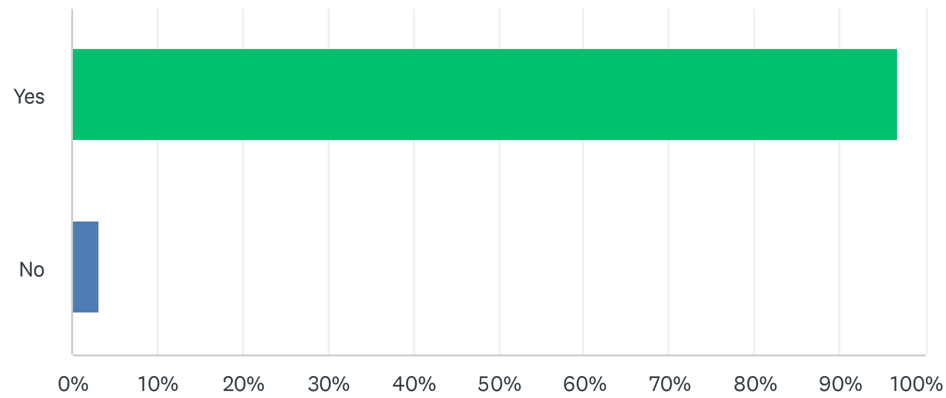
ANSWER CHOICES	RESPONSES	
annual revenue under $500,000	31.80%	90
annual revenue between $500,000 and $1m	35.69%	101
annual revenue between $1m and $2m	40.99%	116
annual revenue between $2m and $3m	37.10%	105
annual revenue of $3m or more	46.64%	132
Other (please specify)	6.36%	18
Total Respondents: 283		

#	OTHER (PLEASE SPECIFY)	DATE
1	from $50,000 to $10m	3/3/2023 1:53 PM
2	N/a	2/22/2023 9:20 AM
3	All of the above	2/22/2023 9:15 AM
4	N/a	2/22/2023 9:15 AM
5	A range of clients from $1M to $3M	1/16/2023 2:18 PM
6	All	12/6/2022 10:02 AM
7	various	12/2/2022 3:01 PM

8	varies between <500K and >3m	12/1/2022 4:25 PM
9	Two NFPs - $2m and a $3m plus	11/29/2022 8:26 PM
10	Between $10,000 to over $3M	11/22/2022 3:42 PM
11	All of the above	11/18/2022 11:44 AM
12	Combination of above and below $3 mil	11/18/2022 11:35 AM
13	All of the above	11/18/2022 11:34 AM
14	range up to $2m	11/11/2022 8:49 AM
15	All of the above	10/13/2022 3:38 PM
16	We deal with various sizes of NFPs	10/11/2022 9:49 AM
17	All of the above	10/6/2022 9:07 AM
18	All types	10/2/2022 3:41 PM

Q3 Do you agree with the proposal?

Answered: 258 Skipped: 31



ANSWER CHOICES	RESPONSES	
Yes	96.90%	250
No	3.10%	8
TOTAL		258

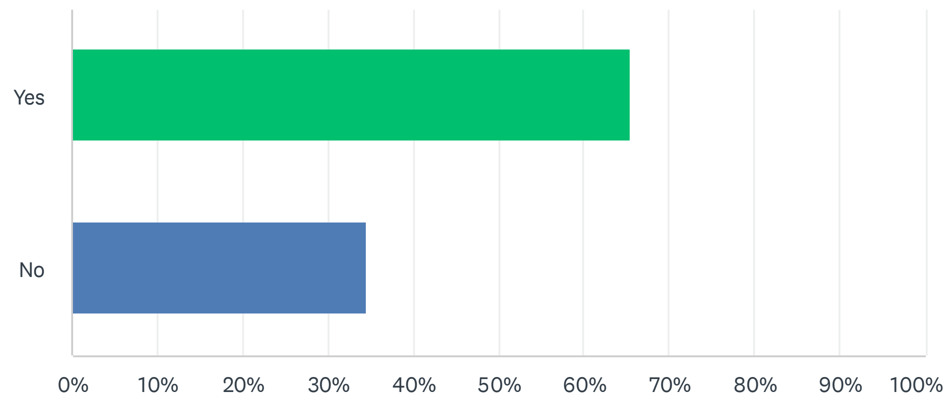
#	PLEASE PROVIDE COMMENTS (IF ANY) FOR THE AASB'S CONSIDERATION.	DATE
1	Moving away from special purpose reporting to a more consistent reporting approach will give better comparability and level of reporting. However, full recognition and measurement is too complicated for many smaller NFP. There needs to be a middle ground, and doing that through a stand alone standard would appear to be the best available approach. There are issues with all available options, however this choice appears to have the fewest issues.	3/26/2023 9:38 PM
2	Dumbing down accounting requirements leads to poor decision-making due to inadequate information being available to those charged with governance.	3/23/2023 10:44 PM
3	Should it be small or simple? Some higher Income PAFs particularly in Y1 can have high Income but still very simple structures.	3/3/2023 1:55 PM
4	Makes absolute sense to have it as a single standard. Possibly extend the threshold from 3m to above.	2/23/2023 9:12 AM
5	Easy to understand is essential	2/22/2023 9:19 AM
6	This would be a very good idea for small charities, but only small ones, say the small and medium charities under the ACNC definition.	2/22/2023 9:19 AM
7	One standard makes it easy to refer to, however, if there are 'variations' to several accounting standards (eg lease) it could make a long standard and quite complicated as it may need to refer to the existing standards	2/13/2023 2:25 PM
8	1. Treatment of leased "assets" as operating leases is strongly supported. 2. Main point which is not supported is the comment that "An entity is not permitted to subsequently apply the revaluation or fair value model if the donated non-financial assets were initially measured at cost." The distinction between "donated" and "non-donated" assets is blurred over time.	12/21/2022 1:41 PM
9	Any simplification is an improvement. With less than 20 members of our Charity, and less than 250 people living in the local community (and less than 5,000 living within 35km), there is a lot of work required with very few people actually reading the Financial Statements - they are	12/14/2022 5:35 PM

	prepared and audited for good governance, and presentation to grant providers, and potential members.	
10	Template financial statements would be crucial. Accounting staff in the NFP do not necessarily have the expertise and knowledge in preparing financial statements.	12/13/2022 12:10 PM
11	Excellent idea	12/9/2022 10:46 AM
12	Good idea to streamline the process	12/9/2022 10:46 AM
13	Strongly agree with this proposal	12/9/2022 10:46 AM
14	I fully support a stand-alone statement	12/9/2022 6:52 AM
15	The single stand alone standard is a great idea and will make things far easier for those whom this will apply to rather than adding on commentary at the end of existing standards.	12/5/2022 1:16 PM
16	Aggregation of specific accounting requirements in a single standard would simplify the process for identifying and implementing the requirements relevant to tier 3 entities.	12/2/2022 3:05 PM
17	It is apparent that public trading company requirements are taken and without due consideration applied as a whole of one size fits all. Those who subscribe to this philosophy exhibit a very narrow outlook. Possibly bordering on negligence	12/2/2022 1:41 PM
18	All entities should have the same rules - ie NFP should all apply the same rules and the same for all for profits. if your single standard will keep all the same standards in the one place then sure. what happens when a client transitions from tier 3 to tier 2? a restatement ?	12/1/2022 8:51 AM
19	These standards need to be built into the accounting packages, as a compulsory item to be used in Australia, much like single touch payroll to the ATO. And once the period is closed, the report is automatically generated in the same format for all organisations. This will need to be the same report used in monthly management reports so can be assessed against a budget/forecast if required and organisational leaders are able to identify with it easily, instead of a new report they see once every 12 months and potentially different figures and allocations to management accounts due to year end processes.	11/29/2022 8:33 PM
20	Providing clear written language and guidance would be beneficial	11/29/2022 2:13 PM
21	The question is why to only limit to smaller NFP's	11/22/2022 5:07 PM
22	If this becomes a stand-alone standard, will it replace NFP components of AASB15, 16 and 1058?	11/22/2022 2:33 PM
23	A very sensible idea.	11/18/2022 11:36 AM
24	Simplification would be ideal.	11/16/2022 1:00 PM
25	Accounting standards are not generally easy to read particularly when a lot of the content is not relevant to a NPO. Less work for management, preparers, and auditors.	11/2/2022 4:59 PM
26	In addition to providing a simplified set of rules to prepare smaller NFP financial statements, it is critical that the AASB be able to explain those principle to the preparers who in some instances will not be qualified accountants or experienced financial statement preparers	10/31/2022 11:46 AM
27	This is a great initiative, thank you. I am the treasurer for a number of organisations and provide financial expertise on the boards of other organisations. My experience is that small organisations' financial statements are often poorly done (especially the notes, both in completeness & quality). The simple language and template financial statements and notes will be very helpful. I believe some form of statement of changes in equity should be mandatory for helping financial statement users follow the changes in the equity accounts, especially if the organisation has reserve accounts or there are prior period adjustments. It's not hard to prepare such a statement. I would like to see options for the treatment of changes to accounting policies or prior period adjustments ie 1) restatement of the prior year or 2) adjustment of opening balance. I would like the ability to apply option 1) or 2) based on appropriateness for the particular change or correction (with adequate note of course). Depending on how this aspect of the standard is to be applied in practice, the adjustment of opening balance approach could produce misleading comparatives in some situations (eg where there is a material prior year correction). It would be good to be able to apply changes to accounting policies from the current financial reporting period if doing so does not produce misleading results. The standard should include a list of the minimum accounting policies that	10/17/2022 2:19 PM

	must be disclosed in the notes. Disclosure of related party transactions, grants, contingencies, material contracts, events since balance date, tax status, etc should be mandatory. Disclosure of capital expenditure and asset disposals at a summary level should be considered. Disclosure of employee salary information can be a privacy issue when there are only a small number of employees, especially when the employees are eg administrative only. The employee expenses may be material in organisations at the lower end of the standard coverage range but I don't believe it's fair to publish salary information for people who do not have organisational control. Some rules of thumb on materiality would be good for small organisations. Not part of this exercise, but should there be an auditing standard for small NFPs?	
28	Anything to simplify and clarify what is expected often smaller no for profits do not have internal experts often all falls of CEO	10/14/2022 12:20 PM
29	Smart PDF template forms should also be made available so the small NPF entities can use them for their need.	10/14/2022 10:56 AM
30	This is just another example of the big end of town trying to sure up their work, increase costs to the community and deliver absolutely no benefits to the NFPs. These proposed changes are a disgrace to the accounting profession and just another example how the professional bodies also only care about the big end of town	10/13/2022 7:56 PM
31	We are generally talking about many small entities who rarely ahev the internal expertise to read and understand accounting standards - at least bringing it all together simplifies the process (depending of course what the standard says).	10/13/2022 4:55 PM
32	If not already considered, the AASB should consider including in the template a directors/committee report, directors/committee declaration and for convenience the auditors report with examples of qualifications, other matter paragraphs, etcetera.	10/13/2022 3:42 PM
33	BUT - Many accountants and auditors will be unaware of the Tier 3 existence and will blindly continue to apply the more generally known Standards. We need to have a "Registered Charity Auditor" provision where the test will not relate so much to very large for profit entities but relate to auditors who have a good understanding of charity law and are familiar with working with smaller entities - which is where most charities are.	10/13/2022 2:26 PM
34	Questions: For small charities (example: under $100k income per year) would an independent auditor be require to sign off on these documents?	10/13/2022 2:11 PM
35	Examples would be highly appreciated	10/12/2022 1:47 AM
36	An approach that sees the generations of a list of amendments and applicable downgrades in reporting standards should also have all of these in one place.	9/28/2022 8:49 PM
37	Not sure where you draw the line on revenue thresholde particularly when an NFP can be above or below the line ($3m) from year to year. Make it optional. Dovetail this work with AASB10 consolidation ITC. Finally can we stop calling NFP "not for profits". A better name may be "For charitable purpose" entities. They have to make a surplus (profit) to be financially sustainable, and use those profits for their purpose.	9/28/2022 9:42 AM

Q4 In your opinion, should an entity preparing Tier 3 GPFS have the ability to opt up on a policy-by-policy basis to Tier 1 or Tier 2 reporting requirements?

Answered: 237 Skipped: 52



ANSWER CHOICES	RESPONSES	
Yes	65.40%	155
No	34.60%	82
TOTAL		237

#	PLEASE PROVIDE COMMENTS (IF ANY) FOR THE AASB'S CONSIDERATION.	DATE
1	I think opting in and out of specific transactions and balances will leave us in the same place as special purpose financial statements, an inconsistency and lack of comparability.	3/30/2023 5:54 AM
2	I think the opt in and out will become complex over time as KMP and TCWG within the entity change. I also think that one of the key reasons that special purpose financial framework was being removed is because there is too much inconsistency in the adoption and means comparability has been lost over the years. My fear would be that the same would happen to the tier 3 framework over time if opt in and opt out was allowed.	3/29/2023 4:36 PM
3	It will be confusing enough for users to have to understand that financials could be SPFS, Tier 3, Tier 2, Tier 1. And that those 4 options include 3 different recognition and measurement basis. If there is then added choice to opt up on a policy by policy basis it will be too confusing for users.	3/26/2023 9:40 PM
4	Tier 3 is unnecessary. See previous comments.	3/23/2023 10:45 PM
5	Entities need to have the option to apply the reporting requirements which they believe best reflect their circumstances.	3/22/2023 2:30 PM
6	Important choice for entities who would be close to crossing the tier 2 revenue threshold if all measurement and recognition criteria were to be applied.	3/21/2023 9:05 PM
7	Given the limited financial expertise in these small entities, from my direct experience, I wouldn't expect they would be inclined to complicate their accounting by opting up. Therefore, the prevalence of opting up is likely to be rare. So allowing a policy-by-policy approach to opting up shouldn't create any comparability issues with other entities. On the topic of comparability across small entities like these, they aren't subject to sophisticated financial analysis/comparisons, so I question the importance of comparability as an objective - other than to makes lives easier for Board members, preparers and accounting support firms who	3/17/2023 4:29 PM

	are involved in multiple such entities. I'm also interested in the transitional approach when entities move between tiers for various reasons - either voluntarily or because of regulatory requirements.	
8	Will result in much more work re preparation of financial statements - not comparing apples with apples	3/8/2023 4:15 PM
9	Hopefully very few would take the option, but if an entity wants to prepare more comprehensive information, why would you deny that opportunity?	3/6/2023 9:31 AM
10	Just having a couple of transactions that are outside the Teir 3 framework (so Tier 2 applies) should not prevent preparation of FS on Tier 3 basis	3/3/2023 1:56 PM
11	Good to have the flexibility to apply Tier 1 or Tier 2 reporting where it makes sense to do so and the NFP has the resources to report in this fashion. If it's an all or nothing approach then it discourages the NFP from adopting Tier 1/2 reporting.	3/1/2023 11:57 AM
12	The focus should be on organisation and its purpose. NfPs especially smaller and mid tier tend to have a lot less complex transactions and giving too many choices inreases complexity. The choice should be either full opt in or move to Tier 2 or 3 based on their operations. Leaving decision to individuals can create challenge as may end up been based on infividual preferences.	2/23/2023 9:25 AM
13	Option 3 - Not permitted to opt-up to any of Tier 2 reporting requirements. Choice breeds complexity which goes against the aim of introducing the Tier 3.	2/23/2023 9:23 AM
14	The idea of the standard is to introduce simplicity, opting on a policy to policy basis creates a bit of a blur between the tiers which in itself reduces the simplicity.	2/23/2023 9:23 AM
15	It will create complexity. Better to opt in entirely with exception for purely business reasons.	2/23/2023 9:22 AM
16	Option 3 could be set for a period to trial how many do make options and if so what are the themes	2/22/2023 9:22 AM
17	Confusing for readers if a mix of standards who probably don’t understand them anyway.	2/22/2023 9:22 AM
18	Should be free choice so that we can tailor to the NFP situation	2/22/2023 9:22 AM
19	Keep it simple and less choice to try and “window dress” (potentially!)	2/22/2023 9:22 AM
20	I often have to review NFP financial statements and would prefer to have a level of consistency at Tier 3.	2/22/2023 9:22 AM
21	Option 1	2/22/2023 9:21 AM
22	As long as disclosure states which standard is used	2/22/2023 9:21 AM
23	All or nothing	2/22/2023 9:21 AM
24	A blended option requires quite specific supporting documentation from the Board/Preparers to ensure this is accurately aligned and reflecting the standard. Due to the size of these entities the reporting and other costs associated with this model would be greater than applying Tier 1 or Tier 2 in their entirety - more options create more opportunities for confusion.	2/13/2023 4:13 PM
25	The lease standard is a good example. It seems to be common that a lease doesn't have set increases (eg based on CPI). This requires two estimations - 'interest rate' and CPI. It makes the accounting unneccessarily complicated. NFP's should be able to decide if they take up this standard.	2/13/2023 2:29 PM
26	Concerned about comparability in the NFP/Charity sector ie comparing NFP A who prepares Tier 2 (under AASB 1060) and NFP B who prepares under Tier 3, who departs from accounting policies that NFP A adopts. This is likely to create further confusion, and the users between entities may not be able to compare. Also, I'd be keen to know the expected cost savings for NFP's. It would want to be substantial to gain any benefit.	2/13/2023 1:38 PM
27	With proper disclosure of the election.	1/26/2023 5:54 PM
28	There should be one level of requirement for all entities on each Tier. If a higher Tier is chosen then all the requirements should apply.	1/25/2023 3:06 PM
29	I would have thought all or nothing would have been simpler.	1/16/2023 2:19 PM

30	allowing entities to take a selective/piecemeal approach to applying tier 1 / tier 2 accounting policies reduces comparability between entities. It also adds complexity for users of reports to understand which policies are different to tier 3 requirements does this create risk of potential obfuscatin or manipulation of financials?	1/5/2023 5:43 PM
31	That would be confusing to the preparer, the auditor, and the reader. Consistency is required, and if it is inappropriate to use Teir 3 for part of the Financial Statements, then Teir 3 should not be used at all.	12/14/2022 5:38 PM
32	I don't think people should be able to opt-up as it reduces the comparability between entities of a similar size. Also opt-ing up and opting-back would allow "earnings management". While there is the provisions in the Standards that it needs to provide more relevant and reliable information, in practice an argument can usually be made for this.	12/13/2022 12:21 PM
33	Yes, if there is guidance on how to deal with opting back down to tier 3 if there is an opt up taken in previous years	12/13/2022 12:19 PM
34	I don't have an issue with Boards opting up to a higher tiers, the issue is when there is a change in Treasurer or Boards, and they want to move back to Tier 3. Will this be allowed? The other issue - how with this standard interact with ACNC regulations.	12/13/2022 12:18 PM
35	As previously discussed, more options may create unintended consequences and cause accounts across other NFPs and comparatives to no longer be comparable.	12/13/2022 12:17 PM
36	I think it should be upto the NFP to decide whether they want to opt up if it improves disclosure and transparency, but there should be consistency in how NFP applies this decision across different financial years.	12/13/2022 12:17 PM
37	Keep it simple and common standard for all	12/9/2022 10:56 AM
38	both has its pros and cons. it would be great for this as for consistencies and comparability in relations to one entity to another.	12/9/2022 10:56 AM
39	Only allow opt-up to recognition and measurement accounting policy when specifically permitted by AASB	12/9/2022 10:55 AM
40	only when permitted only	12/9/2022 10:55 AM
41	It allows for some flexibility whilst still following the core concepts of Tier 3.	12/9/2022 10:55 AM
42	Allows for flexibility based on client preference	12/9/2022 10:55 AM
43	In some cases, more disclosure may be preferable	12/9/2022 6:53 AM
44	For ease of understanding and standardisation of format & policies I would rather the option to opt-up on a policy by policy basis is not available.	12/7/2022 12:48 PM
45	In some instances Tier 2 disclosure may provide better info for user to accounts	12/6/2022 10:15 AM
46	Option 1 - free choice	12/6/2022 10:13 AM
47	Should not be able to cherry pick parts	12/6/2022 10:13 AM
48	Need to be able to provide information relevant to users, which may vary on an entity by entity basis	12/6/2022 10:02 AM
49	I think this makes sense and at the end of the day they are providing extra information voluntarily	12/5/2022 1:17 PM
50	The ability to opt-up should be at the entity's own choice. Regulators should not have any authority to force it.	12/5/2022 8:22 AM
51	If tier 3 accounting requirements are not able to be opted-up, entities that are at risk of flipping from tier 3 into tier 2 or tier 1 (or vice versa) from one period to the next would result in additional cost and reduced consistency / comparability of financial statement disclosures between accounting periods. Opt-up requirements could enable an entity to apply consistent accounting requirements in these circumstances.	12/2/2022 3:15 PM
52	Opt 3	12/2/2022 3:08 PM
53	Should be either one or the other this has the potential to create confusion for users and NFPs.	12/2/2022 3:08 PM

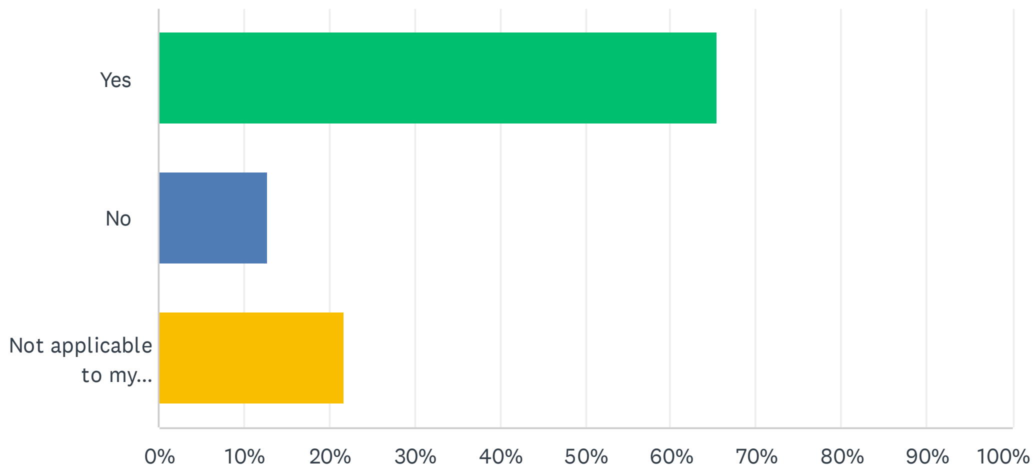
54	Option 2 - Allowing free choice would impact the comparability of entities who adopt Tier 1,2, or 3 disclosures . If entities wish to adopt disclosures from different tiers, this should be granted by AASB.	12/2/2022 3:08 PM
55	When specifically permitted by the AASB	12/2/2022 3:08 PM
56	Option 1 Free choice. Can't see any reason why they should not if they choose to.	12/2/2022 3:08 PM
57	Would seem too messy having a lack of uniformity.	12/2/2022 3:07 PM
58	When permitted only	12/2/2022 3:06 PM
59	Flexibility what is more relevant to the user of the financial statements	12/2/2022 3:06 PM
60	Choice will allow the NFP to apply accounting standards if the need is there for any reasons.	12/2/2022 3:06 PM
61	More choice for the NFP to provide the best suited accounting reports. One glaring stupidity is the Right of use/ leased assets for what is a simple easily used cash flow arrangement	12/2/2022 1:45 PM
62	In principal allowing a Tier 3 to provide more disclosure than required by Tier 3 is a good thing and is likely to benefit readers of their financial reports.	12/1/2022 4:28 PM
63	application of the same standards should be mandatory so when comparing accounts in the same industry you have apples with apples for want of a simple way of stating the obvious.	12/1/2022 8:53 AM
64	As per my previous answer, they should be standardised across all organisations from a finance system.	11/29/2022 8:36 PM
65	This would take away from comparability between similar entities. A Tier 3 is aimed at simplifying accounting requirements for smaller NFPs so having the option for more complex accounting would be defeating this and possibly creating complexity for these entities.	11/29/2022 2:19 PM
66	I haven't considered in major detail, however, I think if clients are able to 'opt up' it may add additional complexity and result in jumping between tiers may result in unforseen issues, re-work which is frustrating from an auditor point of view.	11/29/2022 2:19 PM
67	Keeps it simple to understand, accounts are more comparable. Easier to audit consistency.	11/29/2022 2:18 PM
68	Should have the choice to opt up for further accounting standard preparation	11/29/2022 2:18 PM
69	If opting Tier 1 and Tier 2 is more onerous, I don't see why they shouldnt have the option to opt up.	11/29/2022 2:17 PM
70	To ensure consistency across all Tier 3	11/29/2022 2:17 PM
71	Option 2 - list of permitted only Too many choices	11/29/2022 2:16 PM
72	should be all in to one particular basis of preparation.	11/29/2022 2:16 PM
73	Too confusing....I don't know how my answer is being interpreted.	11/28/2022 12:10 PM
74	Free choice	11/28/2022 12:07 PM
75	I have issues with the general consistency and comparability of these financial statements in the ability of NFP's to apply certain standards on a policy by policy basis.	11/28/2022 11:58 AM
76	There should be the ability to note which standards have been opted up.	11/22/2022 5:07 PM
77	Too many options provides too much complexity and difficulties to administer as a preparer and auditor. The blending of optional adoption of policies creates more challenges than improvements.	11/22/2022 3:44 PM
78	Too confusing. All in or none	11/18/2022 1:35 PM
79	Should have option to choose to be wholly on tier 2 or 1 - but not pick and choose on policy basis. Loose comparability objective if everyone doing their own thing as a tier 3 - nearly no point as becomes back to spfs	11/18/2022 11:44 AM
80	No. Tier 2 should be prepared if they would like to move policies (consistency in reporting)	11/18/2022 11:44 AM
81	It should be one in, all in ie can only move between tiers in totality	11/18/2022 11:42 AM
82	Not by policy-by-policy basis. Opt up completely to tier 1 and tier 2.	11/18/2022 11:42 AM

83	Adopting to go up a level should be allowed. However the full tier 2&1 should be done and not a hybrid model	11/18/2022 11:41 AM
84	I encourage increased policy on a needs basis	11/18/2022 11:41 AM
85	If the organisation feels that it is in the best interest of the users of the financial statements to provide additional disclosure, as required under Tier 1 or Tier 2 reporting requirements, then this should be permitted to provide greater transparency. However, organisations should be restricted in opting in and out of making these elections so the preparer cannot apply the additional disclosures when it suits the organisation.	11/16/2022 9:30 AM
86	If they are required to prepare GPFS then they should not have the ability to opt out. Perhaps the issue is why are they required to prepare GPFS. Should there be a change to the GPFS rules.	11/11/2022 8:54 AM
87	The aim of Tier 3 is to simplify for smaller less complex NFPs, so I believe AASB should stick to that. If a smaller NFP is more complex than Tier 3 provides for, then I think they should full opt-up to Tier 2 (or even Tier 1).	11/2/2022 7:07 PM
88	Not sure. Given my reading of the Discussion Paper, Tier 3 appears to cover most policies relevant to my clients (in the arts sector) and can't think of instances where a NPO might want to opt up.	11/2/2022 5:02 PM
89	I am the executive officer for a Trust which provides grants to over 50 NFPs each year. Consistency of recognition, measurement, classification and presentation is imperative when assessing and comparing organisations with each other. Allowing organisations to opt up to tier 1 or 2 would create reporting disparity and confusion amongst users.	10/31/2022 11:50 AM
90	Consistency, comparability and simplicity are important factors in this sector.	10/28/2022 2:36 PM
91	It may be a requirement of funders to disclose information in one of the other methods.	10/24/2022 2:38 PM
92	Why introduce simplicity to then allow users to introduce complexities, removing the ability to easily compare to other organisations	10/19/2022 5:31 AM
93	Free choice MUST be available. The objective of this initiative is to improve quality of financial statements whilst reducing the compliance overhead on small NFPs. Better disclosure will be achieved where people are able to provide more information / apply a more appropriate accounting policy as needed. Where the financial statement preparer's accounting skills are at the lower end (which can be the case in smaller community organisations), there could be a temptation Tier 2 / 3, because applying it in its entirety is too hard or costly.	10/17/2022 2:19 PM
94	Depending on the size of the NPF entity most will prefer to opt up to Tier 2 reporting requirements. May be just allow this.	10/14/2022 10:59 AM
95	Most NFPs shouldn't have to apply international financial reporting standards - it delivers no benefits at all!	10/13/2022 7:57 PM
96	There seems little point in preventing an organisation from adopting different policies that are acceptable under other Tiers if that is deemed more useful for the organisation.	10/13/2022 4:57 PM
97	Government supply contracts may require higher levels of accounting and reporting requirements regardless of the applicable tier for ACNC purposes.	10/13/2022 4:05 PM
98	For consistency and to aid comparisons between Tier 3 entities they shouldn't be allowed to be selective which may result in a beneficial result, why else would they select the policy.	10/13/2022 3:45 PM
99	That would create uncertainties and ensure errors	10/13/2022 2:28 PM
100	Considering the number of regulatory bodies involved in the regulation of an Australian national not-for-profit, it would make sense to allow for some flexibility. Example: ASIC ACNC State fundraising bodies All of the above require differing documentation and may never come to a consensus. Better to err on the side of caution allow flexibility if needed.	10/13/2022 2:11 PM
101	Entities should always be allowed to disclose more, it has always been that way. Plus many charities have boards or members who like certain information to explain in layman's terms or need additional information for grant reporting.	10/12/2022 1:49 AM
102	This type of option always leads to confusion for preparers and those using the associated reports.	10/5/2022 6:07 PM

103	Opting-up will cause additional complexities in the audit of the entities, however if opting-up provides users with more useful information than it should be allowed on the basis that the policy choice is appropriately discloses in the notes to the financial statements.	10/1/2022 11:13 AM
104	Ability to opt up should be accompanied with a requirement to disclose in the notes why the decision was made to opt up.	9/29/2022 1:23 PM
105	Entities that use government funds or have other, higher levels of public trust should be required to apply higher standards of reporting. Where the extent of impact of these public funds on the entity's accounts is limited, it makes sense that only those policies need to be upgraded.	9/28/2022 8:51 PM
106	Because they may cross the arbitary revenue threshold from year to year.	9/28/2022 9:44 AM
107	Should be one or the other. Otherwise too confusing.	9/28/2022 8:45 AM

Q5 Do you agree with the proposal?

Answered: 234 Skipped: 55



ANSWER CHOICES	RESPONSES	
Yes	65.38%	153
No	12.82%	30
Not applicable to my organisation/decision-making	21.79%	51
TOTAL		234

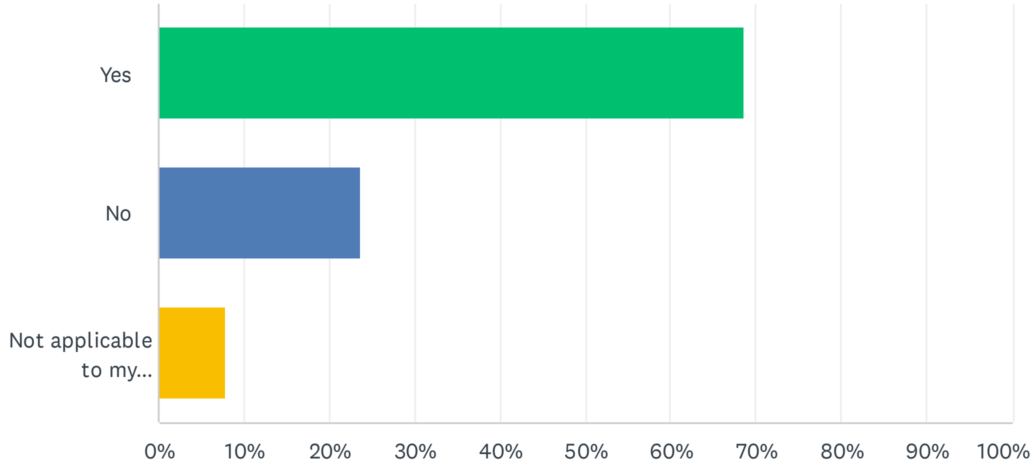
#	PLEASE PROVIDE COMMENTS (IF ANY) FOR THE AASB'S CONSIDERATION.	DATE
1	I have lots of NFP clients some who prepare consolidated and some who don't. I don't believe allowing a choice would impact the sector or the comparability of financial statements.	3/30/2023 5:55 AM
2	Many smaller NFP the application of consolidation through AASB10 is unhelpful and confusing. To be able to prepare separate financial statements for each entity would be much more useful and valuable.	3/26/2023 9:45 PM
3	Separate financial statements with sufficient disclosures to enable users the ability to identify the relationship between entities (including related party transactions) would meet the needs of most NFP entities. The choice to prepare consolidated financial statements or separate financial statements also has merit to provide entities with flexibility. For example an NFP may control several DGR or PBI funds and determine that consolidated financial reports are more efficient than preparing separate reports.	3/1/2023 2:01 PM
4	Partially agree. Agree with preparing separate financial statements and disclosure for significant related entities, not consolidated financial statements (according to AASB10). Consolidating entities consisting of different nature of business, for example aged care, schools, colleges, camp sites would serve little meaningful information for board members and users of financial statements. Furthermore, the ERP used are not sophisticated enough to eliminate inter entities transactions. Donors are interested in ensuring sufficient governance process are in place in managing their donated funds, with the board's accountability in overseeing this process. Therefore, an audited separate financial statement with appropriate disclosure in the separate financial statements would fulfill this requirement.	3/1/2023 1:42 PM
5	This is an area where choice to consolidate or not would be a good option.	2/23/2023 9:28 AM
6	Some consolidation doesn	2/22/2023 9:23 AM

7	There must be a reason for this question - I can't think of why consolidated accounts wouldn't be prepared, but there must be some reasons. I prefer having to consolidate accounts - it allows the board(s) to be fully informed about the overall group's financial performance.	2/13/2023 2:32 PM
8	A purpose of consolidation reporting is to present the size of the group, rather than individual entities. This suggestion does not make sense.	2/13/2023 1:40 PM
9	Seperate statements with extra information on relationships provides better information than consolidated statements.	1/25/2023 3:07 PM
10	It's not applicable but I do like the concept of choice between consolidation and separate.	1/16/2023 2:20 PM
11	If an organisation is large enough to prepare consolidated Financial Statements and controls other entities, then it should not be using Tier 3 at all.	12/14/2022 5:40 PM
12	Separate financial statements don't clearly show a whole of Group view, as disclosure is naturally more obscured than the statements themselves. Therefore I think consolidation should be mandatory.	12/13/2022 12:23 PM
13	All entities should have to consolidate if control can be established. No choice should be given as this gives the user a disproportionate view of the entities assets.	12/13/2022 12:22 PM
14	My view is that the more options that these smaller entities are offered the higher the chance mistakes are made.	12/13/2022 12:18 PM
15	Simplify the accounting process	12/9/2022 10:58 AM
16	This is an important discretional choice.	12/9/2022 10:57 AM
17	I think this particular choice is reasonable and will still provide adequate reporting	12/7/2022 12:49 PM
18	Should consolidate to include controlled entities.	12/6/2022 10:15 AM
19	Clients should have the ability to consolidate or not	12/6/2022 10:15 AM
20	Consolidation should be included.	12/2/2022 3:12 PM
21	should prepare Consol. I do note that control is difficult to work out in NFP. more guidance here is needed	12/1/2022 8:57 AM
22	Should be standardised through finance systems without the ability to consolidate.	11/29/2022 8:37 PM
23	Assessing control is often very difficult in a NFP context and also often results in an outcome that is not helpful for users of the accounts.	11/29/2022 2:20 PM
24	Yes, this is a reasonable basis and easily disclosed basis of prep	11/29/2022 2:18 PM
25	VERY CONFUSING - I'm not sure how this works....What does the non-consolidated FS option look like? Far too much work for the auditors (preparers have no idea, incl other accg firms).	11/28/2022 12:11 PM
26	No need to consolidate separate financial statements	11/28/2022 12:09 PM
27	Unlikely to be many entities within revenue band affected	11/18/2022 11:44 AM
28	Parent /subsidiary relationship in this sector would be very rare in the size bracket under consideration	11/18/2022 11:44 AM
29	I agree with the desire to provide information regarding significant relationships without the need to consolidate the financial transactions.	11/18/2022 11:43 AM
30	It is my view that if the organisation has control over another entity that meets the definition under AASB 10, the financial statements should be consolidated. This is to provide transparency to the users as to the entire resources available to the organisation as well as the financial risks associated with the entity as a whole.	11/16/2022 9:33 AM
31	It is important that each entity have its financials available to public scrutiny.	11/11/2022 8:55 AM
32	I think the proposal is better aligned with the aim of Tier 3 - so where producing consolidated statements is not as useful to their stakeholders, the option to produce separate statements will better serve those stakeholders, and is probably simpler.	11/2/2022 7:07 PM
33	Work with arts companies and in 20 years haven't come across one that has more than 1	11/2/2022 5:02 PM

	entity.	
34	Some organisations have separate entities which perform specific functions for their organisation (eg a separate entity may be formed to pay administration costs or run the social enterprise part arm of the business). If consolidation was not required, it is difficult for users to assess the true size and financial kpis of the organisation. Maybe there could be a material parameter provided to mandate consolidation (ie if revenue, expenses or assets are greater than 10% of the aggregate of the business, a consolidation should be prepared)?	10/31/2022 11:57 AM
35	Consolidation requirements do not necessarily make sense for many NFP structures	10/28/2022 2:37 PM
36	ACNC-registered entities should prepare separate financial statements for transparency.	10/14/2022 11:02 AM
37	Helpful proposal	10/13/2022 2:28 PM
38	All entities should apply AASB 10 where relevant, providing choice detracts from the overall purpose of the reporting framework.	10/5/2022 6:09 PM
39	IF only for smaller NFPs. This is a vexed issue. It depends upon what the "information about sig relationships" is and how complex that is. You assume that smaller NFPS have simpler relationships? Would need to cover control, finanical exposure, purpose I guess.	9/28/2022 9:48 AM

Q6 Do you agree with the proposal?

Answered: 229 Skipped: 60



ANSWER CHOICES	RESPONSES	
Yes	68.56%	157
No	23.58%	54
Not applicable to my organisation/decision-making	7.86%	18
TOTAL		229

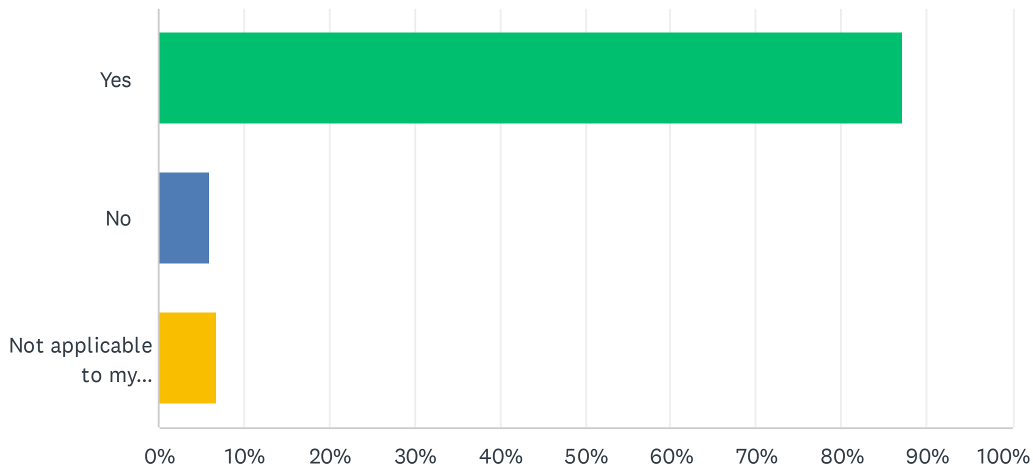
#	PLEASE PROVIDE COMMENTS (IF ANY) FOR THE AASB'S CONSIDERATION.	DATE
1	Far too confusing and will lead to lack of comparability between financial statements of NFP. I also think over time it will lead to the assets that are acquired for free will end up not being recognised on the balance sheet at all. Completeness will be difficult to give assurance over if entities can record items at nil value. It will also distort the true financial position of the NFP.	3/30/2023 5:58 AM
2	I think this would become complicated again over time as the entity evolves and also will distort the true financial position of the NFP. If you take an NFP who was gifted a land of $1mil and the NFP records it at cost which was nil. Completeness of assets will become an issue for an auditor over time as the entity may not even record the transaction if the balance is nil. Lots of NFP start off small and evolve over time moving in between tiers will become very problematic the greater the differences in accounting standards.	3/29/2023 4:42 PM
3	In most cases it is difficult and expensive to get fair value assessments done, and in practice most organisations are preferring to go with cost. May be simpler and more comparable to not allow the choice, but simply make Tier 3 use 'cost'.	3/26/2023 9:57 PM
4	This is an example where not keeping asset values up to date can cause poor decison making. A client of mine has not revalued its assets for many years. Infrastructure assets are not even recognised on the balance sheet. The result is asset conditions and fait values are unknown, no depreciation is charged and the sinking fund to replace the assets is massively underfunded. This entity would benefit from incresaed requirements not less.	3/23/2023 10:48 PM
5	I do not understand why the fair value method could not be subsequently applied for non financial assets initially recorded at cost.	3/21/2023 9:07 PM
6	PAFs under TAO rules must apply Fair Value for all assets (Land can be donated)	3/3/2023 1:58 PM
7	Donated other non-financial assets should be allowed to be revalued if applicable to the NFP.	3/1/2023 2:03 PM

	For example, a NFP may have had a property donated which has appreciated in value since receipt, and the revaluation would provide members/users of the financial report of the NPF with more relevant information. The revaluation should be permitted to be recognised in OCI rather than P&L.	
8	Don't give option for fair value. We are moving away from purpose of Tier 3. What would then be different from Special purpose other than saying we have given a framework for people to apply choices.	2/23/2023 9:39 AM
9	I would only agree if the tier 3 category could opt into this standard under the model where they can opt up out of tier 3 reporting	2/22/2023 9:38 AM
10	Could impact on net assets for purpose of fund raising eg bank loans	2/22/2023 9:27 AM
11	Prefer to hold it at zero cost if given something.	2/22/2023 9:26 AM
12	Fair value important for comparability.	2/22/2023 9:25 AM
13	I am not supportive of the notion that "An entity is not permitted to subsequently apply the revaluation or fair value model if the donated non-financial assets were initially measured at cost."	12/21/2022 1:42 PM
14	we receive substantial inventory at no cost, and initially value it based on how big the boxes are and how many "things" are inside the boxes (often valuing a box at $1.00 as we really don't know what is inside). During a subsequent review of the items we determine a better market value (what we expect to sell the items for). This invariably leads to a revaluation which we believe is required in order to make our Financial Statements True and Fair.	12/14/2022 5:47 PM
15	Wouldn't the cost of the non-financial asset equal the fair market at the time of donation. Not sure I agree with not being able to revalue within a legislated time period provided appropriate evidence is able to support the balance.	12/13/2022 12:24 PM
16	Calculating fair value can be costly for NFPs which takes resources away from the core mission.	12/13/2022 12:24 PM
17	Subsequent revaluation should be allowed - maybe through P&L, rather than through comprehensive income (revaluation reserve)	12/13/2022 12:22 PM
18	Yes should be choice	12/9/2022 11:05 AM
19	Having a choice but disclosure is necessary	12/9/2022 11:05 AM
20	Need to be revalue at subsequent date if needs of entity change - either after a period of time (say 12 months/3 years) or revalue to P&L	12/6/2022 10:18 AM
21	Disagree with being notable to revalue at any future date	12/6/2022 10:18 AM
22	Fair value model should be allowed	12/6/2022 10:18 AM
23	Should be able to revalue at a future date.	12/6/2022 10:18 AM
24	Disagree with not being able to revalue at subsequent date.	12/6/2022 10:18 AM
25	Can be confusing for clients in relation to being unable to revalue	12/6/2022 10:17 AM
26	Some entities hold food inventory ("Foodbank" like charities). The actual value of food inventory that is likely to be realised by sale is almost zero compared to the cost or replacement value. It is therefore unreasonable to measure the inventory value at cost. It will inflate the nett worth of the charity on the balance sheet beyond the realistic position of the charity. An entity should be able to choose between fair value or cost models depending on the inventory type. Alternatively, the AASB should list inventory classes and have some at cost and some at fair value.	12/5/2022 8:29 AM
27	They should be permitted if that best depicts a 'true view'	12/2/2022 3:12 PM
28	Inventory - should be lower of NRV or cost and where donated deemed cost same as AASB 16 and with the NFP peppercorn exemption in place	12/1/2022 9:01 AM
29	All items donated should be keep off the financial statements. It would be impossible to accurately account for all items donated, with most organisations lacking the internal skills to	11/29/2022 8:41 PM

	do so. Most boards are volunteers. Most organisation have volunteers. Brands are built on these types of engagements and are not costed.	
30	Inventory being a material financial statement area and differences between the two might be material.	11/29/2022 2:22 PM
31	Too hard to answer.....Clients have NO IDEA how to apply accg standards....Will put TOO MUCH WORK AND RISK ONTO THE AUDIT FUNCTION.	11/28/2022 12:14 PM
32	The administration and the ensuring that items are not revalued - especially property which maybe a significant asset - would be challenging to administer over the life of the asset.	11/22/2022 3:46 PM
33	Unlikely to reliably disclose non financial assets	11/18/2022 11:46 AM
34	Greater flexibility	11/16/2022 1:03 PM
35	Unfortunately, I don't see a lot of but assume most times, easier to use cost as determining a fair value may be difficult.	11/2/2022 5:05 PM
36	Many NFPs will try and "window dress" their financial statements to provide a more compelling case for grants and donations and therefore (I expect) would always select the cost option). I believe entities should be required to measure non financial assets either at fair value or provide an estimate of fair value as a footnote to the inventory/fixed assets note.	10/31/2022 12:03 PM
37	Will remove the ability to show the value of assets at the disposal/use of the board	10/19/2022 5:33 AM
38	I'm not sure, actually. It probably should be optional with some clear criteria on when it is allowed. Especially important is the quality & independence of the evidence supporting a revaluation and board sign-off of any revaluation in the accounts (this bit is probably outside the standard). For example, some organisations consider googling realestate.com is adequate for revaluing property assets. Criteria for when independence and skill of the valuer and frequency of independent valuation would be useful. My experience is that small organisations don't really consider fair value at all or do it well, if they have considered it. An example is an organisation that obtained quality, independent valuations of substantial property assets some years ago; however, the statement of financial position does not reflect the valuations correctly. I plan to have the independent valuation updated for next year end and record this correctly in the financial statements.	10/17/2022 2:19 PM
39	I agree with the initial choice but why not allow subsequent changes to model if the Board has changed etc or the organisations needs and circumstances have changed?	10/13/2022 4:59 PM
40	To reflect the current value a revaluation is required and may be beneficial to users of the financial report. Once the entity has selected the revaluation method then they must be required to be bound by the revaluation method.	10/13/2022 3:50 PM
41	Helpful	10/13/2022 2:29 PM
42	Again policy choice will not provide consistency in the sector. In such instances current replacement cost and fair value should be the measure used.	10/5/2022 6:31 PM
43	NFP entities should not be able to measure items at cost that were not purchased at market value	9/28/2022 8:53 PM

Q7 Do you agree with the proposal?

Answered: 220 Skipped: 69



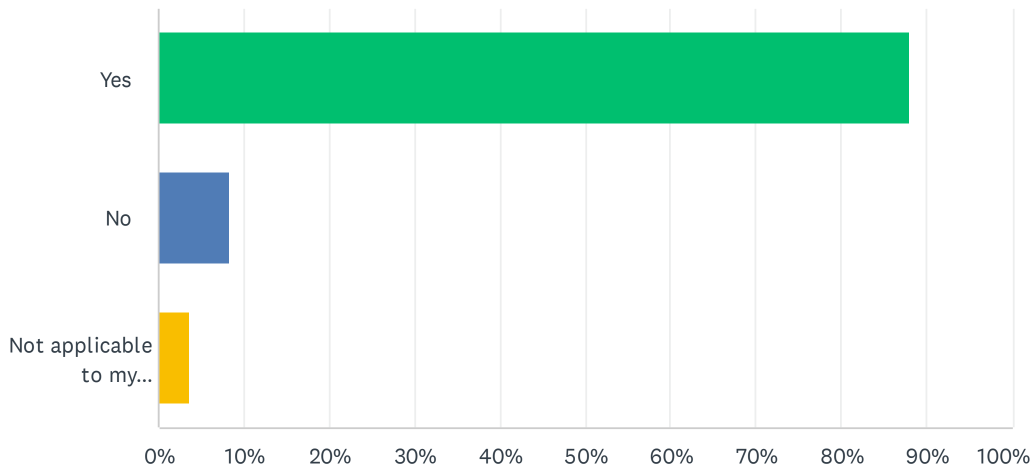
ANSWER CHOICES	RESPONSES	
Yes	87.27%	192
No	5.91%	13
Not applicable to my organisation/decision-making	6.82%	15
TOTAL		220

#	PLEASE PROVIDE COMMENTS (IF ANY) FOR THE AASB'S CONSIDERATION.	DATE
1	NFP lack the technical understanding of impairment indicators at present, so making the indicators more simplified will assist.	3/30/2023 5:59 AM
2	I think indicators are more relevant for types of companies.	3/29/2023 5:27 PM
3	This would be too onerous for a small entity	3/13/2023 5:53 PM
4	100% support this. ❤️	2/23/2023 9:41 AM
5	I would only agree if the tier 3 category could opt into this standard under the model where they can opt up out of tier 3 reporting	2/22/2023 9:39 AM
6	Continue trying to simplifying this process	2/22/2023 9:28 AM
7	Seems to make it easier to undertake impairments	2/22/2023 9:28 AM
8	Simplifies but still retains the quality of the data	2/22/2023 9:28 AM
9	Clarity around impairment is required for NFPs, particularly the residential aged care sector.	2/13/2023 1:41 PM
10	This simplifies the decision making process of when to revalue, helpful in reducing costs particularly of real property valuation.	1/5/2023 5:46 PM
11	I don't really understand what is different?	12/14/2022 5:48 PM
12	Impairment is often complex for small NFPs to understand - this will simplify this for them.	12/13/2022 12:26 PM
13	Yes should include impairment testing	12/9/2022 11:08 AM
14	practical & easy to understand	12/7/2022 12:50 PM

15	Makes it more simple	12/6/2022 10:21 AM
16	"physical damage" should also include aging for perishables.	12/5/2022 8:30 AM
17	All assets purchased need to flow through the income statement. Funding for these items are typically not generated off operational activities for small NFPs. Accounting for a computer over two years, when operationally it is used for 4, and replaced when damaged is a cash at bank decision and is judgement on available funds at the time. The explanation above shouldn't be something a CEO of a $2m NFP needs to consider, when attempting to deliver social outcomes. If I spoke using the above language, "impairment of fixed assets exceeding recoverable amount" would lead to a fruitless conversation. Is the computer broken, yes, can someone donate one to us? or do we have cash to buy anew one? yes. CEO would hope to see this appear on a financial statement next reporting period.	11/29/2022 8:50 PM
18	for consistency their should be the same test for impairment across all entities/ basis of preparation	11/29/2022 2:25 PM
19	Preparers don't understand this, their options, or how to apply the rules. It will simply put even more work on to Auditors (where on top of the extra work the auditor does, they actually have more RISK).	11/28/2022 12:16 PM
20	Love this idea	11/18/2022 11:48 AM
21	Smaller organisations are unlikely to have the expertise to completely comply with this without additional assistance. The second point is adequate. Depreciation/impairment confuses the understanding by the boards/management of most smaller organisations.	11/11/2022 9:03 AM
22	Most NPOs in the arts only have PP&E and, to be honest, they are generally written down/off only when damaged or no longer in use.	11/2/2022 5:07 PM
23	Yes, but see comments to previous questions on non financial assets measured at cost	10/31/2022 12:04 PM
24	Simply worded guidelines on how to go about this will be essential. Principles of supporting evidence requirements should be included.	10/17/2022 2:19 PM
25	Checking that assets are still worth at least what was paid for them is a standard business control. The standard is reflecting good management practice	9/28/2022 8:55 PM

Q8 Do you agree with the proposal?

Answered: 217 Skipped: 72



ANSWER CHOICES	RESPONSES	
Yes	88.02%	191
No	8.29%	18
Not applicable to my organisation/decision-making	3.69%	8
TOTAL		217

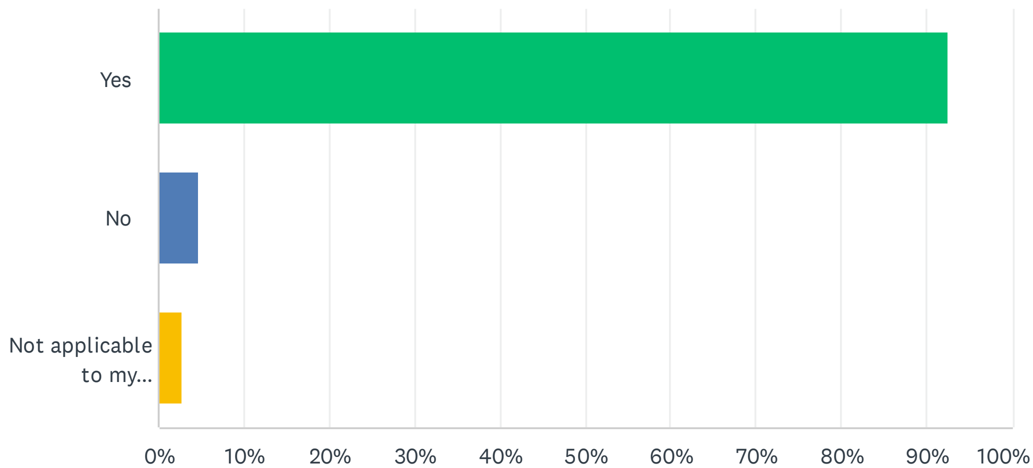
#	PLEASE PROVIDE COMMENTS (IF ANY) FOR THE AASB'S CONSIDERATION.	DATE
1	The current standard is one of the most difficult for NFPs to apply and adds no value	3/29/2023 12:28 PM
2	AASB16 creates significant complexity for smaller organisations, and I haven't yet found any organisations advise they received better or more useful information as a result of application of AASB16. Best option is for it not to be required. Where AASB16 is not being applied, may be helpful for there to be some disclosure of the existence of the leases by way of a text note in the financial statements.	3/26/2023 10:02 PM
3	This is very confusing and costs us money at the accountants each year	3/15/2023 3:35 PM
4	There are NFP's that have been choosing not to enter leases simply to avoid the existing lease accounting. This would be a significant improvement.	3/6/2023 9:33 AM
5	Entities that have adopted AASB16 would have to rewind Right of Use Assets, Lease Liabilities etc. Would this mean adjustment in retained earnings? Leases portfolio would increase with time, therefore, it serves better purpose in recognizing on balance sheet.	3/1/2023 1:42 PM
6	Leasing standard adds no value to interpreting Tier 3 NFP Financial Statements.	3/1/2023 12:06 PM
7	100% support this. NfP which are SME do not value this at all	2/23/2023 9:42 AM
8	I would only agree if the tier 3 category could opt into this standard under the model where they can opt up out of tier 3 reporting	2/22/2023 9:39 AM
9	Great idea.	2/22/2023 9:31 AM
10	Great news!	2/22/2023 9:29 AM
11	Lease standard pointless for NFP. Complicated calculation. Hard to have staff able to	2/22/2023 9:29 AM

	undertake this calc.	
12	The old lease recording methodology is better in the smaller NFP space. If they are going to own the asset post lease, than recognise the asset and liability - there is often a lease schedule provided. If there is no financial ownership of the asset, allow it to be expensed. Maybe require a note that lists all leases.	2/13/2023 2:36 PM
13	Why would a NFP be any different to a FP in this regard? Does the AASB see no benefit in AASB 16 to a NFP?	2/13/2023 1:42 PM
14	Absolutely, wholeheartedly agree, 100%. Crazy rule to go that way in the first place. Great to see some common sense but I do dread the time it is going to take to get rid of the current arrangement. If this particular one can be fast tracked in anyway then that would be a very good thing.	1/16/2023 2:25 PM
15	Agree that this provides a simplified accounting treatment for non-accountants preparing accounts of NFPs. There should be sufficient disclosure of the existence of leases, categories of leased assets and the cash outflows for future periods as per current GPFR.	1/5/2023 5:48 PM
16	Strongly supportive of this proposal.	12/21/2022 1:42 PM
17	Yes, saving time and easier for cashflow reporting purposes	12/14/2022 5:00 PM
18	NFPs and users of the financial statements for these smaller NFP entities (including directors) don't appear to understand the leases standard - which reduces the usability of the financial statements. Therefore I agree with non-application of the leases standard.	12/13/2022 12:27 PM
19	Yes, please it makes the financial statements much more user friendly and simplified.	12/9/2022 11:09 AM
20	Straight line basis over the term of the lease is much easier	12/9/2022 6:56 AM
21	Capitalisation of leases does not add value to readers of these type of financials	12/7/2022 12:51 PM
22	Definitely	12/6/2022 10:22 AM
23	Yes - makes it more simple of NFPS entities	12/6/2022 10:22 AM
24	This is a common sense approach for smaller NFPs	12/5/2022 1:20 PM
25	AASB 16 should be able to be applied if the NFP wants to do so	12/2/2022 3:15 PM
26	I find the current requirement recognise right of use assets arising from concessionary lease arrangements to be a ridiculous misstatement in the financial statements	12/2/2022 3:21 AM
27	application of the standards as applicable to the organisation .	12/1/2022 9:02 AM
28	Leases should be expensed as per payment. There is no material benefit to using a straight line method. Cost to maintain a lease schedule would be higher than any benefit gained. On a previous board, the straight-line lease schedule was provided by the auditor charged at $200 per hour for at least a couple of hours of work. The social return on investment for this $200 per hour is zero! All stakeholders would better understand leases at cost, and know they would either stay the same or increase into future years.	11/29/2022 8:55 PM
29	Given the nature of entities that would fit into Tier 3 NFP,it takes up too much resources and time to have to record lease liability or ROU. However if the enitity moves to Tier 2 or 1 and needs to change their policy it may be more difficult, but overall dont think its necessary at Tier 3 level.	11/29/2022 2:27 PM
30	As the auditor, this simplicity would really save time for our clients who are unfamiliar with the requirements of AASB16.	11/29/2022 2:26 PM
31	Most NFPs I work with do not have complex operations/ balances but do have for example, 1 office lease. They often have to pay an accountant to do this for them but adds no value to their financial statements.	11/29/2022 2:26 PM
32	FINALLY a sensible way to track EXPENSES (I am yet to meet a client who feels the Asset/Liab approach is useful). One of the dumbest changes ever when we had to do the A/L approach. Absolute waste of time, costs, additional stress and risk, with NO BENEFIT.	11/28/2022 12:18 PM
33	For consistency and comparability, this should be moved to on balance sheet in line with the AASB 16 Leases standard.	11/28/2022 12:00 PM

34	This is overly complex if not implemented.	11/22/2022 5:16 PM
35	100% agree the application and administration of the AASB 16 Leases provides no benefit only a cost to small entities.	11/22/2022 3:47 PM
36	Thoroughly agree. I don't understand why any lease arrangement should appear on the balance sheet; should be straight-line expense similar to paying rent (at least for tier 3 accounting)	11/22/2022 2:56 PM
37	This is a very important consideration for NFP at this level. The standard is not understood or likes by this level of NFP	11/18/2022 11:49 AM
38	But this is going backwards. We've done so much work in applying this for nfps, client hated it and will now hate going back	11/18/2022 11:49 AM
39	Hell yeah!	11/18/2022 11:48 AM
40	But concessionary lease arrangements should be disclosed	11/18/2022 11:48 AM
41	As long as there is the option to opt into this disclosure if desired	11/18/2022 11:45 AM
42	From the perspective of a NFP organisation, this standard has not added any value to the users understanding of the organisation or its operations and it would be a welcome change to have the standard removed. Whilst the organisation has leases for both buildings and motor vehicles, our service delivery is not dependent on these assets. Therefore, it adds no value to the users recognising a RoU asset and corresponding liability on the balance sheet.	11/16/2022 9:43 AM
43	Yes please. Don't believe the reporting of ROU assets & lease liabilities have added any usefulness to the statements. Generally, only applies to office & photocopier leases for my clients. If anything, they have left management, boards, funding bodies, & users befuddled! I have spent a lot of time explaining the accounting and how it works and frankly suspect myself and the auditors are still the only ones who get it! Also, much easier to budget for (& report on to funding bodies) when they were treated as 'operating leases'.	11/2/2022 5:12 PM
44	Lease accounting is too complex to expect NFPs to execute correctly and it is better to have a simplified version of accounting for leases that is completed correctly. Additional information on key leases can be provided as a narrative in the notes.	10/31/2022 12:06 PM
45	This Is the best treatment!!	10/19/2022 5:35 AM
46	Disagree with first dot point as may lead to understatement of liabilities. Agree with second dot point. Only relevant to for profit entities	10/14/2022 11:07 AM
47	It is essential that the lease arrangements that for profits under general reporting have to follow - these requirements must not apply to NFPs - they are there to ensure that only the big end of town can follow and work them out and therefore ensure that more and more work just goes to the big end of town, Disgrace AASB/CAANZ/CPA/IPA!	10/13/2022 7:59 PM
48	At this tier board members are likely to be unpaid volunteers without sufficient understanding of accounting to follow right-of-use. It's important to keep financial statements readable and understandable by those signing off, or risk * loss of volunteers for board roles due to personal risk involved * volunteers signing off on statements they do not understand.	10/13/2022 4:08 PM
49	The accounting treatment with examples should be given for those entities that would have to reverse ROU Assets Leases required under Tier 2.	10/13/2022 3:54 PM
50	Wonderful proposal	10/13/2022 2:30 PM
51	While I think it would be beneficial for them to not be required to calculate ROU assets and lease liabilities, I think disclosure is important. Most Charities should be signing up for long term commitment leases, and if they are, I would want to know about it as a user.	10/12/2022 1:53 AM
52	Lease accounting has its place in holding listed and public entities accountable when they park or hide assets and liabilities. For tier 3 nfp entities, this is a very low risk issue	9/28/2022 8:56 PM
53	Agree with the current treatment of leases (recognition on balance sheet). Proposal could lead to NFP over committing to lease items.	9/28/2022 2:42 PM
54	Can we remove AASB 16 for all entities not just NFP?	9/28/2022 8:48 AM

Q9 Do you agree with the proposal?

Answered: 213 Skipped: 76



ANSWER CHOICES	RESPONSES	
Yes	92.49%	197
No	4.69%	10
Not applicable to my organisation/decision-making	2.82%	6
TOTAL		213

#	PLEASE PROVIDE COMMENTS (IF ANY) FOR THE AASB'S CONSIDERATION.	DATE
1	Prefer not from an auditor point of view. The less differences between tiers the better especially if NFP are expected to move in and out of tiers over time.	3/30/2023 6:00 AM
2	This would make it sooooooo much simpler for NFPs to apply and not have situations where income is shown in one year and expenses in another	3/29/2023 12:30 PM
3	The definition and of examples of a 'common understanding' should be very clear. Otherwise, this accounting treatment will become very subjective.	3/29/2023 9:28 AM
4	Probably an improvement over the current treatment, however defining a 'common understanding' could be difficult as this appears to be a very broad potential scope.	3/26/2023 10:04 PM
5	The current standards are time consuming to implement and add no value to information in financial statements, or at least not for our users. Rather having to recognise revenue when we receive it creates confusion and obscures the 'real' result for the year, which then needs to be explained. The financial statements are not therefore providing useful information to users.	3/22/2023 2:46 PM
6	The current situation is making our financial statements misleading as revenue is not being matched with the expenses that relate to that revenue as they are having to be reported in two different financial years.	3/19/2023 5:25 PM
7	This will help with funding contracts that are longer than the financial year.	3/15/2023 3:37 PM
8	Deferred income needs to be used to smooth funds received to support workers who are being supported by donors and not the organisation.	3/13/2023 5:56 PM
9	Depends on the agreement and binding or non binding nature of the commitment. Agree where there is a requirement to repay the resources if the resources are not used in the particular way	3/1/2023 12:13 PM

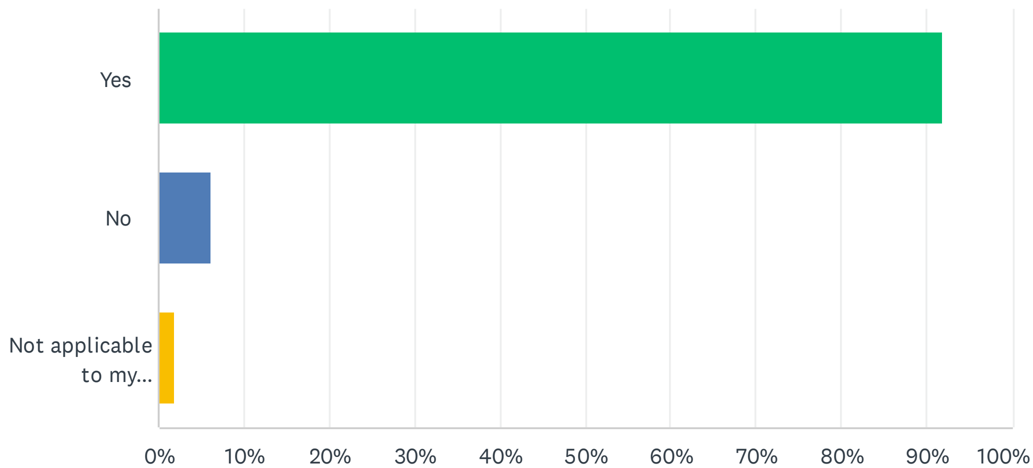
	agreed. However, if the resources are provided on the understanding that the provider intends for the resources to be used in a particular way but does not require the resources to be repaid if they are not used in that fashion, then the resources should be recognised upon receipt or gaining control of the receivable.	
10	Have a standard probability chart as it will be useful.	2/23/2023 9:57 AM
11	Makes it more simple than performance obligations	2/23/2023 9:53 AM
12	Keeps it simple. Def agree	2/23/2023 9:53 AM
13	A consistent treatment rather than decision tree would make requirements more straightforward.	2/22/2023 9:33 AM
14	Documented evidence needs to be reasonable. We always get an email as the only support of the donation / grant. Revenue standard is time consuming and really crazy when trying to assess.	2/22/2023 9:32 AM
15	YES PLEASE. THE CURRENT STANDARD SIGNIFICANTLY DISTORTS DECSIONS MAKING.	2/22/2023 9:32 AM
16	Communicates correct message to users	2/22/2023 9:31 AM
17	Absolutely, wholeheartedly agree, 100%. Current process way too complicated and adds way to much complexity and time during audit. Great to see some common sense but I do dread the time it is going to take to get rid of the current arrangement. If this particular one can also be fast tracked in anyway then that would be a very good thing.	1/16/2023 2:26 PM
18	Its been an expensive and time consuming exercise to document grant contract arrangements, and for grant applications to be worded with sufficient specificity to allow deferred income under current requirements. Colleagues not familiar with accounting standards and concepts have struggled to understand why income must/must not be deferred. Would need some clear guidance as to what constitutes 'common understanding' eg logical use of funds received in June can't all be spent in the current year, does this require apportionment across the EOY, by what method etc.	1/5/2023 5:53 PM
19	"Evidence" is ought not be a key determinant but rather whether there is common understanding.	12/21/2022 1:43 PM
20	I presume this refers to grants - I think some examples are required.	12/14/2022 5:51 PM
21	Agree - this makes sense and what most users appear to expect to occur.	12/13/2022 12:30 PM
22	More understandable to reader of accounts that income (grant) is deferred to year of expenditure	12/9/2022 11:14 AM
23	Simple & logical approach	12/7/2022 12:52 PM
24	Can you change this for all Tiers - much more practical and better reflects client understanding	12/6/2022 10:26 AM
25	Should apply to larger nfp as well	12/6/2022 10:26 AM
26	Should apply this to Tier 1 & 2 as well	12/6/2022 10:26 AM
27	Definitely	12/6/2022 10:25 AM
28	Yes - revenue should be recognised over the life of the agreement / contract	12/6/2022 10:25 AM
29	I like this approach but larger NFPs that are not subject to this standard may also like the look of it	12/5/2022 1:22 PM
30	Many NFP entities struggle in the application of AASB 15 / AASB 1058, so a simplified / more easily applied approach to revenue recognition for NFP entities that results in consistent application across all applicable entities would be an improvement on the current regime.	12/2/2022 3:27 PM
31	If there a obligations in place for funding arrangements, then Revenue should be recognised upon these obligations being satisfied. Otherwise profit/loss will fluctuate significantly depending on timing of the inflow into the ACNC.	12/2/2022 3:18 PM
32	1. All income should be accounted for as it is received. or 2. Standardise the accounting process, and clarify where cash at bank is shown as commitment free available cash, and cash for deferred income aligning with the deferral and outflows,	11/29/2022 9:03 PM

33	Yes this should be the case for all NFPs reporting under all tiers.	11/28/2022 12:20 PM
34	FINALLY!!!! IT should have always stayed like this. The income recognition changes previously are simply dumb. An absolute waste of everyone's time! No use to anyone!!!!!!!!!!!!!	11/28/2022 12:19 PM
35	Users question charities when they have deficits why should I donate if you can not manage funds. They challange when they make a surplus, why should I donate if you dont spend the funds. The ability to more easily match will reduce this.	11/22/2022 5:18 PM
36	This reflects the majority of funding arrangements entered into by small NFP - funds are provided to generate an output (event, service, activity) - having to bring monies immediately to account in an environment for small NFP's where there are usually challenges in expending the funds and delivering the activity and it may bridge financial years.	11/22/2022 3:49 PM
37	Agree, though consideration may be needed in re-wording to suit majority of NFPs in this tier 3 level for greater clarity; to the effect of, or inclusion of, "when the fundraising event is due to occur" (i.e. registration for a future-dated fundraising event) - or "when the benefit to the provider comes to fruition"	11/22/2022 3:00 PM
38	Yes! Should be included in aasb1058 for NFPs.	11/18/2022 11:55 AM
39	Hell yeah baby!	11/18/2022 11:54 AM
40	Again going backwards. Not sure common understanding is best.	11/18/2022 11:54 AM
41	This should be in AASB 1058	11/18/2022 11:52 AM
42	Very important for this level of NFP	11/18/2022 11:50 AM
43	Particularly important relating to grant income timing	11/16/2022 1:05 PM
44	This would be a welcome change for the NFP sector. Whilst for profit businesses operate in an environment with detailed contractual obligations, the same cannot be said for the NFP sector. Standard template funding agreements are issued by Government departments, which generally speaking do not align with the 'sufficiently specific' requirements of AASB 15. For an organisation that is 100% funded by Government, this has created issues with significant revenues being recognised in one year and significant losses will be recognised in the following. This has also created issues with management budgets as these are prepared on a Profit and Loss basis, however now management has to factor in carry over income not expended in the prior year. The contrast in the timing of revenue and expenditure has been a pain point for the Board in understanding the operating performance of the organisation. AASB 15 could remain where contracts have sufficiently specific contractual terms as the standard does highlight programs that are not performing and may be run inefficiently i.e. targets not being achieved, but a significant portion of funding is being spent. Where terms are not sufficiently specific and there is only a common understanding in writing, then it is my view that organisations should default to the process detailed above.	11/16/2022 10:01 AM
45	Need to ensure (ATO) thinking on DGR-eligible public funds aligns with this proposal - particularly as regards ancillary fund registered charities granting/donating to a registered charity.	11/2/2022 7:08 PM
46	VERY STRONGLY AGREE. Currently finding the interpretation by auditors on AASB 15 & 1058 varies between my clients. The results therefore making some of the financial statements to my mind meaningless and certainly not comparable. When a strict interpretation is applied of the 'specificity of performance obligations', we appear to recognise income despite the fact the company has obligations to spend that income or return it to the funder the following year. To me, this goes completely against the accounting principles of accrual accounting, matching, and being conservative. Also screws up budgeting & KPIs and confuses the funding bodies.	11/2/2022 5:18 PM
47	Need to remove the accounting "jargon" from the flowchart ("inflows of resources")	10/31/2022 12:18 PM
48	Why are we adding/changing words > this only makes it more complicated for those, who will again think accountants are just changing standards to keep their jobs. Why are we not using words similar to the current standards, just clarifying that most revenue streams will fall under 1058 and be recognised upon receipt unless measuring the performance obligation can be reliable estimated based on outflow of resources or expenses.	10/12/2022 1:58 AM
49	The alternative is Recognising income without the matching costs or guessing what future	9/28/2022 8:58 PM

	costs will be incurred. Neither make more sense than this proposal	
50	Very sensible.	9/28/2022 8:48 AM

Q10 Do you agree with the proposal?

Answered: 209 Skipped: 80



ANSWER CHOICES	RESPONSES	
Yes	91.87%	192
No	6.22%	13
Not applicable to my organisation/decision-making	1.91%	4
TOTAL		209

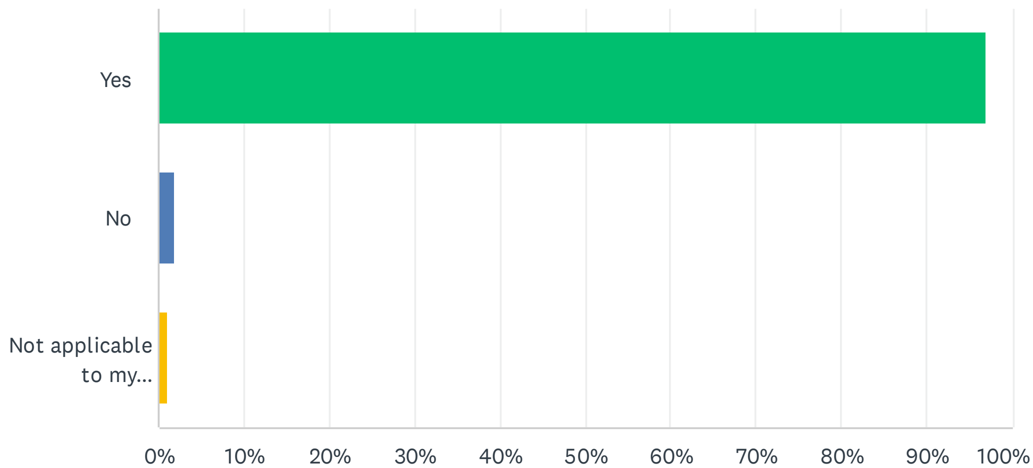
#	PLEASE PROVIDE COMMENTS (IF ANY) FOR THE AASB'S CONSIDERATION.	DATE
1	I think this proposal would produce materially the same outcome as the current standard for tier 1 and 2 companies.	3/30/2023 6:01 AM
2	Don't generally see any significant difficulty for clients to apply recognition and measurement in the scope of employee benefits, so unsure that any changes are actually required. If changes are to be made, then removing the requirement to NPV LSL would be of some benefit. Termination benefits / defined benefit plans are very infrequent if ever present in the smaller NFP so no special requirements needed.	3/26/2023 10:07 PM
3	Are related on-costs such as superannuation, W/Comp and FBT to be recognised too?	3/6/2023 9:34 AM
4	why bother with probability.	3/1/2023 3:32 PM
5	Keeps it simple	2/23/2023 9:57 AM
6	Probability chart would be useful	2/23/2023 9:57 AM
7	I observe most NFP employees are longer terms, compared with commercial sector. If we are only going to take up expenses when being paid, the number will be very volatile between years.	2/23/2023 9:55 AM
8	Standard probabilities are useful if provided by the AASB	2/23/2023 9:55 AM
9	The way Volunteers need to be treated in my view needs to conform with Employee benefits	2/22/2023 9:34 AM
10	Good simplification but holds up the point of acc standarda	2/22/2023 9:34 AM
11	More or less what we do now in my organisation.	2/22/2023 9:33 AM

12	AS long as probability of Long Service leave is able to be estimated. There are many small NFPs where there is not enough history to accurately determine probability.	2/13/2023 2:43 PM
13	No not really. A lot of NFP's are flying close to the wind with regards to cash. I believe that LSL valued on the books at 100% on and past 5 years of service will better answer the question "If Entity A were to fold tomorrow what are their obligations to pay out" and 100% of the LSL after 5 years of service is included. The probability piece I do not think represents the pressing financial analysis needs of an NFP.	1/16/2023 2:46 PM
14	Agree - much simpler calculation process for long service leave.	1/5/2023 5:55 PM
15	this keeps things simple	12/14/2022 5:51 PM
16	I agree with the proposal. However, if there can be a standard set of probability factors attributed to LSL across all Tier 3 NFPS that would be great.	12/13/2022 12:34 PM
17	In practice, many entities are doing this anyway on the basis it isn't materially different. So this would give NFPs more certainty on accounting for the liabilities, but still produce a reasonable estimate.	12/13/2022 12:34 PM
18	Some guidance on how to recognise long service leave that is accounted for under the Portable Long Service Leave Scheme (in Vic) would also be helpful as most not-for-profits have no idea how to treat it or they are provided very limited advice on how to treat it.	12/13/2022 12:31 PM
19	Take up long service leave after 5 years. More stable employees	12/9/2022 11:23 AM
20	As long as probability rates were to be provided. Further guidance surrounding casuals being recognised	12/9/2022 11:23 AM
21	Currently note that a significant level of clients only accrue for LSL after say 3 year or 5 years , and then provide for nominal value and no consideration for probability.	12/9/2022 11:23 AM
22	provide probability rates. even better, provide discount rates if otherwise. guidance on LSL around casuals as NFP has lots of casual staff. guidance on different states as LSL are different for different states.	12/9/2022 11:23 AM
23	Guidance on casual staff - whether required to be included eg: after a certain number years of service. Probability guidance.	12/9/2022 11:23 AM
24	Simplifies the recognition of employee entitlements	12/7/2022 12:52 PM
25	For over 5 years service only on pro rata basis.	12/6/2022 10:28 AM
26	Entitlements are better dealt with via a sinking fund.	12/5/2022 8:35 AM
27	Discounting should occur	12/2/2022 3:19 PM
28	application of the standards as applicable to the organisation.	12/1/2022 9:02 AM
29	Needs to consider Government LSL schemes as LSL is transferable. Cash at bank needs to be identified for all employee benefits. (This needs to include super if payable quarterly). Probability needs to be standardised and applied through systems when it is not part of a government scheme. Impact is going to be minimum between a AASB advised number industry standard and a managers decision.	11/29/2022 9:09 PM
30	Yes, this appears to be more conservative which is good	11/29/2022 2:31 PM
31	Employee benefits expense should be consistent across all basis of preparation.	11/29/2022 2:30 PM
32	A sensible approach. Should apply to most entities.	11/28/2022 12:20 PM
33	Parameters regarding probability may need some examples for preparers in this space	11/22/2022 3:50 PM
34	LSL should be classified as a non-current liability; whilst employees are able to meet the service conditions (i.e. continuous employment for 7+ years), the likelihood of employees being able to take LSL in a small NFP is highly unlikely. Small NFPs have small teams with frequently, no other team member able to fill the gap when an employee takes LSL. Probably of payment being required is vested once an employee surpasses 7 years of continuous employment as it is legislated to payout any unused portion upon termination.	11/22/2022 3:13 PM
35	Guidance as to probability rates to apply to non-yet-vested long service leave would be helpful	11/18/2022 11:56 AM

36	Yes please	11/18/2022 11:55 AM
37	This makes complete sense and simplifies the process	11/18/2022 11:55 AM
38	Community Services sector in Victoria now falls under the Portable LSL scheme, therefore discounting the organisation's reducing balance of Employee Entitlements adds little value to the users.	11/16/2022 10:03 AM
39	Smaller organisations would need assistance in this regard. If guidance was provided in the proposed template then the above is Ok.	11/11/2022 9:06 AM
40	Strongly agree. To be honest not sure who actually 'discounts' employee benefits and, in any event, immaterial. With LSL in the arts sector, very low probability of LSL payments being made. Termination benefits and defined benefit plans almost non-existent in the arts.	11/2/2022 5:21 PM
41	We expense and provide for Personal Leave at 50% of the total. It would greatly increase our provision and tie up reserves if we expensed and provided at 100%.	10/24/2022 2:46 PM
42	Redundancy provisions can only be recorded once a redundancy program is underway or reasonably likely to proceed. Please include guidance on when employee provisions should be classified as current or non-current (eg with reference when LSL becomes payable under the relevant industrial agreement or legislation).	10/17/2022 2:19 PM
43	Some factors, e.g. portable long service leave in Queensland for SCHADS employees, may need to be specifically excluded.	10/13/2022 4:11 PM
44	Helpful	10/13/2022 2:32 PM
45	Agree that employee benefits not be measured on a discounted basis and that LSL reflect 100% probability as this will reduce the need for small entities to make complex calculations.	9/29/2022 1:28 PM
46	As long as future income is also not required to be discounted (for balance)	9/28/2022 8:59 PM

Q11 Do you agree with the proposal?

Answered: 206 Skipped: 83



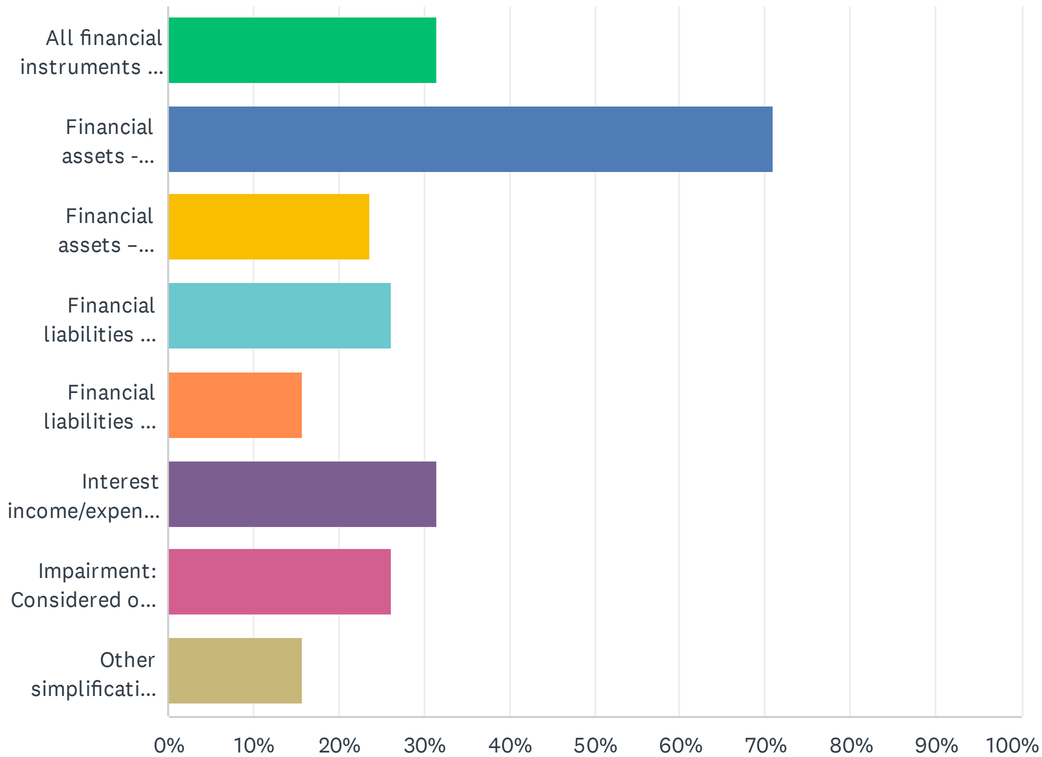
ANSWER CHOICES	RESPONSES	
Yes	97.09%	200
No	1.94%	4
Not applicable to my organisation/decision-making	0.97%	2
TOTAL		206

#	PLEASE PROVIDE COMMENTS (IF ANY) FOR THE AASB'S CONSIDERATION.	DATE
1	listed securities are basic also	3/1/2023 3:33 PM
2	Fair value movement on investments would be better on balance sheet, not P&L	2/22/2023 9:37 AM
3	Could include corporate bonds. Prefer Fair Value through OCI	2/22/2023 9:37 AM
4	Can't agree with something that hasn't been developed.	2/13/2023 2:44 PM
5	providing the guidance is simple to interpret	12/14/2022 5:52 PM
6	guidance on disclosure should be provided to share with clients with basic vs. complex	12/9/2022 11:25 AM
7	Current standards for financial instruments are over the top for small NFPs	12/2/2022 3:20 PM
8	should be for all NFP to provide guidance for the small and less complicated NFP who do not have anything else other than the above.	12/1/2022 9:05 AM
9	Yes and standards built into finance systems for common reporting	11/29/2022 9:10 PM
10	given the simplified nature of the accounts, it may be good to include some of this detail in the financial statments	11/29/2022 2:35 PM
11	Again, another ridiculously irrelevant std to most entities (by volume) in Australia. I audit large Pty entities and have NEVER found a client to have any benefit of this; ANOTHER WASTE OF TIME for interested users, banks, owners, auditors etc. Happy to get rid of this.	11/28/2022 12:22 PM
12	In 20 years in the arts, haven't seen any other financial instruments than those listed above. And very rare to see an arts company have investments aside from term deposits.	11/2/2022 5:23 PM
13	Unearned income should need to be specifically disclosed (eg grants or service program	10/17/2022 2:19 PM

	funding in advance)	
14	It depends what the reporting requirements are	10/13/2022 5:03 PM

Q12 Below is a list of proposed Tier 3 accounting requirement(s) for financial instruments. If you agree with the proposals, please proceed to the next question. If you disagree with any of the following proposed Tier 3 reporting requirement(s) for financial instruments, please tick all proposals you disagree with (you can tick more than one box).

Answered: 38 Skipped: 251



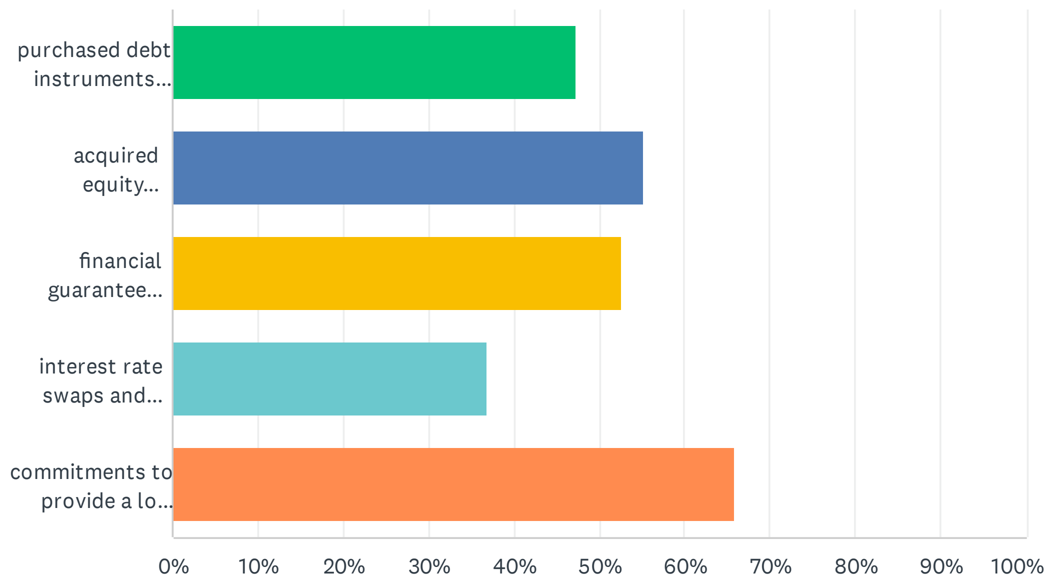
ANSWER CHOICES	RESPONSES	
All financial instruments – initial measurement: at fair value with immediate expensing of transaction costs.	31.58%	12
Financial assets - subsequent measurement: (a) Financial assets held to generate both income and capital return, such as managed investment schemes, at fair value through other comprehensive income; and (b) all other financial assets at cost.	71.05%	27
Financial assets – derecognition: When either: (a) the contractual rights to the cash flows from the financial assets expire, or (b) the entity loses control of the asset.	23.68%	9
Financial liabilities – subsequent measurement: Measured at cost.	26.32%	10
Financial liabilities – derecognition: When the obligation is discharged. A modification of the terms of a financial liability or an exchange of financial liabilities extinguishes the original financial liability and creates a new financial liability.	15.79%	6
Interest income/expenses: Calculated by reference to the instrument's contractual interest rate with any initial premium or discount amortised over the expected life of the instrument.	31.58%	12
Impairment: Considered only when it is probable that the carrying amount will not be collectible.	26.32%	10
Other simplification of financial instruments: Hedge accounting is not permitted. Embedded derivatives and certain derivative financial instruments that are not readily identifiable and measurable do not need to be separately recognised.	15.79%	6
Total Respondents: 38		

#	PLEASE PROVIDE COMMENTS (IF ANY) FOR THE AASB'S CONSIDERATION.	DATE
1	I prefer managed investments and equity investments go through OCI.	3/29/2023 5:41 PM
2	Other comprehensive income is a poorly understood concept and limiting its use would be better for any simplification. FVTPL is much easier to calculate from a client perspective (my experience is that FVOCI is generally done with mistakes by the client), and is also more difficult to calculate as you need to track the original cost of the investment (which is difficult when you have a large portfolio with lots of sales and purchases). FVTPL, with a sub-total in the P&L before any FVTPL gains or losses, has been widely accepted and understood by my clients.	3/29/2023 9:36 AM
3	fair value through comprehensive income is not well understood, if choice is to be removed then fair value through P&L may be the better option.	3/26/2023 10:09 PM
4	In the case of financial liabilities, and those financial assets to be subsequently measured at cost, does it make sense to have the initial measurement at fair value, but subsequent measurement at cost??	3/17/2023 5:35 PM
5	Should have option of putting Fair Value through P&L where one of the purposes of the NFP is to hold investments - such as charitable trusts and PAFs. Also in non-tax paying NFP there is no tax economic difference between realised and unrealised gains so accounting for both in same part of FS makes most sense.	3/3/2023 2:05 PM
6	For those that are complex - allow FVOCI	3/1/2023 3:34 PM
7	Agree with proposal. Keeps it simple	2/23/2023 10:03 AM
8	Better to have movements reported in OCI due to short term volatility of markets and limited snapshot around year end date	2/22/2023 9:40 AM
9	FV through p&l preferred.	2/22/2023 9:39 AM
10	Fair value movements through the p and l	2/22/2023 9:39 AM
11	My feeling is that everything unrealised should be through OCI and realised through P&L! Also think option for unlisted shares to be at cost should be considered.	2/22/2023 9:39 AM
12	Good idea to put asset movement through OCI	2/22/2023 9:38 AM
13	FVTPL should be allowed for financial assets too	2/22/2023 9:37 AM

14	expensing of transaction costs could create significant capital gains tax issues as that is not how they are required to be reported to the ATO. this does not match the timing of the expense to the timing of the asset, which seems to be contrary to international accounting standards	12/14/2022 5:57 PM
15	I think the preference would be FVTOCI (based on the number of NFP's doing tier 2 who weren't happy moving to FVTPL after adopting AASB 9). I think it's clearer for unrealised gains / losses and allows entities to see their overall unrealised amount using the ARR account	12/13/2022 12:41 PM
16	Prefer the financial assets subsequent measurement through OCI. Some NFPs have funding agreements with tests relating to profit for the year, in which FVPL can effect.	12/13/2022 12:41 PM
17	Financial assets - subsequent measurement. At the moment under full AASBs there is a difference between FVOCI for debt instruments and FVOCI for equity instruments. This can be complex to account for, and a number of NFPs hold both debt & equity investments. Recommend one treatment for both.	12/13/2022 12:39 PM
18	Satisfied that reasonable	12/9/2022 11:31 AM
19	All fair value to go through P&L for simple financials. Disclosures in the notes are already a requirement for material transaction. if there is a choice, then a detailed disclosure should be necessary.	12/9/2022 11:30 AM
20	Believe should be able to choose fVTPL or FVTOCI	12/6/2022 10:37 AM
21	Fair value through P And L for managed investments as an option as gives users the impact of changes during the year. This could be shown as a non operating result but not in other comprehensive income.	12/6/2022 10:37 AM
22	Choice of the entity to elect to be recorded in OCI or PL	12/6/2022 10:37 AM
23	Disagree with managed investment schemes through OCI. I believe proposal should be through P&L. Specifically should be disclosed as non operating income.	12/6/2022 10:37 AM
24	Choice of through p&l and OCI for investment portfolios.	12/6/2022 10:32 AM
25	Shares through OCI would be appreciated.	12/2/2022 3:25 PM
26	Perhaps entities should be given a choice for (a). There are NFP entities (and users of NFP financial statements) that don't understand what OCI is and then there are those that prefer putting FV gains/losses in OCI to avoid volatility in P&L.	11/29/2022 2:38 PM
27	No other comprehensive income.	11/29/2022 2:35 PM
28	While I feel fair value through other comprehensive income is much more relevant for most NFP's that hold investments as a source of other income, there should at least be the option to adopt fair value through P&L...	11/28/2022 12:30 PM
29	Unrealised gains should go through OCI	11/28/2022 12:27 PM
30	Fair value through P&L is more easily understood than FVOCI	11/18/2022 1:36 PM
31	See comments in previous question.	11/2/2022 5:24 PM
32	Not sure any of these smaller NFPs will understand what Other Comprehensive Income is. It is unlikely that any NFPS of this size will invest in a managed investment scheme (most will have cash and term deposits with only a few larger NFPs with more sophisticated board members will invest in shares)	10/31/2022 12:25 PM
33	Commentary on when interest should be recorded in accounts eg on receipt at term deposit maturity or accrual at year end	10/17/2022 2:19 PM

Q13 Below is a list of proposed Tier 3 accounting requirement(s) for financial instruments that the AASB does not intend to address specifically. If you agree, please proceed to the next question.If you believe the AASB should develop specific Tier 3 accounting requirements for a particular topic listed, please tick the relevant box(es) (you can tick more than one box).

Answered: 38 Skipped: 251



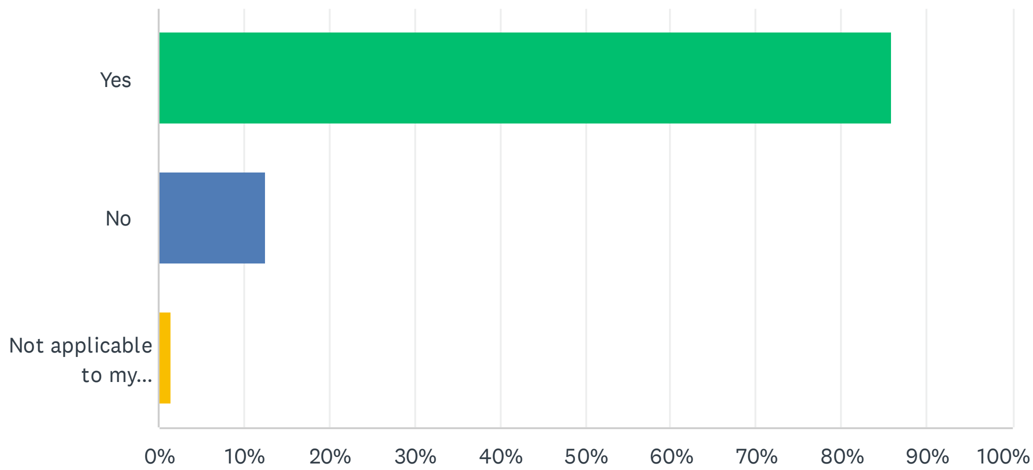
ANSWER CHOICES	RESPONSES	
purchased debt instruments such as listed corporate bonds and convertible notes	47.37%	18
acquired equity instruments such as preference shares	55.26%	21
financial guarantee contracts	52.63%	20
interest rate swaps and forward exchange contracts	36.84%	14
commitments to provide a loan at a below market interest rate	65.79%	25
Total Respondents: 38		

#	OTHER (PLEASE SPECIFY)	DATE
1	Particularly where the counterparty in the transaction is part of the NFP purpose	3/3/2023 2:08 PM
2	For those that are complex - FVOCI should be required for all - not FVPL	3/1/2023 3:34 PM
3	If nfp have complexities such as these they should NOT be using Tier 3.	2/23/2023 10:05 AM
4	These should not apply to NFPs using Tier 3	2/23/2023 10:04 AM
5	The clearer this information I (clear English) the better	2/22/2023 9:40 AM
6	Happy to leave out - think would be rare and, on occasions where applicable, can go to	2/22/2023 9:40 AM

	relevant standard	
7	Concessional loans in NFP sector common	2/22/2023 9:40 AM
8	Not commonplace	2/22/2023 9:39 AM
9	Preference shares (and potentially other equity instruments) may be received by the charity as part of a bequest or as a donation, and it would be useful to have some guidance	12/14/2022 6:00 PM
10	I think the preference would be FVTOCI (based on the number of NFP's doing tier 2 who weren't happy moving to FVTPL after adopting AASB 9). I think it's clearer for unrealised gains / losses and allows entities to see their overall unrealised amount using the ARR account	12/13/2022 12:45 PM
11	A few NFPs end up with interest rate swaps in place with banks to fix interest rates. Suggest that fair valuing these is not really appropriate for NFPs - it is difficult to describe what this is and why the accounting is necessary to Boards and to members at AGMs.	12/13/2022 12:43 PM
12	N/A	12/9/2022 11:31 AM
13	Not required	12/6/2022 10:38 AM
14	these do not apply to our organisation	11/22/2022 3:15 PM
15	Unlikely to have many of these	10/20/2022 7:09 AM
16	unsure	10/13/2022 8:01 PM

Q14 Do you agree with the proposal?

Answered: 198 Skipped: 91



ANSWER CHOICES	RESPONSES	
Yes	85.86%	170
No	12.63%	25
Not applicable to my organisation/decision-making	1.52%	3
TOTAL		198

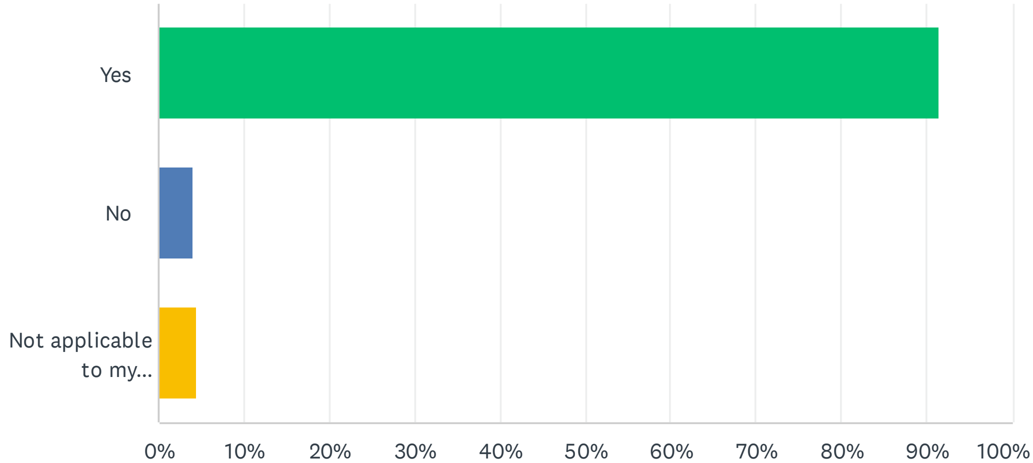
#	PLEASE PROVIDE COMMENTS (IF ANY) FOR THE AASB'S CONSIDERATION.	DATE
1	This is treatment is problematic with regard to prior period errors.	3/29/2023 9:41 AM
2	Where there is a known error, assuming material, then to treat in the current year could obscure the actual current year operations. There needs to be sufficient disclosure of the error / change that has been made. It may be helpful if this is done without the requirement for a 3rd balance sheet column.	3/26/2023 10:11 PM
3	I prefer that the comparative figures for previous year are co0rrected in the current year's financial statements	3/19/2023 5:29 PM
4	The Statement in Changes in Equity would be the appropriate place to display the correction of a prior period error (as an adjustment to carry forward balances) supported by a brief note within the financial statements.	3/1/2023 2:06 PM
5	Agree. Keep I simple.	2/23/2023 10:05 AM
6	Current year accounts will show impacts sufficiently	2/22/2023 9:43 AM
7	Option to restate comparatives.	2/22/2023 9:42 AM
8	Think it should be optional to restate prior year	2/22/2023 9:42 AM
9	Prefer optional	2/22/2023 9:42 AM
10	Much easier	2/22/2023 9:41 AM
11	This will not give a simple reader enough information. Comparative restatement and presentation is a must.	2/13/2023 1:45 PM

12	Not sure that adjusting opening balances will cause more questions than answers to be honest.	1/16/2023 3:04 PM
13	Agree, assuming that where prior period errors are material there is sufficient disclosure to illustrate how and where the financials have been impacted. Is there a threshold level where a revision of comparatives is warranted - for transparency and to properly understand current year position/performance?	1/5/2023 6:00 PM
14	Theis may only work if there is significant disclosure including calculations for any change. More detail about that disclosure is required.	12/14/2022 6:02 PM
15	Retrospective restatement is not as difficult as people initially think. So the extra effort is worth it for the comparability. If trying to simplify - recommend disclosure as opposed to 3rd balance sheet.	12/13/2022 12:44 PM
16	Would simplify the process	12/9/2022 11:34 AM
17	Should we still maintain to ensure comparabilty - always consider materiality	12/9/2022 11:34 AM
18	Guidance necessary for what is required for disclosure in relation to if voluntary changes are made	12/9/2022 11:34 AM
19	Simple approach - agree.	12/7/2022 12:54 PM
20	All should be modified retrospective basis	12/6/2022 10:39 AM
21	Adjust for errors	12/6/2022 10:38 AM
22	This approach would be more readily understood by users of tier 3 financial statements as they are often less sophisticated.	12/2/2022 3:28 PM
23	Correction of prior period errors should require comparatives to be adjusted. Other than this, agree with the above	12/2/2022 3:24 PM
24	The NFP should have the choice of either accounting for prior year errors and adjustments against the current periods opening financial position or amending the prior year's comparative figures and closing financial position - comparability in disclosure of prior year figures is important.	12/2/2022 3:35 AM
25	Should be as per AASB 108	12/1/2022 9:08 AM
26	Making adjustments in the opening balances rather than modifying the affected financial statement itself would be more clear to the viewer	11/29/2022 2:44 PM
27	Mandatory changes - just adopted a modified retrospective approach with opening retained earnings adjustment at the beginning of the current period (and appropriate disclosures) similar to major new standards changes in the past few years - using transitional adoption approach.	11/29/2022 2:40 PM
28	Seems sensible. Changes to comparatives creates lots of work and worries management/interested users.	11/28/2022 12:30 PM
29	This is a much clearer and readily understood option for the users and preparers of statements in this space.	11/22/2022 3:52 PM
30	Agree. Once a prior year is "closed", these should not be adjusted as it would be confusing to the user. Also, this provides clarity for the user when presented as a current year opening adjustment	11/22/2022 3:17 PM
31	How can we sign audit report if know error in py not adjusted retrospectively	11/18/2022 1:35 PM
32	Yes please. Keeps simple. As the previous year's results have already been reported to funding bodies, any subsequent changes are a pain!	11/2/2022 5:26 PM
33	I would like to see options for the treatment of changes to accounting policies or prior period adjustments ie 1) restatement of the prior year or 2) adjustment of opening balance. I would like the ability to apply option 1) or 2) based on appropriateness for the particular change or correction (with adequate note of course). Depending on how this aspect of the standard is to be applied in practice, the adjustment of opening balance approach could produce misleading comparatives in some situations (eg where there is a material prior year correction). It would be good to be able to apply changes to accounting policies from the current financial reporting period if doing so does not produce misleading results.	10/17/2022 2:19 PM

34	A note should be required for the reader to understand the "prior period adjustment".	10/13/2022 3:58 PM
35	Still need adequate disclosure notes	10/12/2022 2:03 AM
36	I think this may be an opportunity for management to manipulate financial reporting as the organisation approaches the close of one financial year if they know that they can push "errors" into the future and not have to revise comparatives.	9/29/2022 1:36 PM
37	Disclosures which would gave impacted solvency or other material negative impacts should be reported to a regulator. Otherwise there will now be an incentive to hide bad news	9/28/2022 9:02 PM
38	Prior period adjustments too complicated for small NFP's	9/28/2022 2:50 PM

Q15 Do you agree with the proposal?

Answered: 198 Skipped: 91

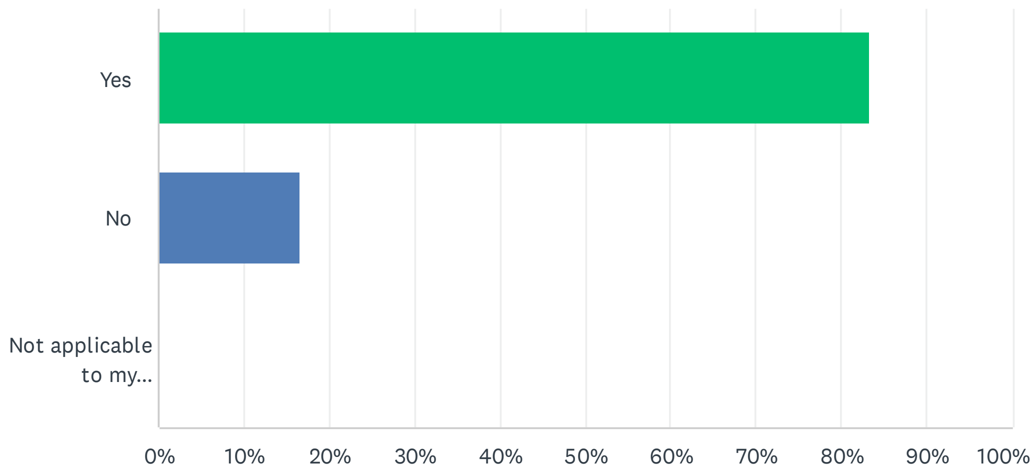


ANSWER CHOICES	RESPONSES	
Yes	91.41%	181
No	4.04%	8
Not applicable to my organisation/decision-making	4.55%	9
TOTAL		198

#	PLEASE PROVIDE COMMENTS (IF ANY) FOR THE AASB'S CONSIDERATION.	DATE
1	Should be amortised over the term of the loan or over 5 years - whichever is the lesser	3/8/2023 4:22 PM
2	Keep it simple	2/23/2023 10:06 AM
3	Expensed in accordance with time period the borrowing cost covers.	2/22/2023 9:44 AM
4	Maybe give NFPs the choice.	2/13/2023 2:48 PM
5	The borrowing costs may cover a period of time which can be amortized over the same period.	2/2/2023 12:25 PM
6	by definition costs should be expensed as the occur. If an expense is not incurred until a later period then it should be expensed in that period.	12/14/2022 6:04 PM
7	keep consistent across all entities	11/29/2022 2:42 PM
8	Should be consistent with the general recognition and measurement criteria for borrowing costs.	11/28/2022 12:31 PM
9	Better to keep the accounting simple	10/31/2022 12:27 PM
10	Suggestion that they could be or not depending what the organisation believes (and discloses)	10/13/2022 5:06 PM
11	The tax accountant can monitor the tax implications in their software/records.	10/13/2022 3:59 PM

Q16 Do you agree with the proposal?

Answered: 198 Skipped: 91



ANSWER CHOICES	RESPONSES	
Yes	83.33%	165
No	16.67%	33
Not applicable to my organisation/decision-making	0.00%	0
TOTAL		198

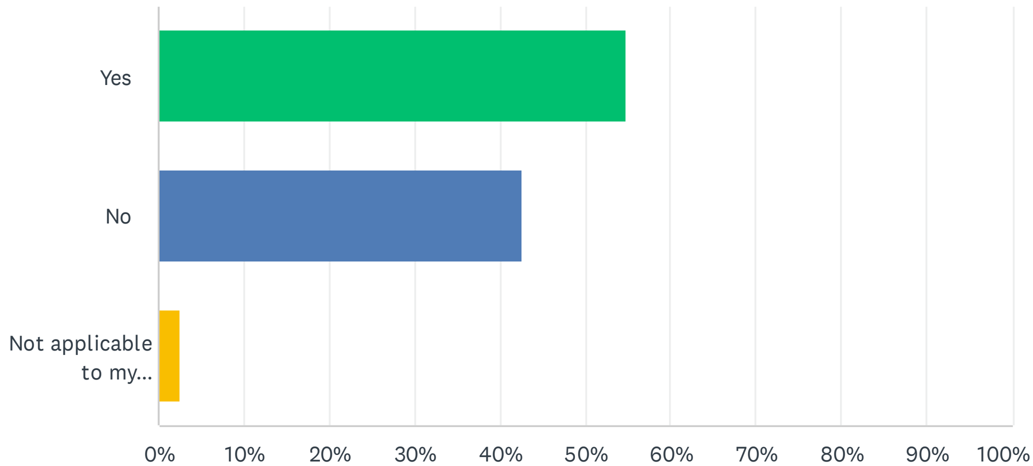
#	PLEASE PROVIDE COMMENTS (IF ANY) FOR THE AASB'S CONSIDERATION.	DATE
1	Should stay consistent with tier 2	3/29/2023 9:42 AM
2	removal of the statement of changes in equity doesn't really make the preparation any easier. It is not a difficult statement to prepare, and in simple cases doesn't add much to the financial report, but isn't going to save time by excluding it either. Changes to cash flow statement are probably helpful, though investing and financing sections are often very minimal or not present in most smaller NFP.	3/26/2023 10:16 PM
3	Statement of changes in equity	3/23/2023 10:53 PM
4	A statement of changes in equity should also be required	3/21/2023 9:18 PM
5	For those entities that only have Retained Earnings as their equity, I strongly recommend replacing the Statement of Profit or Loss and Other Comprehensive Income with a Statement of Income and Retained Earnings, as per Tier 2 provisions. This would efficiently dispense with the Statement of Changes in Equity for those entities. In general, equity is not a focus of small not-for-profit/for-purpose entities (the concept of "reserves" within equity is very mis-understood, and that's a concept that would benefit from clarification for all entities, especially these small entities). Regarding the Statement of Cash Flows, the classification requirements in all the materials published are unclear about what is intended for the presentation of investing and financing transactions. Are those intended to be lumped together in the one sub-heading, distinct from what is classified as "operating activities"? If so, that isn't clear in the current materials. Presentation of cash flows on net-of-GST basis would align more with the mindset of users of financial statements, and aligns with the net-of-GST treatment of transactions and balances in other statements.	3/17/2023 5:35 PM
6	Re: cashflow - the investing activities are useful when explaining what PP&E have been	3/6/2023 9:47 AM

	purchased, but this might be covered in the relevant note to the f/s	
7	If no OCI, then simply a statement of profit or loss (using NFP terminology - statement of income and expenses) should be required.	3/1/2023 3:35 PM
8	A Statement of Changes in Equity will still be valuable to readers, and would enable the disclosure of adjustments to opening balances arising from an error, as well as the effect of Other Comprehensive Income.	3/1/2023 2:08 PM
9	No need for cash flow	2/22/2023 9:44 AM
10	Maybe give NFPs the choice with the cash flows.	2/13/2023 2:51 PM
11	Statement of Changes in Equity should be included, to show other comprehensive income movements.	2/13/2023 1:46 PM
12	I still think that the cash flow statement should be split into operating, investing, financing etc, as this presents useful information to the users of the financial statements and any potential donators/investors.	2/7/2023 12:09 PM
13	this is a useful simplification - the statement of changes in equity is quite useless in the context of a charity.	12/14/2022 6:07 PM
14	Yes agree with terminloogy of Balance Sheet, P&L etc	12/9/2022 11:37 AM
15	Agree with some reservations. Some entities would benefit from disclosure of investing/financing activities.	12/7/2022 12:55 PM
16	Cash flow format as is now	12/6/2022 10:40 AM
17	Cash flow statements should not be altered.	12/6/2022 10:39 AM
18	I think if an organisation has reserves in their balance sheet, for example :revaluation surplus, financial asset, tied funds, then a Statement of Changes in Equity should be required as this would be very useful. However if they only have retained surpluses in their balance sheet then I don't think a Statement of Changes in Equity is required.	12/5/2022 1:27 PM
19	Also need statement of changes in equity.	12/2/2022 3:26 PM
20	Changes in Equity should also be prepared	12/2/2022 3:24 PM
21	However the option to disclose separately in the statement of cash flows, investing financing activities should be permitted.	12/2/2022 3:40 AM
22	Cash flow can be replaced by a simple note of opening and closing cash at bank. Financial position and P&L need to be standardised from a finance system, including accompanying notes.	12/1/2022 12:21 PM
23	Also need statement of changes in equity	12/1/2022 9:10 AM
24	yes makes sense to remove the SoCE	11/29/2022 2:43 PM
25	Still helpful to show investing and financing cash flows	11/29/2022 2:42 PM
26	But please don't mandate names for these statements	11/28/2022 12:32 PM
27	I don't believe the statement of cash flows to be of use for organisation this size	11/19/2022 8:05 PM
28	Suggest combing Statement of Income etc with retained earnings as done under SDS and remove the need for Cash Flow Statement.	11/18/2022 1:37 PM
29	Would be happy to remove Cash flow	11/18/2022 1:37 PM
30	Statement of cash flows should not be mandated	11/18/2022 1:37 PM
31	Why have a cash flow in you don't split? I think having a detailed cf is important	11/18/2022 1:36 PM
32	Statement of cash flows should not be required	11/18/2022 11:59 AM
33	Reports are supposed to be relevant to users. Most board/management teams for smaller organisations are unable to adequately understand these cash flow statements and they do not add any value. I do not believe that anyone relies on this part of the financials. Any external organisation eg banks , would do their own cash flow calculations.	11/11/2022 9:14 AM

34	Be good if the standard aimed at NFPs uses NFP language - so statement of comprehensive income (rather than P&L), also individually references surpluses and deficits (instead of profits and losses)	11/2/2022 7:13 PM
35	Refer previous comment on whether NFPs understand the concept of Other Comprehensive Income	10/31/2022 12:28 PM
36	I would present financing and investing. Need to capture capital investments	10/19/2022 5:41 AM
37	Template financial statements and notes will be very helpful. The standard should include a list of the minimum accounting policies that must be disclosed in the notes. Disclosure of related party transactions, grants, contingencies, material contracts, events since balance date, tax status, etc should be mandatory. Disclosure of capital expenditure and asset disposals at a summary level should be considered. Disclosure of employee salary information can be a privacy issue when there are only a small number of employees, especially when the employees are eg administrative only. The employee expenses may be material in organisations at the lower end of the standard coverage range but I don't believe it's fair to publish salary information for people who do not have organisational control.	10/17/2022 2:19 PM
38	How will the net profit be reconciled with net receipts from operating activities?	10/14/2022 1:06 PM
39	I do not think a cash flow statement would be useful or necessary for many Micro entities	10/13/2022 5:07 PM
40	I think that separation of financing and investing activities is important to give the users sufficient information to understand the cash flows of the organisation.	10/1/2022 12:51 PM
41	I am concerned at there being no Statement of Changes in Equity.	9/29/2022 1:37 PM
42	Dont really see what problem you are solving by omitting investing and financing.	9/28/2022 9:53 AM
43	Full cashflow should be provided.	9/28/2022 8:53 AM

Q17 Do you think the statement of changes in equity should also form part of the Tier 3 GPFS?

Answered: 199 Skipped: 90



ANSWER CHOICES	RESPONSES	
Yes	54.77%	109
No	42.71%	85
Not applicable to my organisation/decision-making	2.51%	5
TOTAL		199

#	PLEASE PROVIDE COMMENTS (IF ANY) FOR THE AASB'S CONSIDERATION.	DATE
1	Prefer to have comparability across tiers.	3/30/2023 6:02 AM
2	For consistency and comparability, i think it would better to have the statement of changes in equity included	3/29/2023 5:46 PM
3	Should be consistent with tier 2 requirements	3/29/2023 9:43 AM
4	There is no benefit to remove the statement of changes in equity, as it was quite a limited scope of types of entities that could remove it. The additional work involved to create templates, staff training, etc around the removal of the statement doesn't match any potential benefit to be achieved.	3/26/2023 10:18 PM
5	Refer to my comments on question 17. In most small entities, this statement doesn't provide any additional information and is a redundant page in a set of GPFS.	3/17/2023 5:35 PM
6	Does not provide any useful information	3/8/2023 4:23 PM
7	Seldom adds information that is not available elsewhere in FS	3/3/2023 2:09 PM
8	Disclosure showing movement in equity would be sufficient for users of financial statements and board members.	3/1/2023 1:42 PM
9	No need. Add disclosure. Sfce does not really provide meaningful information on its own.	2/23/2023 10:11 AM
10	However, question is if anything goes through OCI and it might not be easy to follow what’s happened. If going to have a note explaining movement, makes sense to have SOCE. So, if	2/22/2023 9:44 AM

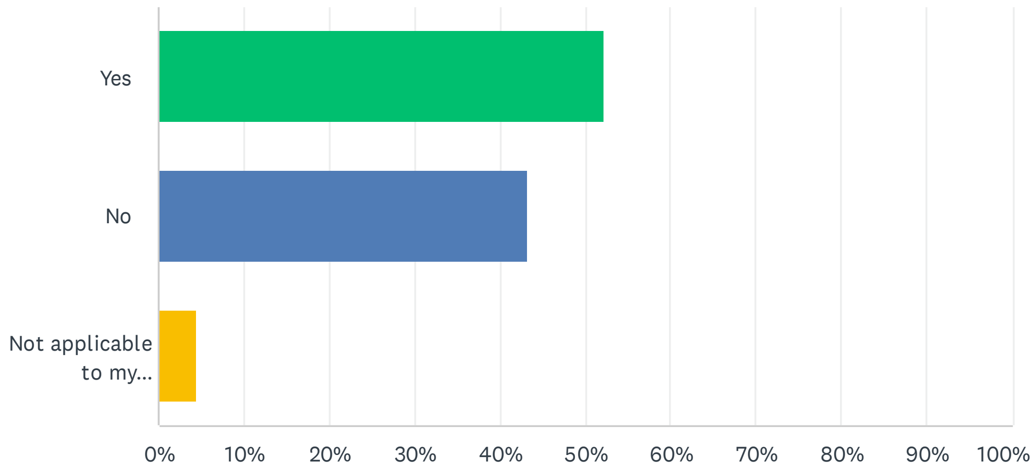
	just retained earnings, no need to include. If any other movements in equity, should have SOCE.	
11	Provides significant clarity on organisation's overall position	2/22/2023 9:44 AM
12	Maybe. For some NFPs, it has little value, however, for others, it may show changes in reserves, which may be useful to see.	2/13/2023 2:52 PM
13	But only where reserves are split between accumulated funds and other designated funds.	2/7/2023 12:09 PM
14	If reserves are maintained then these movements should be disclosed.	1/25/2023 3:17 PM
15	Have worked with orgs where equity reserve has been created for particular purpose, to illustrate particularly to grantors/donors that resources are set aside for future projects and therefore grant funding is necessary for ongoing operations/activity. This has partly been a result of income recognition standards forcing recognition as a donation at time of receipt when the org has earmarked a donation for particular future activity that was not specified by grantor/donor.	1/5/2023 6:05 PM
16	There should be no exception here as the management of reserves etc. is equally as complex in some small charities/NPFs as larger ones.	12/21/2022 1:45 PM
17	this is a useless statement, and does not provide the reader with any additional information. it is also a confusing statement that is easily misinterpreted	12/14/2022 6:08 PM
18	I think the same AASB 1060 (statement of income and retained earnings) assuming limited items in the statement of changes in equity. For a lot of NFP's they only item in the statement of changes in equity is the result for the year which is fairly easy to tie back to the P&L and balance sheet. This would probably be a good middle ground.	12/13/2022 12:49 PM
19	Prefer as it is easier to track in a single statement rather than potential multiple notes.	12/13/2022 12:48 PM
20	SOCE is helpful when there are valuations that are recognised through OCI. There are also cases (e.g. with a Private Ancillary Fund) where there are cases to keep reserves (for PAFs, they are required to hold a gift fund for donations received) so a SOCE is useful to help track movements between reserves and accumulated surplus.	12/13/2022 12:48 PM
21	Make it standard across all Tier 3 with no note disclosure	12/13/2022 12:47 PM
22	Could be included as a note	12/13/2022 12:46 PM
23	As the usual change is an impact on retained earnings. Rarely see changes in any other equity balance.	12/13/2022 12:46 PM
24	I think it is important to see a statement of changes in equity where there are changes other than profit. I'm not sure putting it in the notes will make it as prominent as it should be.	12/13/2022 12:46 PM
25	Just form either the part of the P&L or an appropriation note in the notes to the financial statements.	12/9/2022 11:40 AM
26	But could also be a statement of change at bottom of P&L	12/9/2022 11:39 AM
27	If more than retained earnings include.	12/9/2022 11:39 AM
28	Form part of P&L	12/9/2022 11:39 AM
29	Several of our clients have reserves which I would prefer for the movement to be shown in the SCE	12/7/2022 12:57 PM
30	Should be required where movements outside of retained earnings (eg OCI, reserves) but not for P&L movement only	12/6/2022 10:42 AM
31	However need note for movement to opening retained earnings and / or reserve movements in notes to the accounts	12/6/2022 10:41 AM
32	In notes only as very minimal disclosure	12/6/2022 10:40 AM
33	Optional	12/6/2022 10:40 AM
34	See my comments on previous question	12/5/2022 1:27 PM
35	Seems to be overblown for entites in this space mostly profits and nothing else.	12/2/2022 3:28 PM

36	remove it	11/29/2022 2:45 PM
37	Why not use provisions similar in AASB 1060 regarding the statement of changes in equity?	11/29/2022 2:44 PM
38	impact of restatement should disclose in retained earnings	11/29/2022 2:44 PM
39	Some NFPs has reserves (i.e. revaluations) so it is helpful to show changes in equity.	11/29/2022 2:43 PM
40	Allow entities to have the choice. Majority of the NFP's I have audited only have retained earnings, accordingly, the SOCE is effectively covered by the P&L & SOFP.	11/29/2022 2:43 PM
41	From my experience, not common in small NFP	11/29/2022 2:42 PM
42	Bit like simplified disclosures - if only retained earnings, no, just have a note. But if the entity has reserves, etc it should be included.	11/29/2022 2:42 PM
43	But must include in notes	11/28/2022 12:33 PM
44	For comparability with general purpose financial statements of private sector and related entities.	11/28/2022 12:32 PM
45	Very relevant for NFPs given the number of reserves.	11/28/2022 12:32 PM
46	For most entities in this space equity is purely accumulated funds. The equity statement is meaningless to the users.	11/22/2022 3:54 PM
47	Small NFP financial report users will most likely NOT gain any further benefit from this; the comparative statement of financial position should be sufficient to meet this need. There is also the additional cost required to prepare this statement	11/22/2022 3:19 PM
48	Easier to follow the balances through to the statement of financial position	11/19/2022 8:05 PM
49	Doing them already and is useful	11/18/2022 1:38 PM
50	No necessary for 95% of clients but want the ability to opt in the inclusion if desired	11/18/2022 11:52 AM
51	It is my view that this should be a choice as to whether or not the statement meets the reporting needs of the users. Our organisation sees value in presenting the SOCE as we utilise a Reserve for Unexpended Grant Income. This is grant income recognised under AASB 1058 due to funding contracts not containing sufficiently specific performance obligations, however we needed a way to communicate to the users that the organisation is still mortally obligated to spend the funding for its agreed purpose.	11/16/2022 10:22 AM
52	For smaller NFPs, changes in equity are most commonly limited to the surplus (or deficit), thus are fully explained by the Statement of Comprehensive Income. If there is any other movement, it can be addressed in the Notes.	11/2/2022 7:19 PM
53	In the arts sector, the only change in equity is the current operating surplus or deficit. I find this statement doesn't add anything useful and just wastes paper!	11/2/2022 5:28 PM
54	I believe some form of statement of changes in equity should be mandatory for helping financial statement users follow the changes in the equity accounts, especially if the organisation has reserve accounts or there are prior period adjustments. It's not hard to prepare such a statement.	10/17/2022 2:19 PM
55	Unnecessary	10/14/2022 1:07 PM
56	it is not a well understood statement and for smaller entities doesn't really have any unique information value	10/14/2022 11:21 AM
57	Yes - if the changes are anything other than retained earnings - that is just another piece of paper	10/13/2022 5:08 PM
58	This would give a consistency to all financial reports and for Teir 3 entities this would be a minimal burden.	10/13/2022 4:01 PM
59	Not a relevant requirement for small and medium charities. Waste of time and money.	10/13/2022 2:37 PM
60	NFP's often have reserves, including asset revaluation reserves.	10/1/2022 1:11 PM
61	Only if certain changes apply Most nfp entities do not have stakeholders who’s are interested in equity. The majority will have stakeholders who are much more interested in cash at bank,	9/28/2022 9:06 PM

	so fiddling around with equity transactions is a waste of sector resources - unless someone is playing with share types, distributions or weird revaluations. These should be reported	
62	Not a big deal.	9/28/2022 8:54 AM

Q18 Do you think the information that would be presented in the statement of changes in equity should be required as part of the notes to the financial statements instead?

Answered: 90 Skipped: 199



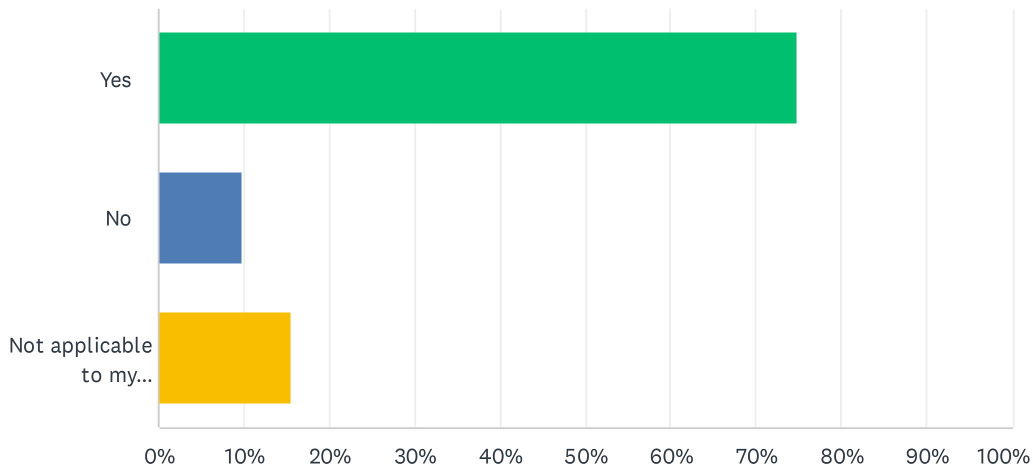
ANSWER CHOICES	RESPONSES	
Yes	52.22%	47
No	43.33%	39
Not applicable to my organisation/decision-making	4.44%	4
TOTAL		90

#	PLEASE PROVIDE COMMENTS (IF ANY) FOR THE AASB'S CONSIDERATION.	DATE
1	That approach would only be necessary if the entity has material components of equity other than retained earnings AND/OR there are other material adjustments processed for changes in accounting policies or corrections of errors	3/17/2023 5:35 PM
2	Can be interpreted from Balance sheet and P&L. Equity not valid concept for NFPs anyway!	3/3/2023 2:11 PM
3	If reserve movements - yes	3/1/2023 3:36 PM
4	It is more meaningful to explain what the reserves are rather than just showing movement in SoCE.	2/23/2023 10:12 AM
5	Yes more relevant to smaller NFPs	2/23/2023 10:10 AM
6	I think that it creates an inconsistency for no particular reason.	2/13/2023 2:53 PM
7	Maybe	1/16/2023 3:05 PM
8	remove it entirely - see previous response	12/14/2022 6:09 PM
9	Refer to notes for Q18.	12/13/2022 12:46 PM
10	Alternative is at bottom of P&L	12/9/2022 11:40 AM
11	If no SCE	12/6/2022 10:43 AM
12	Only if other than profit or loss required to be disclosed	12/6/2022 10:41 AM

13	As before not really that relevant in this space.	12/2/2022 3:28 PM
14	See previous comment	11/29/2022 2:44 PM
15	If only retained earnings, then reconciliation does not really yield much.	11/29/2022 2:44 PM
16	Only required if material or other matters that require disclosure ie reserves	11/22/2022 3:54 PM
17	should be optional depending on the nature of the individual entity	11/22/2022 3:20 PM
18	Not necessarily - only if there are other equity balances in addition to retained earnings	11/18/2022 1:38 PM
19	My No response is linked to my response to Q17 which says: "For smaller NFPs, changes in equity are most commonly limited to the surplus (or deficit), thus are fully explained by the Statement of Comprehensive Income. If there is any other movement, it can be addressed in the Notes. "	11/2/2022 7:21 PM
20	Frankly prefer to go back to when simply presented on the balance sheet - retained earnings + current surplus = equity. Having said that, not a big deal to disclose in a note.	11/2/2022 5:29 PM
21	There is nothing to be gained by simply moving the statement form one part of the financial report to another.	10/14/2022 11:23 AM
22	Present format is satisfactory	10/13/2022 2:38 PM

Q19 Do you agree with the proposal?

Answered: 194 Skipped: 95



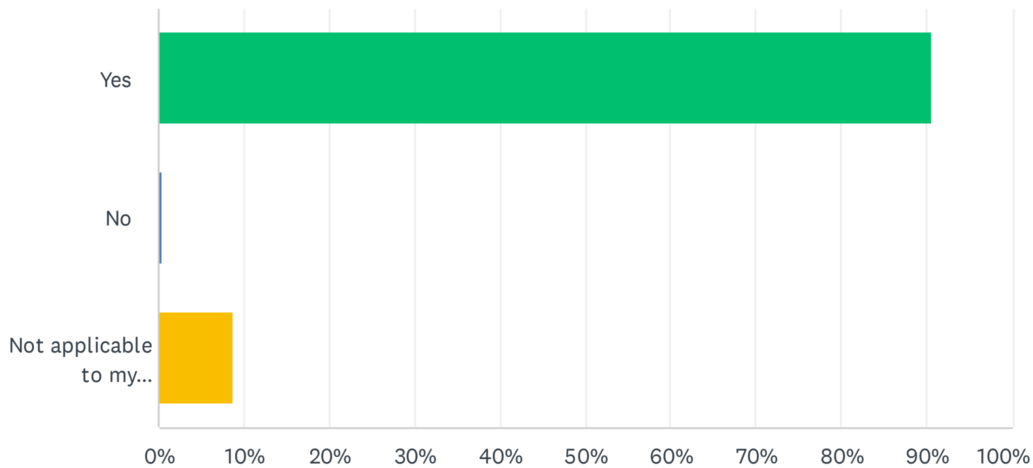
ANSWER CHOICES	RESPONSES	
Yes	74.74%	145
No	9.79%	19
Not applicable to my organisation/decision-making	15.46%	30
TOTAL		194

#	PLEASE PROVIDE COMMENTS (IF ANY) FOR THE AASB'S CONSIDERATION.	DATE
1	Prefer to have consistency amongst tiers	3/29/2023 5:46 PM
2	fair value or equity accounting don't make sense in these circumstances. Just leaving cost as the option if not doing full consolidation would be the better choice.	3/26/2023 10:19 PM
3	This information needs to included somewhere. This should be mandatory if movements in retained earnings is more than trading P&L movements it’s a way to hide changes.	2/22/2023 9:48 AM
4	As a Director I find the notes extremely useful	2/22/2023 9:45 AM
5	At cost reduces comparability	2/22/2023 9:45 AM
6	Controlled entities should be consolidated.	2/13/2023 2:54 PM
7	Entities having choice on how to present subsidiary may impact comparability.	1/5/2023 6:06 PM
8	I agree that at cost or at FVOCI should be allowed, but I do not agree with the equity method of accounting. This is implementing a completely different accounting policy that differs from SPFR GAAP and current IFRS accounting.	12/13/2022 12:49 PM
9	Should consider if fair value is lower than cost.	12/6/2022 10:44 AM
10	Movement in equity is important, distributions of capital are important. Should always be a stmt o changes in equity as a primary disclosure	12/6/2022 10:42 AM
11	Differing measurement bases provides an opportunity to 'window dress' financial statements.	12/2/2022 3:31 PM
12	Should be consolidated if applicable.	12/2/2022 3:29 PM
13	should be at as the standards say. If the NFP has a parent and sub then they would appear to	12/1/2022 9:12 AM

	be a more complex entity even if they have revenue and they should be applying all standards applicable as they stand.	
14	option to elect an appropriate method then disclose basis	11/29/2022 2:45 PM
15	Too many options - need consistent approach for simplicity	10/28/2022 2:43 PM
16	How many tier 3 nfp entities are going to be parent companies of multiple entities? This seems like overkill	9/28/2022 9:07 PM

Q20 Do you agree with the proposal?

Answered: 194   Skipped: 95

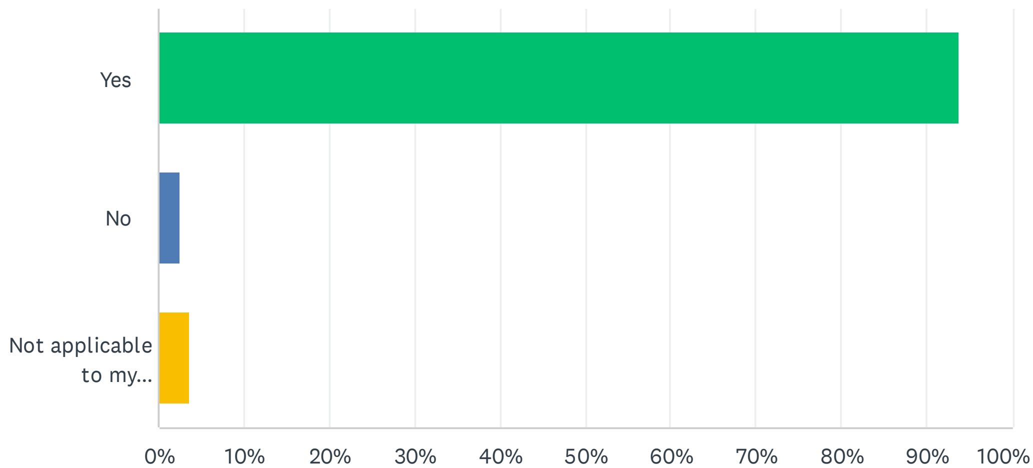


ANSWER CHOICES	RESPONSES	
Yes	90.72%	176
No	0.52%	1
Not applicable to my organisation/decision-making	8.76%	17
TOTAL		194

#	PLEASE PROVIDE COMMENTS (IF ANY) FOR THE AASB'S CONSIDERATION.	DATE
1	In my experience, if any inventory is held by arts companies, it is tiny.	11/2/2022 5:30 PM
2	Where inventory is not material, it should be possible to expense purchases as they incurred.	10/17/2022 2:20 PM

Q21 Do you agree with the proposal?

Answered: 192 Skipped: 97

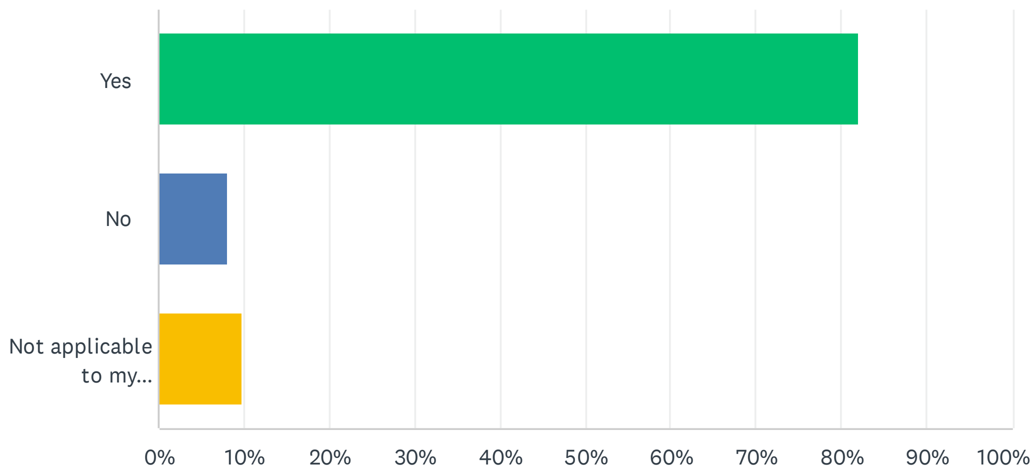


ANSWER CHOICES	RESPONSES	
Yes	93.75%	180
No	2.60%	5
Not applicable to my organisation/decision-making	3.65%	7
TOTAL		192

#	PLEASE PROVIDE COMMENTS (IF ANY) FOR THE AASB'S CONSIDERATION.	DATE
1	I think if you leave this window open lots of NFP will default to they did not have sufficient recent information. This was the same issue when AASB 9 was implemented. Lots of companies were recording investments at cost due to insufficient information.	3/30/2023 6:05 AM
2	This would be an excellent proposal where cost would be the appropriate estimate of fair value.	3/1/2023 1:43 PM
3	I think for small entities historical cost should be used to avoid additional costs and movements in balance sheet that would make no sense to users.	1/25/2023 3:54 PM
4	The retention of objectivity in fair value measurement is very important. The idea of watering down the "estimate" is not supported.	12/21/2022 1:47 PM
5	this issue is difficult for all NFPs - maybe more standard guidance should be applied for all NFP	12/1/2022 9:14 AM
6	yes AASB 13 basis should be consistent but allowing cost to be a proxy for FV is often the most appropriate.	11/29/2022 2:48 PM
7	Fair value concepts will prevent a problem for most small NFPS as most senior management/committee members may struggle to understand where to derive a fair value measurement from and/or it will cost hem money to obtain therefore I expect they would always default back to cost (which would be ok if assets were obtained at a cost which was not significantly below market value at the time of transfer)	10/31/2022 12:34 PM
8	It would be good to include guidelines on the quality & independence of the evidence supporting revaluations and the frequency that independent valuation is required. For example, some organisations consider googling realestate.com is adequate for revaluing property assets.	10/17/2022 2:20 PM

Q22 Do you agree with the proposal that cost is an appropriate estimate of fair value for unlisted share investments when there is insufficient recent information available to measure fair value?

Answered: 184 Skipped: 105



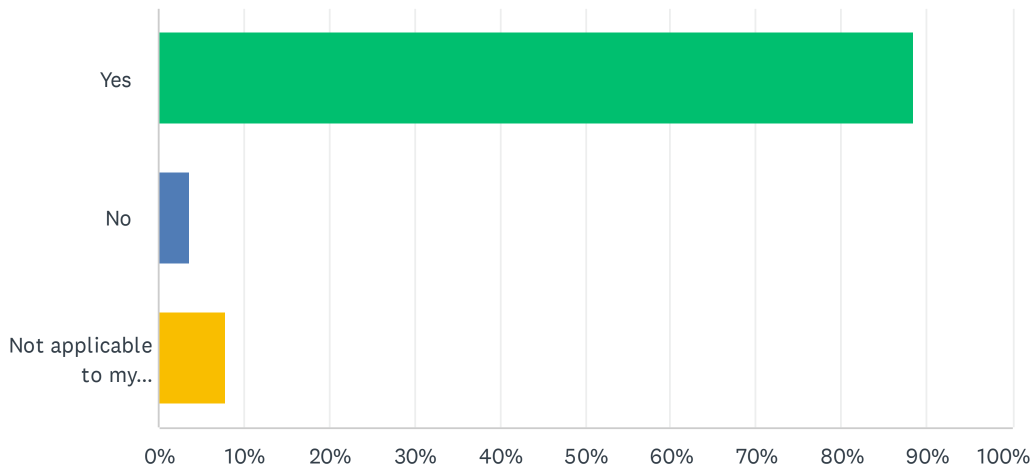
ANSWER CHOICES	RESPONSES	
Yes	82.07%	151
No	8.15%	15
Not applicable to my organisation/decision-making	9.78%	18
TOTAL		184

#	PLEASE PROVIDE COMMENTS (IF ANY) FOR THE AASB'S CONSIDERATION.	DATE
1	If NFP are investing in unlisted entities (in my experience this is few and far between) then they should be accounting for that investment correctly. These investments carry more risk than listed investments so having their true value will be important.	3/30/2023 6:05 AM
2	I just feel like clients will use this as a default position. Prior to AASB 9 this is what happened and the minute it was forced upon them they came up with sufficient information. Albeit entities of this size will have few and far between of these types of unlisted investments	3/29/2023 5:53 PM
3	for unlisted share investments equity accounting would normally be the better option, assuming that the financial statements of the entity have been prepared on a fair value / recognition & measurement basis.	3/26/2023 10:22 PM
4	I think this will lead to lazy accounting. Entities that invest in unlisted shares should do so whilst understanding the requirement to determine fair value subsequently.	3/21/2023 9:20 PM
5	In the absence of a trading market, the fair value of unlisted share investment would be its cost price.	3/1/2023 1:43 PM
6	Makes sense for NFP and those which are SME	2/23/2023 10:13 AM
7	The asset should be revalued if held for more that 12 months	2/22/2023 9:49 AM
8	I made comment earlier on unrealised shares at cost. I think B makes sense for unlisted shares.	2/22/2023 9:47 AM

9	Should be valued independently if material or greater than $50k in value	2/22/2023 9:46 AM
10	not just shares. other investments as well.	2/13/2023 2:56 PM
11	Does 'insufficient recent information' include where an estmate of fair value could be obtained but is cost prohibitive? Is there a threshold where the cost of the investment is sufficient to warrant incurring cost to establish fair value - particularly if there is potential for a downward valuation?	1/5/2023 6:09 PM
12	by definition, if there is no information available other than cost, then cost is the only measure which can be used	12/14/2022 6:11 PM
13	While cost is a reasonable way to recognise it, if cost is an option then it should be cost less any impairment. There is a tendancy for NFPs to not assess valuations of unlisted investments when they are held at cost and I have seen cases where investments should be impaired as they are sustaining heavy losses and have cash flow issues. There are also requirements of PAF Guidelines or PuAF Guidelines to hold investments at fair value, which need consideration.	12/13/2022 12:53 PM
14	Yes but I think there should be a requirement to disclosure this	12/13/2022 12:51 PM
15	Note disclosure required that this choice has been made	12/13/2022 12:51 PM
16	as long as it is stated why and tested for indicators of impairment.	11/29/2022 2:48 PM
17	Disclosure of this position would be appropriate.	11/29/2022 2:46 PM
18	Based on the nature of this asset, fair value is a fairer representation of the investment's value and should be adhered to accordingly.	11/28/2022 12:38 PM
19	Unlikely to impact any of these clients. Could result in overstatement of valuations.	11/18/2022 12:04 PM
20	depends if it is purchased from a related party or under special conditions	11/11/2022 9:17 AM

Q23 Do you agree with the proposal?

Answered: 190 Skipped: 99

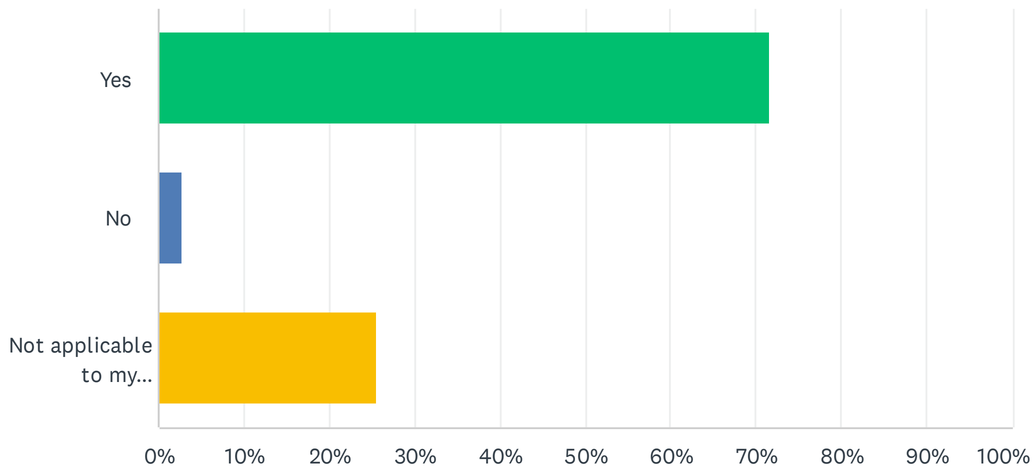


ANSWER CHOICES	RESPONSES	
Yes	88.42%	168
No	3.68%	7
Not applicable to my organisation/decision-making	7.89%	15
TOTAL		190

#	PLEASE PROVIDE COMMENTS (IF ANY) FOR THE AASB'S CONSIDERATION.	DATE
1	Prefer comparability and less changes. I don't think reclassifying as held for sale is a big deal and why there should be an alternative measure.	3/30/2023 6:06 AM
2	Prefer to keep the differences between the different tiers to a minimum.	3/29/2023 5:53 PM
3	Special requirements for valuing its property, plant and equipment and disclosures in notes to the financial statements should be developed.	3/1/2023 1:43 PM
4	Should be differentiated	12/2/2022 3:30 PM
5	retain consistent for all basis of prep	11/29/2022 2:48 PM
6	Requirements where specific should be in line for those of private sector entities.	11/28/2022 12:38 PM
7	Again, in the arts sector it is very rare for a company to hold assets for resale.	11/2/2022 5:32 PM
8	Unless the the amount is material & part of a business of selling the items eg subdividing land to sell	10/17/2022 2:20 PM

Q24 Do you agree with the proposal?

Answered: 184 Skipped: 105

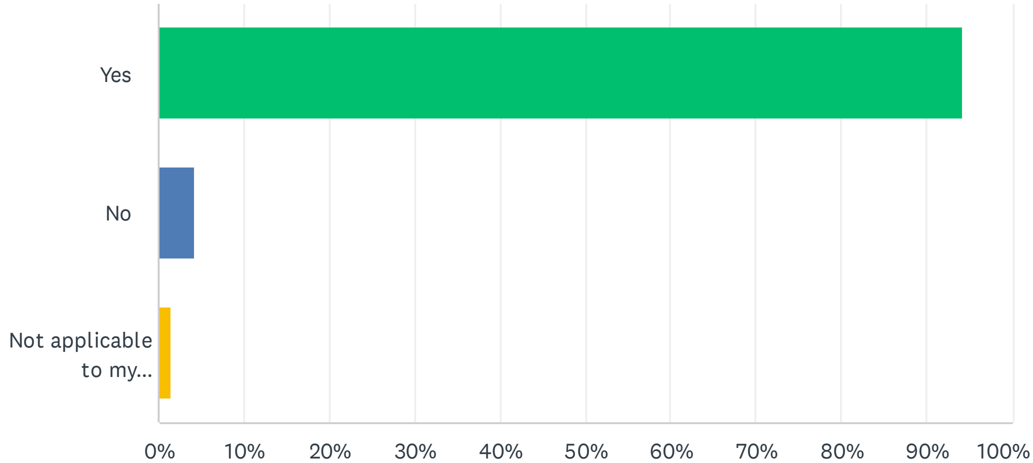


ANSWER CHOICES	RESPONSES	
Yes	71.74%	132
No	2.72%	5
Not applicable to my organisation/decision-making	25.54%	47
TOTAL		184

#	PLEASE PROVIDE COMMENTS (IF ANY) FOR THE AASB'S CONSIDERATION.	DATE
1	I think the occurence of these types of transactions to be few and far between.	3/30/2023 6:07 AM
2	FVTPL is preferred over FVOCI	3/29/2023 9:48 AM
3	Like the consolidation of what entity you are	2/22/2023 9:50 AM
4	First 2 should be equity method.	12/2/2022 3:31 PM
5	again if the NFP has the above then they are more complex and should be applying the standards	12/1/2022 9:15 AM
6	Not sure of the question	11/28/2022 12:38 PM
7	Offers too much choice which may compromise comparability. I would suggest tier 3 measure at cost subject to impairment.	11/28/2022 12:37 PM
8	But highly unlikely to be required at this size of entity	10/31/2022 12:35 PM
9	Not sure how an investor would do both?	9/28/2022 8:59 AM

Q25 Do you agree with the proposal?

Answered: 190 Skipped: 99

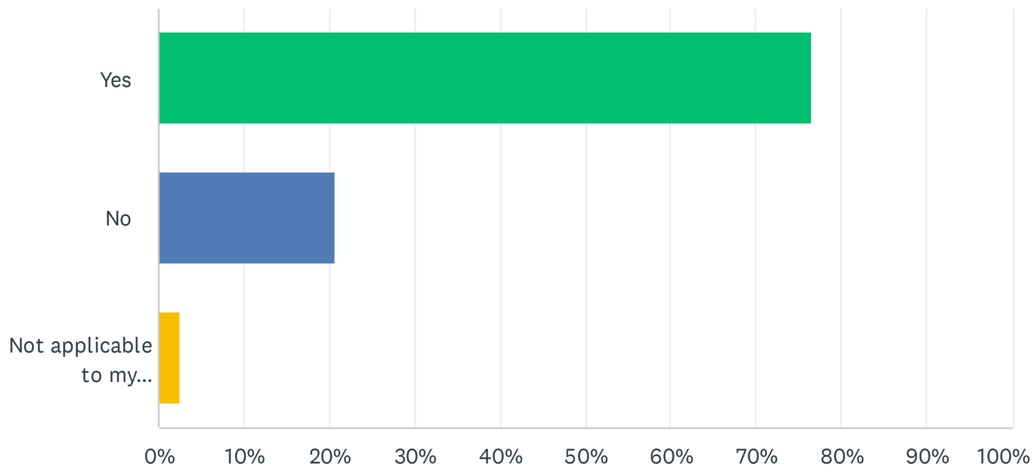


ANSWER CHOICES	RESPONSES	
Yes	94.21%	179
No	4.21%	8
Not applicable to my organisation/decision-making	1.58%	3
TOTAL		190

#	PLEASE PROVIDE COMMENTS (IF ANY) FOR THE AASB'S CONSIDERATION.	DATE
1	However, the distinction as to whether something is an investment property is difficult to determine in Tier 2 and should be simplified.	3/1/2023 3:38 PM
2	Special requirements for valuing its property, plant and equipment and disclosures in notes to the financial statements should be developed.	3/1/2023 1:43 PM
3	Could there be an option to put all movements in FV through OCI for investment property?	2/22/2023 9:50 AM
4	If leases are to be operating leases only, "leased assets" ought to be off-balance sheet.	12/21/2022 1:48 PM
5	Don't feel current accounting for PPE is an issue.	11/2/2022 5:33 PM
6	consistent manner not necessarily the same manner.	10/13/2022 5:16 PM
7	They should have the choice to measure investment properties at cost	10/12/2022 2:06 AM
8	Provided ‘at cost, or initial market value if acquired at less than market value’ is one of those options Most nfp entities do not rely on capital gains in their asset portfolio to pay the bills, and jor so they use amortisation and deprecation to calculate operating costs. simple cost accounting for assets is preferred	9/28/2022 9:11 PM

Q26 Do you agree with the proposal?

Answered: 188 Skipped: 101



ANSWER CHOICES	RESPONSES	
Yes	76.60%	144
No	20.74%	39
Not applicable to my organisation/decision-making	2.66%	5
TOTAL		188

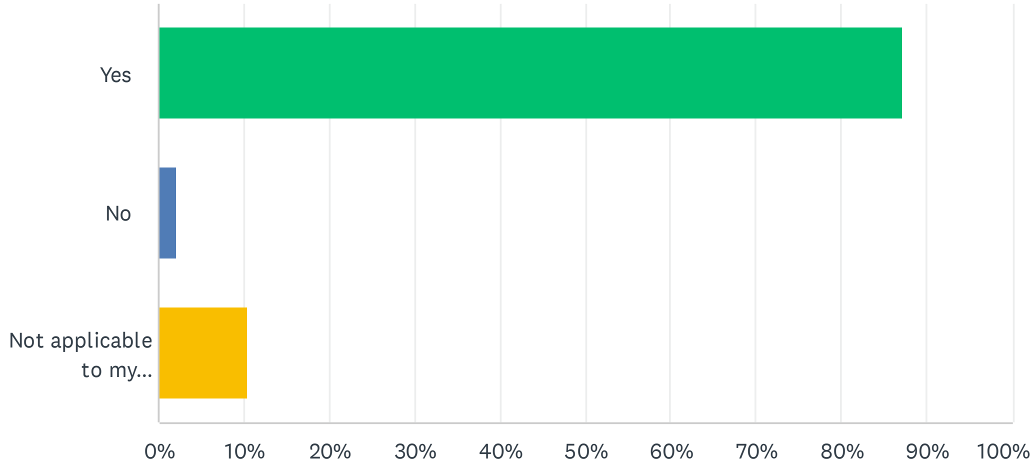
#	PLEASE PROVIDE COMMENTS (IF ANY) FOR THE AASB'S CONSIDERATION.	DATE
1	No, if any entity wishes to recognise volunteer services, they should move to a higher tier. Volunteer services has complexity in measurement.	3/29/2023 9:49 AM
2	remove the ability to recognise volunteer services, making the accounting easier. Most NFP don't take up this option as it is either not reliably measurable or doesn't give useful information. Most NFP don't want the additional admin work involved in recording such balances into their accounts and don't see any benefit achieved if they were to record these amounts.	3/26/2023 10:24 PM
3	Volunteer services should generally be valued at zero dollars as that is the cost except for reimbursement of costs and the provision of some tea and coffee etc.	3/13/2023 6:21 PM
4	It would be useful for the AASB or ACNC to provide guidance on an appropriate basis to measure the value of volunteer services received in order to provide comparability between similar organisations.	3/1/2023 2:11 PM
5	Don't give this as an option at all. Introducing too much complexity on how value is calculated and it is very judgemental.	2/23/2023 10:20 AM
6	Do not provide an option and just only say they cannot recognise volunteer services	2/23/2023 10:19 AM
7	Hard to measure and hard to audit volunteer services for smaller NFPs	2/23/2023 10:19 AM
8	Extremely subjective, hard to audit, creates complexity.	2/23/2023 10:18 AM
9	Could it be considered to be mandatory	2/22/2023 9:51 AM
10	Reliable measurement is the issue. strong guidelines on what that should be need to be issued.	2/13/2023 2:59 PM

11	The income/cost of volunteer services should be for the annual report, rather than the financial statements. Should this be included, then additional disclosure shall be required to outline how the 'cost per hour' applied is determined.	2/13/2023 1:50 PM
12	"In kind" reporting is not supported. The existing limitation in the standard to recognising "in kind" only if the entity would have made the expenditure without donated/volunteered services is an important one to impose on small charities and perhaps ought to be made more specific in the existing standard.	12/21/2022 1:50 PM
13	for consistency I would prefer a note in the accounts about the contribution of volunteers, and not make any financial estimate which is included in the accounts. I do not believe there exists any consistency in how volunteers are measured, and including any amount in the accounts could be grossly misleading.	12/14/2022 6:15 PM
14	I believe NFPs in this space will find it difficult to determine fair value and therefore would rather choose to not disclose these services.	12/13/2022 12:56 PM
15	Some NFPs like to disclose volunteer service, while others don't want to so allowing an option to recognise it would be preferable	12/13/2022 12:54 PM
16	Note disclosure might be required that choice has been made if not recognised as fair value information can't be reliably sourced	12/13/2022 12:54 PM
17	Too subjective to verify and quantify, opens up the ability for management to construct a result that is not accurate.	12/9/2022 11:50 AM
18	It would be too subjective as there is no supporting documentation as evidence.	12/9/2022 11:50 AM
19	Substantiation maybe difficult. Suggest not to recognise volunteer services received	12/9/2022 11:49 AM
20	The recognition of volunteer services should be optional. Should it be mandatory, keeping records of volunteer services would be difficult for many charities.	12/5/2022 8:43 AM
21	Adds no value to financial statements to recognise these services at fair value	12/2/2022 3:31 PM
22	Should only be permitted as a disclosure in the notes to the accounts	12/2/2022 3:47 AM
23	No need to book volunteer services	11/28/2022 12:39 PM
24	This is a valuable component of NFP reporting	11/22/2022 3:56 PM
25	Strongly against this. As a small NFP we have over 500+ volunteers per year. It would be nigh impossible to measure this fair value reliably given the very broad range of tasks undertaken. Additionally, recognising the value of volunteer services in the income statement skews the overall performance picture of the entity to the user and is not comparing apples with apples. One of our sister organisations recently did this, with the income statement showing a healthy profit when the statement of financial position showed the organisation at near insolvency. It would preferable to recognise the value of volunteer services as a note to the accounts but it should never be included in the income statement as it grossly (and falsely) inflates the bottom line.	11/22/2022 3:30 PM
26	The idea of valuing, measuring and auditing this is so difficult in the space. Don't give option get rid of it	11/18/2022 1:41 PM
27	It is my view that volunteer services should not be recognised in the financial statements of the organisation. The services are provided free of charge and with generally little training. Therefore, to attribute a reliable estimate to the fair value of this service would be arbitrary at best.	11/16/2022 10:31 AM
28	Nice. For those companies who receive a lot of volunteer support, and have the time to measure those services, would be great to acknowledge. Note most boards are voluntary and their services can be invaluable.	11/2/2022 5:35 PM
29	But very few NFPs recognise volunteer services at fair value.	10/31/2022 12:37 PM
30	If a choice - could be onerous for some small orgs.	10/24/2022 2:54 PM
31	Choice is essential. It could be very onerous to track volunteer services.	10/17/2022 2:20 PM
32	Volunteer services are extremely difficult to assess. Effective performance can't be measured	10/13/2022 2:43 PM

	in the same manner as a paid employee. Many volunteers are retired, many are quite old, speed of performance will be quite diverse - yet nevertheless in most instances the charity is receiving real benefit Prefer not to measure at all.	
33	For simplicity, Tier 3 entities should avoid the need to recognise volunteer services at all. Even for larger entities we have found the 'reliability' of these numbers is very dubious and the standard is poorly applied.	9/29/2022 11:55 AM
34	Provided it is a choice. Most nfp entities would prefer not to have to guess the value of volunteer services in income or expenses If the entity chooses to recognise them, then both must be recorded at fair value	9/28/2022 9:12 PM

Q27 Do you agree with the proposal?

Answered: 181 Skipped: 108

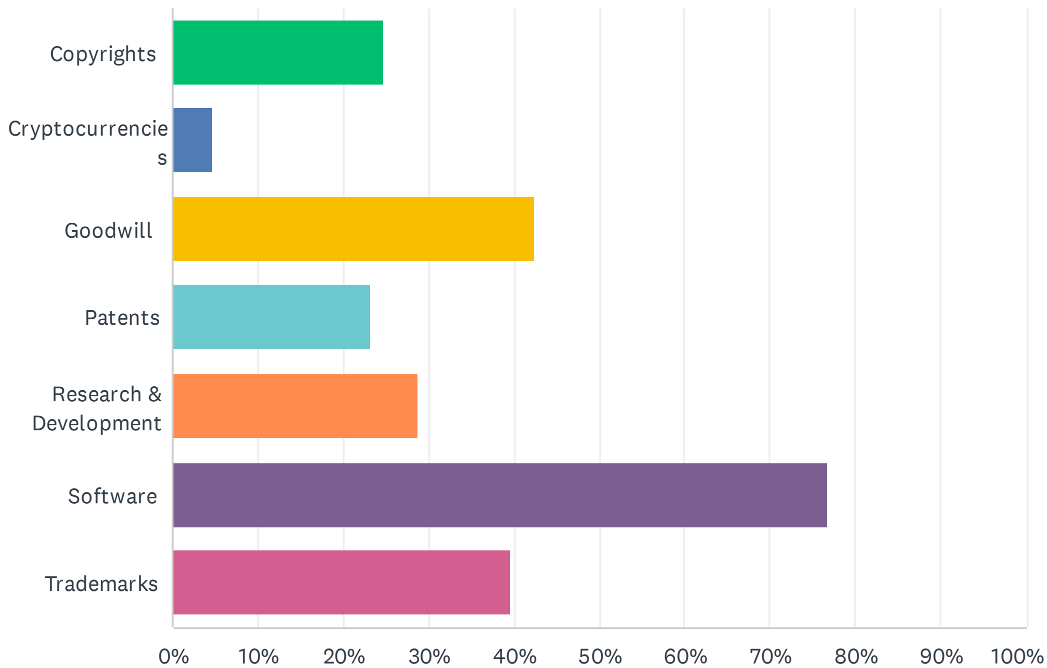


ANSWER CHOICES	RESPONSES	
Yes	87.29%	158
No	2.21%	4
Not applicable to my organisation/decision-making	10.50%	19
TOTAL		181

#	PLEASE PROVIDE COMMENTS (IF ANY) FOR THE AASB'S CONSIDERATION.	DATE
1	Why not IFRS for SMEs - why NZ?	3/1/2023 3:38 PM
2	Agree it is useful.	2/23/2023 10:21 AM
3	Don't know what they are.	2/13/2023 3:00 PM
4	all except for foreign currency translation - need more guidance/ clarification around foreign currency transactions to P&L. To ensure consistencies and comparability.	12/9/2022 11:54 AM
5	Suggest to use avg or transaction date rate for P/L items on FEX translation	12/9/2022 11:53 AM
6	Further clarity required for P&L translation: will it be at the average rate?	12/9/2022 11:53 AM
7	should be the same as existing standards as if you have tax and Forex then you would be more complex	12/1/2022 9:16 AM
8	keep consistent with Tier 1 & 2	11/29/2022 2:52 PM
9	Not 100% sure of my answer (wording of some of the questions can be ambiguous)	11/28/2022 12:40 PM
10	Why the need to consider income tax when these entities will be almost exclusively exemot	11/18/2022 1:43 PM

Q28 What types of intangible assets, either internally generated or externally acquired, are common among smaller NFP entities? (Please tick all intangible assets you believe are common. You can tick more than one box)

Answered: 146 Skipped: 143



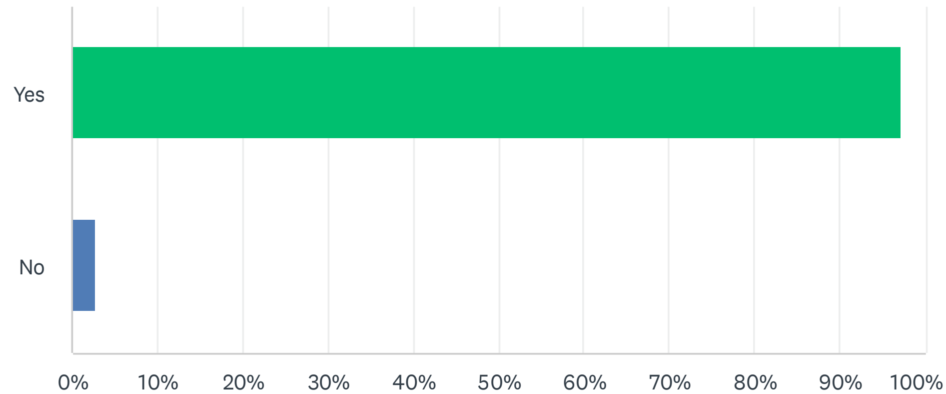
ANSWER CHOICES	RESPONSES	
Copyrights	24.66%	36
Cryptocurrencies	4.79%	7
Goodwill	42.47%	62
Patents	23.29%	34
Research & Development	28.77%	42
Software	76.71%	112
Trademarks	39.73%	58
Total Respondents: 146		

#	OTHER (PLEASE SPECIFY)	DATE
1	smaller NFP normally don't have any intangible assets	3/26/2023 10:25 PM
2	Water licences	3/23/2023 10:56 PM
3	In my experience, intangible assets are very rare in smaller NFPs.	3/21/2023 9:23 PM
4	Not sure accounting measures would be an enabler for the above	2/22/2023 9:53 AM

5	Software less common now. Most NFPs of make business acquisitions / I think simpler to call it goodwill rather than requirement to identify these	2/22/2023 9:53 AM
6	Software and internal systems development Website design and creation branding / logo development costs	1/5/2023 6:11 PM
7	Accounting for intangible assets is not supported for small charities.	12/21/2022 1:51 PM
8	we have none, and expect none in the future	12/14/2022 6:17 PM
9	Applies to all other intangibles. Valued if externally acquired or costs can reliably measured e.g. registration costs. Amortised over registration period for costs. Cryptocurrencies Initially, measured at cost. Fair market value adjustments annually for cryptocurrencies subject to reliable evidence.	12/13/2022 12:59 PM
10	NA	12/13/2022 12:57 PM
11	Not applicable for most small Tier 3	12/9/2022 11:55 AM
12	- website	12/9/2022 11:55 AM
13	website cost	12/9/2022 11:55 AM
14	Website cost	12/9/2022 11:55 AM
15	Most copyrights, patents and trademarks are immaterial to the NFP's I work on.	12/2/2022 3:36 PM
16	Intangibles are rare in NFP space at the smaller entity level.	12/2/2022 3:36 PM
17	Website costs	11/28/2022 12:41 PM
18	entity website; entity logos; for some entities, it may be their database of donors (?)	11/22/2022 4:16 PM
19	Small entities are unlikely to invest or have the capacity to invest in any of the above	11/22/2022 3:57 PM
20	None of the above	11/18/2022 1:43 PM
21	Maybe use the broader definition of intellectual property	11/2/2022 7:35 PM
22	The only intangibles I have come across in the arts have been in respect of software - generally for major website development or ticketing software. And externally sourced.	11/2/2022 5:38 PM
23	None are common with any of our Practice	10/13/2022 2:44 PM
24	Copy right for training courses	9/28/2022 9:57 AM

Q29 Do you agree with the proposed approach to develop Tier 3 disclosure requirements?

Answered: 179 Skipped: 110



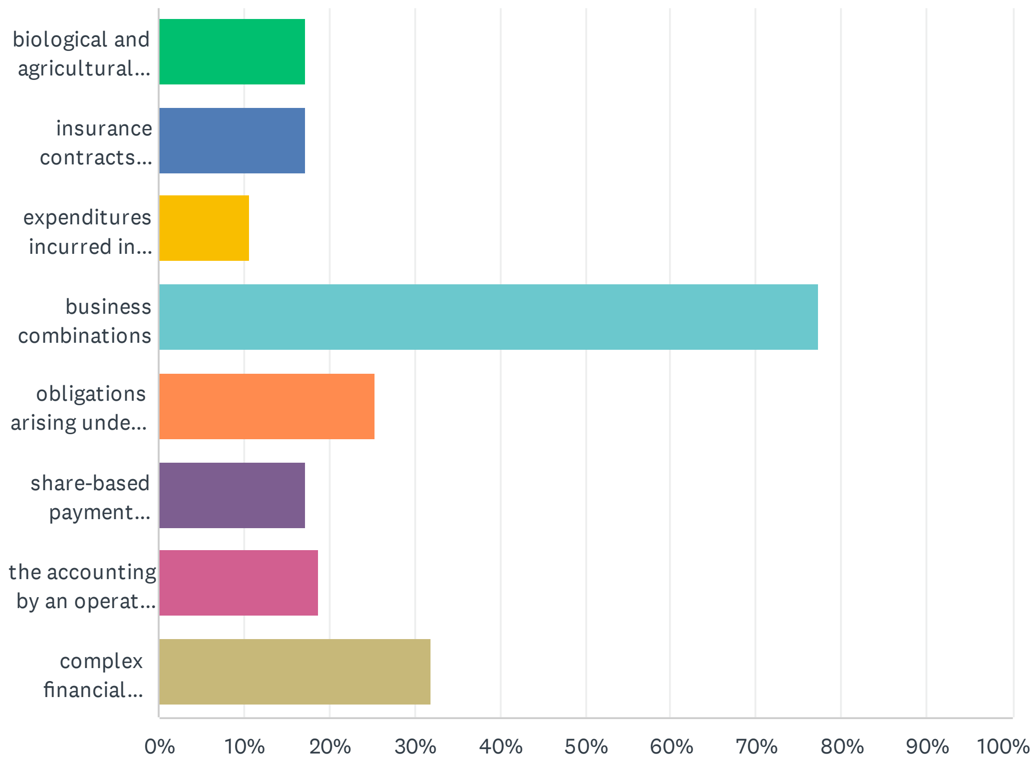
ANSWER CHOICES	RESPONSES	
Yes	97.21%	174
No	2.79%	5
TOTAL		179

#	PLEASE PROVIDE COMMENTS (IF ANY) FOR THE AASB'S CONSIDERATION.	DATE
1	Paragraph 6.6 of the Discussion Paper discussed the potential for further simplification of disclosures, and referred to related party transactions as an example. Regarding related party disclosures, from my personal experience with small entities, probity issues and conflicts of interest can easily happen due to the limited governance expertise of those managing such entities. Often, family members and associates of those governing the entity are engaged as employees or service providers for expediency reasons. Therefore, I would strongly recommend against further simplification of the related party disclosure requirements for tier 3 entities, as the users/members would be intensely interested in knowing about the existence of such arrangements.	3/17/2023 5:42 PM
2	Partially agree with the proposal. Correction of errors should be in line with AASB108 requirements (or simplified for fit for purpose) to provide transparency.	3/1/2023 1:43 PM
3	But pls keep it very very simple or brief. Template minimal disclosure would be useful	2/23/2023 10:26 AM
4	keep it simple	2/23/2023 10:26 AM
5	Aim to keep it simple	2/23/2023 10:25 AM
6	I am not familiar with this issue. of there is a difference then does that mean a Tier 3 preparer must know what the requirements if Tier 1 / 2 are - if that is the case then this is an overly complex issue. keep it simple by not requiring any calculation of the differences - just make the Tier 3 requirement simple, and so that the Financial Statements are true and Fair.	12/14/2022 6:23 PM
7	I agree in so far as they should be a starting point. The reporting for smaller NFP's should result in financial statements that they can understand bearing in mind that these organisations are not necessarily staffed/managed by people with a working knowledge of the accounting issues.	11/11/2022 9:28 AM
8	Simplify as much as possible, keeping the target of smaller NFPs top of mind. Sample/model disclosures would also be useful to smaller NFPs.	11/2/2022 7:39 PM

9	It should be optional to 1) restate the prior year or 2) adjust the opening balance based on appropriateness for the particular change or correction (with adequate note of course). The adjustment of opening balance approach could produce misleading comparatives in some situations (eg where there is a material prior year correction).	10/17/2022 2:20 PM
10	No opinion	10/13/2022 2:45 PM

Q30 The following items are intended to be scoped out from the Tier 3 Standard. Which of the following item(s) do you think should be included in the Tier 3 reporting requirements? (Please tick all items you think should be included. You can tick more than one box)

Answered: 75 Skipped: 214

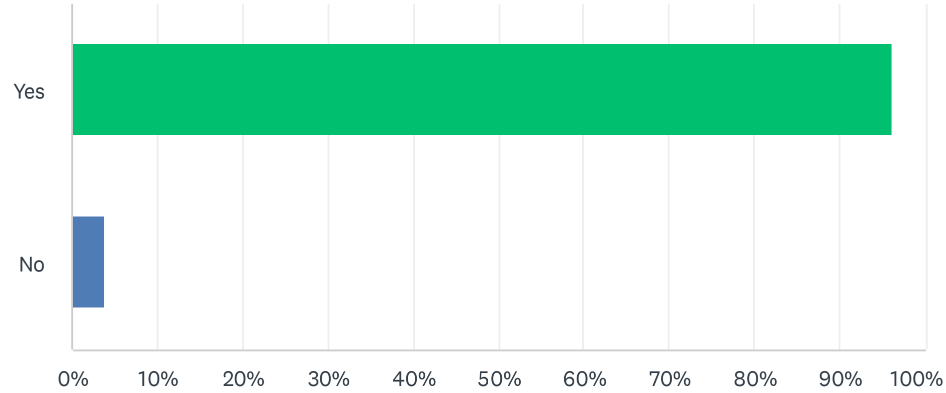


ANSWER CHOICES	RESPONSES	
biological and agricultural assets	17.33%	13
insurance contracts issued, reinsurance contracts held, and investment contracts with discretionary participation features	17.33%	13
expenditures incurred in connection with the exploration for and evaluation of mineral resources before the technical feasibility and commercial viability of extracting mineral resources is demonstrable	10.67%	8
business combinations	77.33%	58
obligations arising under a defined benefit superannuation plan	25.33%	19
share-based payment arrangements	17.33%	13
the accounting by an operator in a service concession arrangement	18.67%	14
complex financial assets and financial liabilities	32.00%	24
Total Respondents: 75		

#	PLEASE PROVIDE COMMENTS (IF ANY) FOR THE AASB'S CONSIDERATION.	DATE
1	None of these need to be included	3/26/2023 10:27 PM
2	Complicating the accounting work - forcing that entity out of the Tier 3 Reduced Disclosure regime and into Tier 2.	3/8/2023 4:30 PM
3	Some loans/guarantees to deliver on an entity's purpose should not be subject to more stringent Tier 2 requirements As noted earlier as long as a Tier 3 entity can have some assets that require Tier measurement standard to apply	3/3/2023 2:21 PM
4	it shoudl specifically cover mergers	3/1/2023 3:39 PM
5	These would be useful consideration for future to cater for business growth and expansion.	3/1/2023 1:43 PM
6	Most of these are generally more complex matters and better to make reference of existing standards. Don't make the single simple standard bigger.	2/23/2023 10:28 AM
7	Not applicable to our organization but guidance would be valuable here	2/22/2023 9:56 AM
8	Could guidance be provided as and when the above become popular	2/22/2023 9:56 AM
9	With mergers in NFP, would be good for guidance.	2/22/2023 9:55 AM
10	I would be surprised to learn of any small Charity (under $250,000 in revenue) who would be involved in any of these activities (except perhaps small botanical gardens, or a very old charity with a defined benefit super scheme - the member would need to be at least 50 years old). If they are then they are likely to have other complex arrangements that would move them to Tier 1 / 2	12/14/2022 6:29 PM
11	some guidance would be useful - perhaps outside of the standard	12/13/2022 1:04 PM
12	I see business combinations in the NFP space fairly often (mergers with other entities or purchase). However, this is often the larger NFPs, so depending on the thresholds set, may not be applicable for the Tier 3.	12/13/2022 12:55 PM
13	Business combinations is an area that is likely to be applicable to tier 3 entities.	12/2/2022 3:39 PM
14	Don't fully understand the qu/rammifcations.	11/28/2022 12:43 PM
15	Not applicable to our organisation, but may be applicable to other tier 3 entities	11/22/2022 4:24 PM
16	Have not come across any of the above in over 20 years in the NPO sector.	11/2/2022 5:40 PM
17	Amalgamations of NFPs is becoming increasingly common	10/28/2022 2:48 PM
18	Most categories don't fit smaller charities	10/13/2022 2:47 PM

Q31 Do you agree with the proposal?

Answered: 181   Skipped: 108

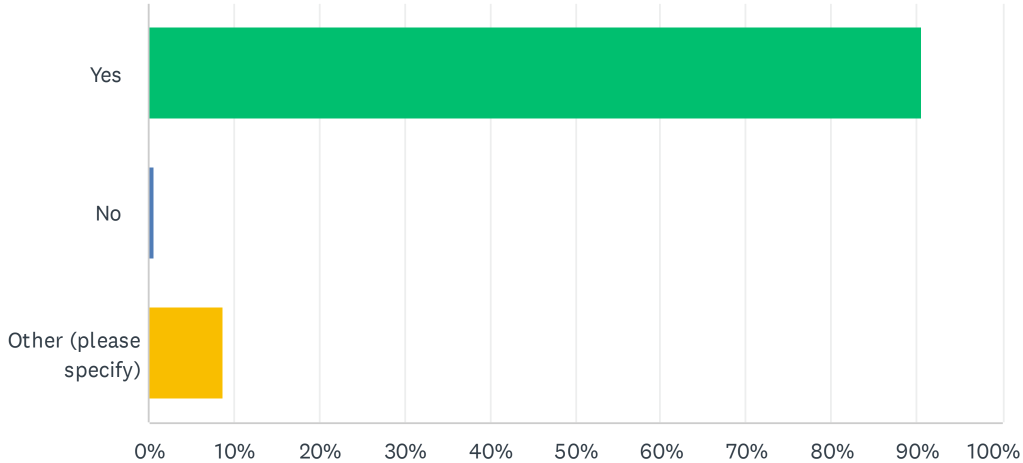


ANSWER CHOICES	RESPONSES	
Yes	96.13%	174
No	3.87%	7
TOTAL		181

#	PLEASE PROVIDE COMMENTS (IF ANY) FOR THE AASB'S CONSIDERATION.	DATE
1	Small entities barely have any in-house financial expertise, let alone the intellectual capability for making accounting judgements or venturing into the AAS beyond their tier 3 standard. External accounting support firms would likely be the parties to do this work, and even then, those firms are likely to be small firms with limited in-house technical capability	3/17/2023 5:42 PM
2	agriculture should be measured at cost	3/1/2023 3:41 PM
3	I'm hesitant about "apply judgement"	2/22/2023 9:57 AM
4	Always back to the conceptual framework	12/14/2022 6:30 PM
5	Probably agree (sensible approach but may lead to inconsistencies)	11/28/2022 12:44 PM
6	Fair.	11/2/2022 5:41 PM
7	In the absence of tier 2, the default should be tier 1. If the transaction is that sophisticated that it is not dealt with in tier 1 or 2, the organisation would/needs access to an accountant and they can then apply the accounting standard hierarchy (tier 3,2 and 1)	10/31/2022 12:59 PM

Q32 Do you agree with the proposal?

Answered: 183 Skipped: 106



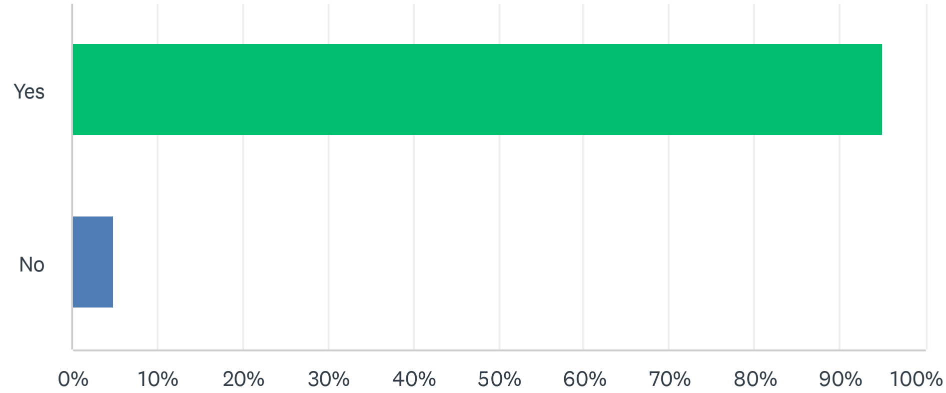
ANSWER CHOICES	RESPONSES	
Yes	90.71%	166
No	0.55%	1
Other (please specify)	8.74%	16
TOTAL		183

#	OTHER (PLEASE SPECIFY)	DATE
1	As soon as possible	3/31/2023 9:14 AM
2	The sooner the better. The sector has been aware of these changes and no they are coming.	3/30/2023 6:11 AM
3	The sooner the better	3/29/2023 12:49 PM
4	At least two years would be ideal as small NFP entities have limited financial staff usually dealing with lots of other matters and can be difficult to allocate resources to these changes. The longer the better.	3/13/2023 6:37 PM
5	Longer lead time for education process and getting ERP systems and processes set up, with limited resources in NFP sectors. 4 or 5 years lead time would be more reflective as existing resources would still be doing the business as usual transactions, while transition to GPFS.	3/1/2023 1:44 PM
6	Earlier the better	2/22/2023 9:57 AM
7	If simplifying much of the reporting then why not 12 mths	2/22/2023 9:57 AM
8	It would be good to have longer lead time for Tier 3 to adopt the new standard	2/2/2023 1:20 PM
9	Legislation of this needs to be consistent across all jurisdictions	11/18/2022 1:44 PM
10	The earlier the better	11/18/2022 1:44 PM
11	Yes, but please consider liaising with Government Funding Bodies who fund NFPs to review standard wording in funding contracts in relation to preparation of financial reports. Many funding statements require IFRS etc, and this would nullify the opportunity to utilise Tier 3.	11/18/2022 12:13 PM
12	I agree only if the resulting rules arrive at meaningful financial statements. The SPFS currently	11/11/2022 9:31 AM

	do this.	
13	But please don't take too long. We need this simplification now.	11/2/2022 5:42 PM
14	This is urgent so as soon as sensibly possible would be great.	10/17/2022 2:20 PM
15	all these changes are rubbish	10/13/2022 8:08 PM
16	I disagree in principle with the removal of special purpose reports, but if they are to go then at least 2 to 3 years implementation would be suitable.	10/13/2022 5:21 PM

Q33 Do you agree with the proposal?

Answered: 180 Skipped: 109



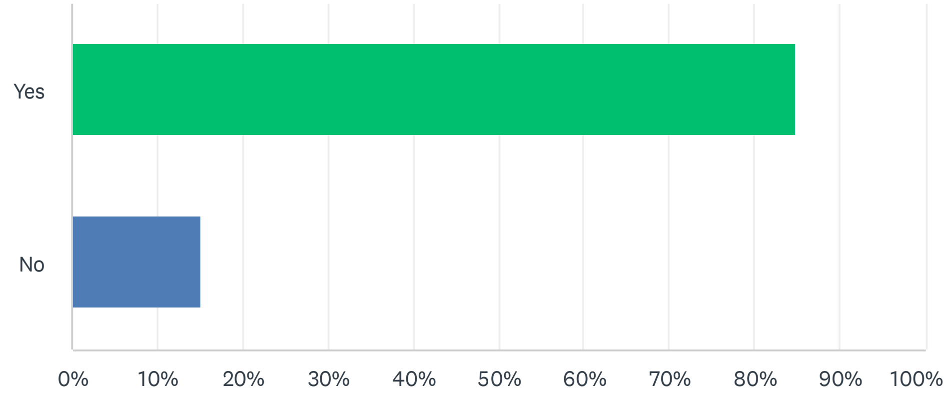
ANSWER CHOICES	RESPONSES	
Yes	95.00%	171
No	5.00%	9
TOTAL		180

#	PLEASE PROVIDE COMMENTS (IF ANY) FOR THE AASB'S CONSIDERATION.	DATE
1	Subject to a post-implementation review, as there may be some need for flexibility should unforeseen issues arise.	3/29/2023 9:55 AM
2	Yes, but would accept review at three years if there is a substantivve reason	3/1/2023 3:41 PM
3	Should be more than once every five years initially	2/23/2023 10:31 AM
4	Agree 100%.	2/23/2023 10:30 AM
5	5 years is a very long period of time in business environments. 2 years could be a more suitable time period	2/22/2023 9:59 AM
6	Five years is a long time - could there be a clause that enables change if required. The world is quite uncertain	2/22/2023 9:59 AM
7	I don't think that this should be locked in for so long. 3 years is reasonable	2/22/2023 9:58 AM
8	Aspects should be adjusted as required	2/22/2023 9:57 AM
9	Initially review after two years. That will give a strong indication of their usefulness after implementation. Following the initial review after 5 years.	2/13/2023 3:11 PM
10	this should only be a guideline - if there is an urgent and significant matter it should be dealt with as soon as practical. eg. a world war, a Pandemic worse than covid-19, a financial crash worse than the GFC, or a meteor hitting the planet.	12/14/2022 6:34 PM
11	Generally agree but may be items on implementation that need clarification	12/6/2022 10:56 AM
12	Change as necessary	12/6/2022 10:55 AM
13	No more than 5 yrs	12/6/2022 10:55 AM
14	Unless some event needs immediate action	12/2/2022 2:05 PM
15	Going forward I agree, however I think the option should remain open for changes in the first 2-	11/28/2022 12:46 PM

	3 years as there may be some obvious/significant things needed to be amended.	
16	Yes please.	11/2/2022 5:43 PM
17	More frequent updates may be needed straight after implementation to address problems.	10/17/2022 2:20 PM
18	It may be worthwhile initially have a shorter revision cycle given the volume of NFP's impacted and capabilities / capacity or organisations	10/1/2022 1:23 PM
19	Every 5 years is good.	9/28/2022 9:04 AM

Q34 Do you agree with the AASB's view?

Answered: 178 Skipped: 111



ANSWER CHOICES	RESPONSES	
Yes	84.83%	151
No	15.17%	27
TOTAL		178

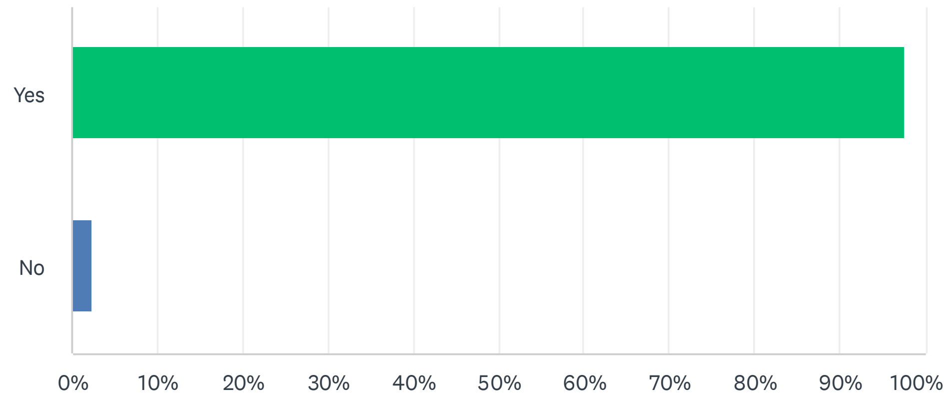
#	PLEASE PROVIDE COMMENTS (IF ANY) FOR THE AASB'S CONSIDERATION.	DATE
1	This is the whole confusion I think in my view. It would be better if the body responsible for drafting the standards has a clear picture and understanding of the entities and makes more sense to have AASB developing reporting thresholds.	3/30/2023 6:12 AM
2	Not sure of implications of this	3/19/2023 5:35 PM
3	The reporting thresholds need to be very clear and it would be ideal if the AASB could make a recommendation at least and the higher the better so not to trap smaller NFP who have an unusual year.	3/13/2023 6:40 PM
4	I think it would be useful if the AASB indicated its views on where the tiers should sit. It adds confusion when States apply different thresholds to similar organisations.	3/6/2023 10:04 AM
5	Thresholds should not have a hard Income level but reflect entity complexity	3/3/2023 2:24 PM
6	The AASB is a standard setter. The applicability of any thresholds should remain with the ACNC.	3/1/2023 2:15 PM
7	AASB should specify the reporting thresholds, which could be consistent with other regulatory bodies. In the event of differences, AASB thresholds should prevail for Annual Financial Reporting purposes.	3/1/2023 1:45 PM
8	Aasb should still have some input as they have received feedback from various stakeholders and avoids duplication. Aasb should also look at recommending consistency on how thresholds are determined or set across regulators.	2/23/2023 10:36 AM
9	Regulators sometimes are slow in addressing industry changes.	2/22/2023 10:01 AM
10	Yes, for regulators to decide thresholds, however the AASB needs to have some idea of thresholds, for further development of standards. It would also need to respond to changes in thresholds.	2/22/2023 10:01 AM
11	Everyone should be able to apply the standard as some NFP that are classified as large are	2/22/2023 10:00 AM

	not really big and often have limited staffing - 20 people across the entire organisation and accounting is difficult.	
12	Complexity not necessarily defined by revenues	2/22/2023 10:00 AM
13	I don't understand how you can develop an accounting standard without considering the threshold. Characteristics of the organisations will be common based on their size.	2/22/2023 10:00 AM
14	Leave it to ACNC. Question is for non charity NFPs which have different threshold - but agree should be left to those regulators.	2/22/2023 9:59 AM
15	Follow ACNC	2/22/2023 9:59 AM
16	There are some small NFP that are company's limited by guarantee. They should have a lesser degree of compliance, as this burden may be too great a cost for little benefit.	2/13/2023 3:12 PM
17	Revenue is not necessarily the only important measure for reporting thresholds and net assets ought to also be considered.	12/21/2022 1:53 PM
18	these need to be consistent across all government agencies / regulators	12/14/2022 6:35 PM
19	It should be linked to current ACNC thresholds. I fear that state based legislators won't harmonise as quick as federal legislators.	12/13/2022 1:07 PM
20	AASB's responsibilities (unlike regulation) is not to determine the needs of the users - so agree that AASB should not set the thresholds. However, I note that if we leave to government, thresholds may not be updated as frequently as it should.	12/13/2022 12:58 PM
21	Standard should be applicable for all NFPs	12/6/2022 10:56 AM
22	I think it will be very important for the AASB to work with the regulators (ACNC, ACIC, Consumer Affairs) to have them set thresholds to determine who can and can't apply the new Tier 3 standard. If this is not done, then in theory you could get an NFP with very high revenue levels choosing to adopt Tier 3 and this would be against the spirit of the standard.	12/5/2022 1:58 PM
23	Threshold should be devolved to make it clear what NFPs should it apply to. Consideration to be given to NFP entities that meet the threshold one year, but do not the next year etc...	12/2/2022 3:38 PM
24	Undecided. Quite often the regulatory body consists of uninformed persons(political appointees) who are persuaded by "staff" that the reporting should follow the standard bureaucratic path.	12/2/2022 2:11 PM
25	Makes it judgemental	11/29/2022 2:57 PM
26	Should provide guidance	11/28/2022 12:49 PM
27	Not ideal but at least this would help to not add even more reporting rules/education being required.	11/28/2022 12:47 PM
28	There should be some guidance on thresholds	11/28/2022 11:44 AM
29	Consideration should be given for those NFPs who may, in one particular year, exceed the $3m threshold and find themselves in tier 2, by way of example, receiving a large bequest. What then happens when they resume back to business as usual the following year?	11/22/2022 4:30 PM
30	But talk together so consistency	11/18/2022 1:45 PM
31	A threshold needs to be established by either the AASB or regulator- not "should"	11/18/2022 11:59 AM
32	While the final say may rest with other bodies, I believe that the board should make reporting threshold recommendations.	11/11/2022 9:34 AM
33	In the arts, income can vary significantly year to year depending on government funding (operational & projects) and the artistic program for the year.	11/2/2022 5:44 PM
34	Our fragmented regulatory framework for NFPs will make it difficult to ensure that the right size entities apply tier 3 without regulatory change or limits within the standards	10/28/2022 2:54 PM
35	Something legally enforceable must cover application of Tier 3. Maybe ACNC requirements?	10/17/2022 2:20 PM
36	less than $5m is nothing these days - shows how out of touch with reality the aasb is	10/13/2022 8:09 PM

37	There is a risk that reporting thresholds within the Standard could become incompatible with other regulatory requirements as and if they change.	10/13/2022 5:23 PM
38	Consideration by AASB to the financial reporting burden that may be imposed, unintentionally, by a regulator that did not give due consideration to the thresholds legislated in the Corporations Act or the ACNC Act.	10/13/2022 4:13 PM
39	However some regulators are not the greatest at providing support on this. Aasb should ensure they contact and I formally certain regulators such as incorporated associations,	10/12/2022 2:12 AM
40	Nfp entities require government endorsement to avoid taxes and collect donations. The government should decide what Size of entity is below their reporting threshold for Tier2	9/28/2022 9:17 PM
41	COnfused by this question. I thought for small NFPs?	9/28/2022 10:00 AM

Q35 Do you agree with the AASB's plan to not develop proposals for service performance reporting as part of the Simplified Accounting Requirements (Tier 3 NFP entities) project?

Answered: 177 Skipped: 112

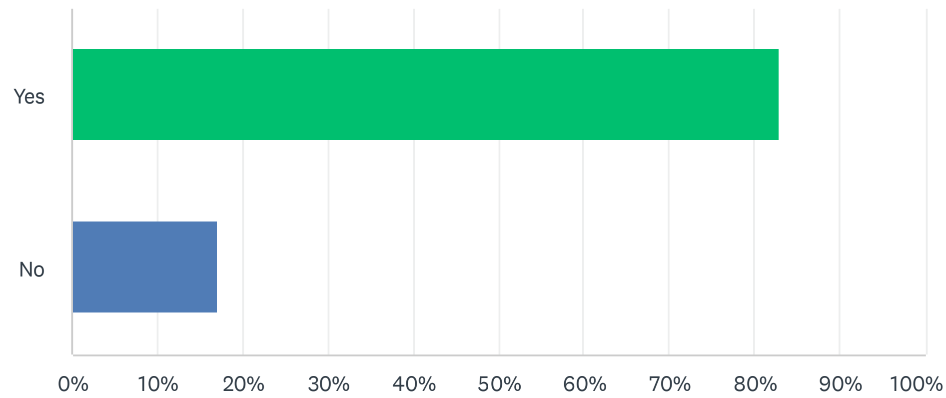


ANSWER CHOICES	RESPONSES	
Yes	97.74%	173
No	2.26%	4
TOTAL		177

#	PLEASE PROVIDE COMMENTS (IF ANY) FOR THE AASB'S CONSIDERATION.	DATE
1	This would be an unnecessary burden for small NFPs.	3/21/2023 9:27 PM
2	When comply with AASB requirements for primary statements preparation and being audited, the board, donors and users of financial statements would have reasonable assurance of a governance structure in place in the NFP entity. Service performance information would probably be supplementary which could be in place at a later time.	3/1/2023 1:45 PM
3	Don't delay process of bringing Simplified support by looking at service performance obligations.	2/23/2023 10:37 AM
4	Understand time pressures but to be outcome focused they need to align	2/22/2023 10:01 AM
5	Service performance would best be cited as a notation to the accounts rather than having a separate reporting framework	11/22/2022 4:31 PM
6	Arts companies may mention service performance information in the Directors' Report but generally provide significant detail in the Annual Report. Annual reports generally available from the company's website and from the ACNC. And service performance information also required to be provided during the year (as well as year-end) to funding bodies.	11/2/2022 5:46 PM
7	Maybe work with ACNC to improve its reporting requirements to ensure service reporting is adequately covered.	10/17/2022 2:20 PM
8	For small and medium charities such reporting would be a waste of time and money	10/13/2022 2:49 PM
9	Dont understsand this q	9/28/2022 10:00 AM

Q36 Do you agree with the proposal?

Answered: 182 Skipped: 107



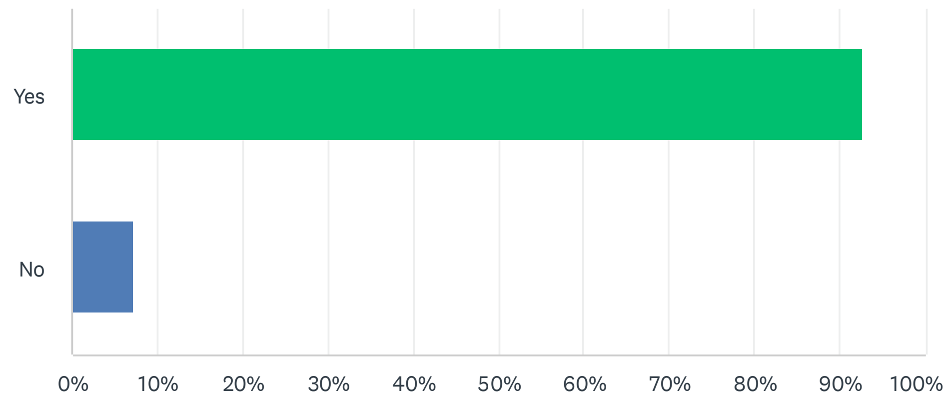
ANSWER CHOICES	RESPONSES	
Yes	82.97%	151
No	17.03%	31
TOTAL		182

#	PLEASE PROVIDE COMMENTS (IF ANY) FOR THE AASB'S CONSIDERATION.	DATE
1	The movement away from use of special purpose financial reporting is a good thing	3/26/2023 10:29 PM
2	Not if this means that NFPs with revenue of under $10m are excluded as many with this revenue still have high costs (which need to be acquitted with the funder) and low/no surplus.	3/19/2023 5:37 PM
3	Preparing Special Purpose Financial Reports has been an important part of the NFP sector and should remain so.	3/13/2023 6:42 PM
4	As long as Tier 3 Reduced Disclosure framework is in place. Administration costs are an issue for charities and donors and while preparation of proper financial statements is an important governance and transparency activity - it should be no more burdensome than absolutely necessary. It is community money that will be used to fulfil reporting obligations	3/3/2023 2:28 PM
5	Only those required by legislation should be impacted. Those that require by their constitution, etc should still be able to do whatever they feel is appropriate.	3/1/2023 3:43 PM
6	For Annual Reporting and Annual Financial Statements purposes, the NFP entities must comply with AASB requirements. Special purpose financial statements would cater for management reporting purposes.	3/1/2023 1:45 PM
7	Presumably entities proposing SPFS are doing so for a specific reason that warrants being sustained?	2/22/2023 10:02 AM
8	Reduces variability	2/22/2023 10:01 AM
9	There are small NFPs that have a very narrow audience. Compliance to GPFS would be a great burden.	2/13/2023 3:15 PM
10	NPFs should be able to prepare SPFS.	12/21/2022 1:54 PM
11	While yes in principal, perhaps this should be subject to government regulation to exempt micro charities (with income below $20,000) note - we fit well above this threshold, however a	12/14/2022 6:40 PM

	smaller Charity may not have the skills to prepare even Tier 3, and may not be able to justify the cost of someone else preparing Tier 3.	
12	SPFS should be removed	12/13/2022 1:08 PM
13	Special purpose financial reports reduce comparability between entities and are also used by entities to present their performance in certain lights depending on current focus area, and story to members. I agree that SPFRs should be used less.	12/13/2022 1:00 PM
14	Yes better to apply the one standard	12/9/2022 12:05 PM
15	Prefer a level playing field	12/6/2022 10:58 AM
16	Only after Tier 3 has been implemented	11/29/2022 2:58 PM
17	ONLY if supported by educating the preparers. Recipients of grants are often asked to prepare GPFRs but may be incredibly small (and have no in-house skills to prepare GPFRs, no appreciation of the complexity and therefore the costs to do so, and the expertise and time required by the auditor to perform a technically sound audit). Auditors are often expected to perform the preparer role as clients often say it's only required as the auditors requests it.....	11/28/2022 12:50 PM
18	Provides uniformity across the sector and is better for the end user to compare (i.e. philanthropists, government and grant funders)	11/22/2022 4:36 PM
19	There needs to be a standard reporting base for NFP's. Without this the challenges to both preparers and auditors is considerable. Whilst GPFS are a significant step for some entities it is warranted to provide comparability in the sector and if the regulator considers cost etc it will set the Tier 3 threshold at a reasonable level ie $1M	11/22/2022 4:02 PM
20	As long as a suitable tier is set	11/18/2022 12:00 PM
21	For smaller bodies the preparation of GPFS comes with a real cost impact and does not provide, in the main any significant advantage.	11/11/2022 9:38 AM
22	Provided the Tier 3 reporting is available at the same time. Otherwise, no.	11/2/2022 5:47 PM
23	Absolutely. Larger organisations (such as the AFL) should be required to prepare GPFS	10/31/2022 1:03 PM
24	Only if Tier 3 is in play. GPFS are onerous for a small organisation. Small organisations don't necessarily have the skills to be able to apply this and costs to have an accounting firm do this can be onerous.	10/17/2022 2:20 PM
25	Many NFP's only report to their members. They should not be required to prepare reports that are based on them having some sort of responsibility to non existent parties. In the case of a relevant other party being involved eg. a financing transaction that body can always request that specified additional information be provided otherwise the proposed arrangement will not be considered.	10/14/2022 11:41 AM
26	DISAGREEEEE!!!!! This is merely for the big boys. Get out of your offices and look into the real world aasb!	10/13/2022 8:10 PM
27	For comparison of entities, the preparation of GPFS should be mandatory for entities lodging with a regulator and the GPFS would be made available to the public either freely, e.g. ACNC, or by request, e.g. OFT Qld. An entity preparing a financial report for a grant acquittal or similar that would not become a public document could be SPFS.	10/13/2022 4:18 PM
28	SAC 1 has been beneficial	10/13/2022 2:50 PM
29	The proposed tier3 items are effectively SAC1 (or the old GAAP) principles. There should be no need for a fourth set of rules	9/28/2022 9:18 PM

Q37 Do you agree with the proposal?

Answered: 180 Skipped: 109



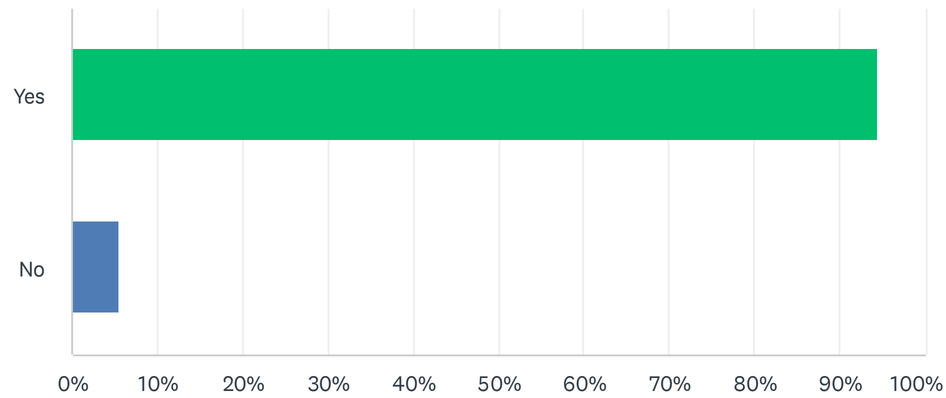
ANSWER CHOICES	RESPONSES	
Yes	92.78%	167
No	7.22%	13
TOTAL		180

#	PLEASE PROVIDE COMMENTS (IF ANY) FOR THE AASB'S CONSIDERATION.	DATE
1	Just because New Zealand did it, doesn't mean that we should. Cash accounting in most instances is not useful for providing relevant and reliable financial reporting.	3/29/2023 9:59 AM
2	a 4th tier would add too much complexity when the intention of the proposal is to move away from complexity. Some smaller entities may opt-up into tier three. Those that don't may be very small and cash accounting is still appropriate.	3/26/2023 10:32 PM
3	Almost everyone can comprehend cash accounting principles. For very small entities, even without in-house financial skills, a Statement of Receipts and Payments and information about their cash balance movements, may be the most useful information for the users and those managing the entity,	3/17/2023 5:42 PM
4	Having a reporting tier based on cash accounting would be very useful to many NFP entities.	3/13/2023 6:44 PM
5	Partially agree. Clarification required for non reporting entities - would non reporting entities comply with Tier 3 requirements as well?	3/1/2023 1:45 PM
6	Makes sense not to make tier 4.	2/23/2023 10:38 AM
7	Small organisations, less than 500k revenue pa? Many charities in Australia would fit within this class.	2/22/2023 10:03 AM
8	Completely agreed	2/22/2023 10:02 AM
9	Good idea	2/22/2023 10:01 AM
10	ACNC has different requirements of different sizes of NFPs. This should be consistent with accounting standards.	2/13/2023 3:17 PM
11	Agree that cash accounting may not be fit for purpose, however there a large numbers of smaller NFPs that fall below Tier 3 range, have less access to financial/accounting expertise and advice and may not be required to meet audit requirements. These entities are often high risk for mismanagement and/or fraud, while providing vital services and facilities for local	1/5/2023 6:19 PM

	communities. Not an AASB issue, but support is needed to help these smaller entities maintain a viable presence.	
12	All charities should prepare at a minimum Tier 3 - again for comparability purposes.	12/13/2022 1:08 PM
13	I actually think a fourth tier would be very useful for very small NFPs.	12/5/2022 1:59 PM
14	AASB should consider the 4th tier for micro-charities which typically would have very small turnovers, few or no full time employees and few resources to direct towards accounting. This sector is the birthplace of charities, which should grow into 3rd tier in a few years. Having this 4th tier would stimulate the sector by removing a perceived barrier.	12/5/2022 8:51 AM
15	What reply would be expected from the secretary of an incorporated dart club in a country hotel? Or a small golf club?. Unfortunately the use of commonsense has been legislated out of our normal activities. In fact criminalised.	12/2/2022 2:19 PM
16	The whole reporting systems is already onerous and too complex (not fit-for-purpose for a large number of entities). Entities have very poor skills/awareness of reporting requirements (and have no appreciation for them potentially providing any value when they have internal Management records/reports on hand).	11/28/2022 12:52 PM
17	for smaller organisations, the inability to use cash accounting would have a significant financial/work load impact on the organisation. eg membership fees accounting.	11/11/2022 9:40 AM
18	Happy enough with Tier 3!	11/2/2022 5:47 PM
19	Three works but four starts to become more complicated	10/31/2022 1:04 PM
20	There is a place for very small organisations to use cash accounting. This particularly applies to small membership based organisations and makes their financial statements easy to read because they are in a format akin to that used by households. Very often, these organisations have only one asset -Cash at Bank including term deposits - and therefore don't really need a balance sheet because the equity is simply the cash balance at that time and any minor assets fully expenses at the time of purchase.	10/14/2022 11:49 AM
21	I can't assess whether something might be fit for purpose or not without understanding the assumed purpose. I believe many organisations esp small NFPs are not as interested in accounting requirements as accountants might think they are. I see nothing wrong in principle with some entities using cash only.	10/13/2022 5:26 PM

Q38 Do you agree with the proposal?

Answered: 178 Skipped: 111



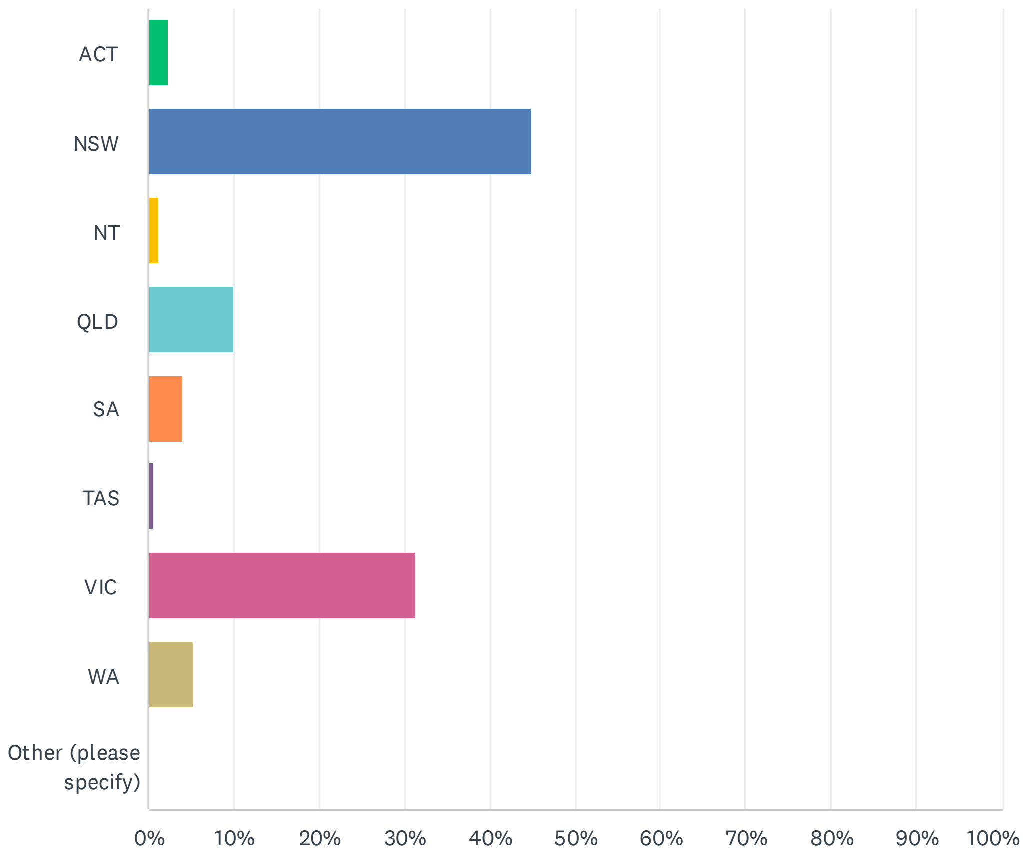
ANSWER CHOICES	RESPONSES	
Yes	94.38%	168
No	5.62%	10
TOTAL		178

#	PLEASE PROVIDE COMMENTS (IF ANY) FOR THE AASB'S CONSIDERATION.	DATE
1	Some standards are still onerous (in my view) in complying with and don't add value, such as leases and income recognition, so it would be good for some to not be required for a NFP that just exceeds the turnover threshold	3/29/2023 1:01 PM
2	This does not appear to have anything to do with Teir 3 reporting.	3/13/2023 6:46 PM
3	Yes for now, but once the international IFR4NPOs is released it should be reviewed and considered for applicability to all NFPs in Australia.	3/1/2023 3:43 PM
4	Although subject to review of 1058	2/22/2023 10:02 AM
5	Yes but should consider revenue recognition for tier 1 and Tier 2 in line with proposed tier 3 as a separate project	12/6/2022 11:01 AM
6	Change the revenue recognition requirements to align with Tier 3 proposal	11/28/2022 12:53 PM
7	Need to really consider consolidation when removing sp, lots of impact on nfp that don't make sense	11/18/2022 1:47 PM
8	Only if there is a higher threshold for the proposed tier 3	11/11/2022 9:42 AM
9	Though note most arts companies I am aware still preparing SPFS.	11/2/2022 5:49 PM
10	Statement of changes in equity should be mandatory. It's not hard to prepare and is informative.	10/17/2022 2:20 PM
11	If i understand that your proposal is that NFPs can choose Tier 3 rather than either Tier 1 or 2, then I have no problem if entities that choose Tier 1 or Tier 2 should comply with Tier 1 or 2 requirements	10/13/2022 5:28 PM
12	No opinion	10/13/2022 2:51 PM
13	More guidance examples is needed around revenue for NFP, currently very judgemental opinions around revenue recognition need better clarification from AASB	10/12/2022 2:14 AM

14	But clarify AASB10 meaning of control for NFPs	9/28/2022 10:01 AM

Q39 Which state or territory is your organisation based in?

Answered: 169   Skipped: 120

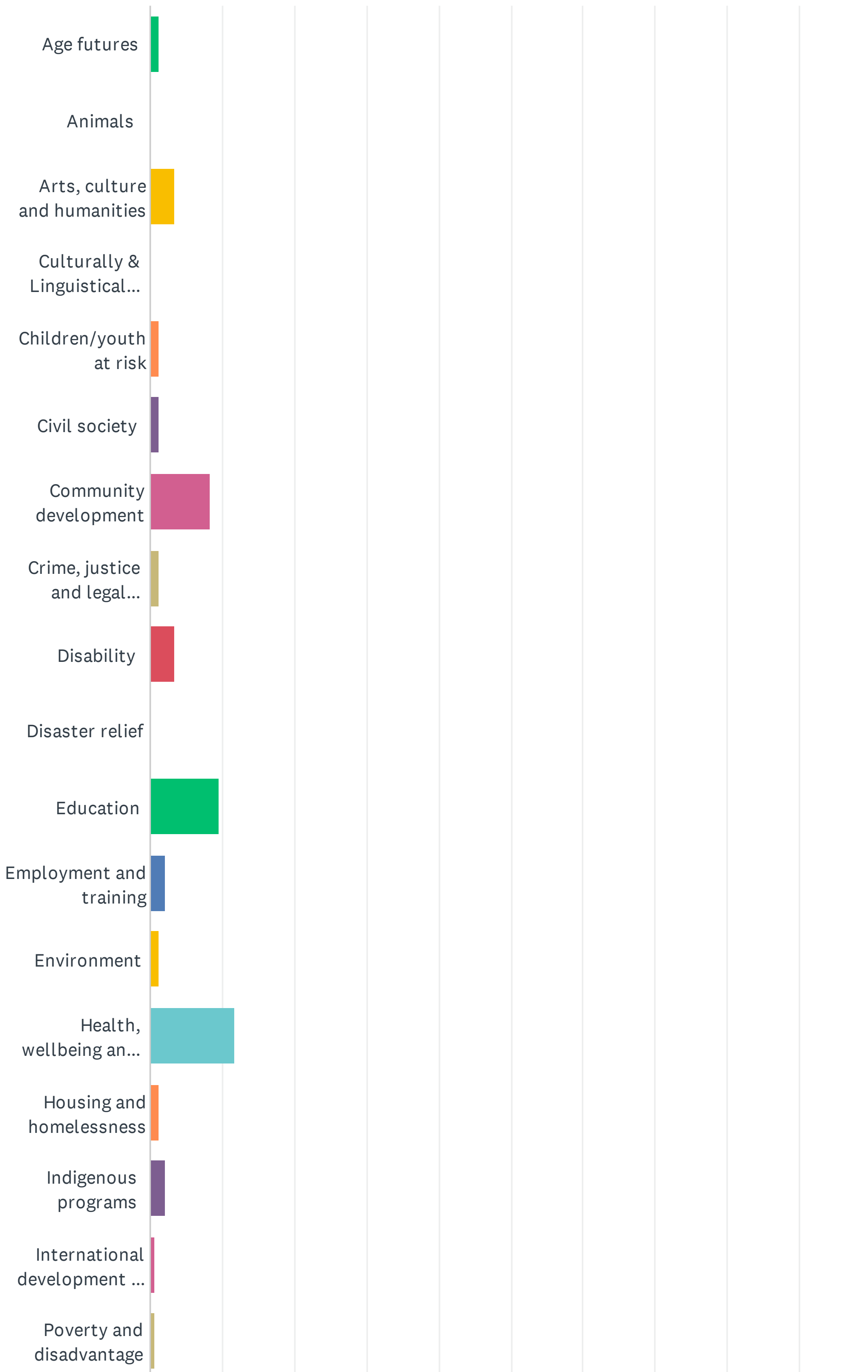


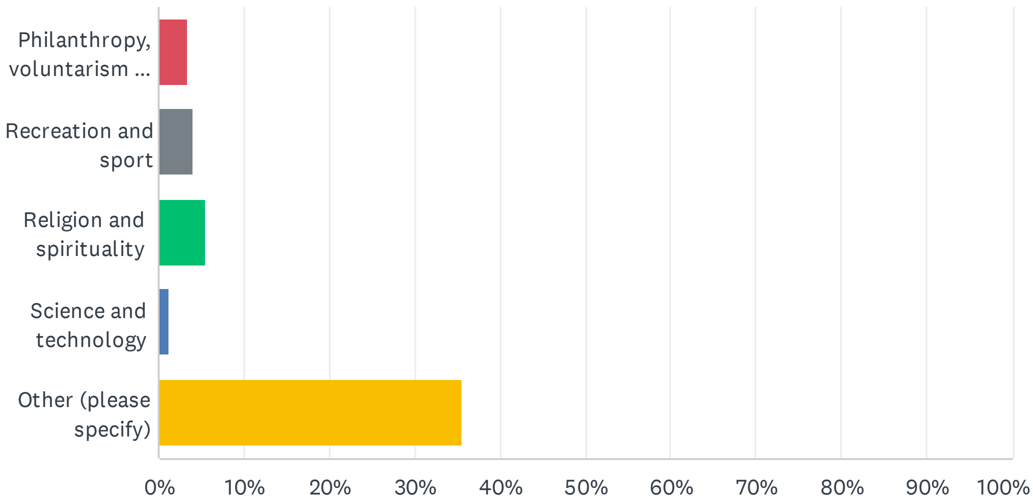
ANSWER CHOICES	RESPONSES	
ACT	2.37%	4
NSW	44.97%	76
NT	1.18%	2
QLD	10.06%	17
SA	4.14%	7
TAS	0.59%	1
VIC	31.36%	53
WA	5.33%	9
Other (please specify)	0.00%	0
TOTAL		169

#	OTHER (PLEASE SPECIFY)	DATE
	There are no responses.	

Q40 Which of the following best describes the main activities and/or services your organisation provides?

Answered: 146 Skipped: 143




Philanthropy, voluntarism ...
Recreation and sport
Religion and spirituality
Science and technology
Other (please specify)
0%
10%
20%
30%
40%
50%
60%
70%
80%
90%
100%

ANSWER CHOICES	RESPONSES	
Age futures	1.37%	2
Animals	0.00%	0
Arts, culture and humanities	3.42%	5
Culturally & Linguistically Diverse Communities	0.00%	0
Children/youth at risk	1.37%	2
Civil society	1.37%	2
Community development	8.22%	12
Crime, justice and legal issues	1.37%	2
Disability	3.42%	5
Disaster relief	0.00%	0
Education	9.59%	14
Employment and training	2.05%	3
Environment	1.37%	2
Health, wellbeing and medical research	11.64%	17
Housing and homelessness	1.37%	2
Indigenous programs	2.05%	3
International development and international relations	0.68%	1
Poverty and disadvantage	0.68%	1
Philanthropy, voluntarism and non-profit infrastructure	3.42%	5
Recreation and sport	4.11%	6
Religion and spirituality	5.48%	8
Science and technology	1.37%	2
Other (please specify)	35.62%	52
TOTAL		146

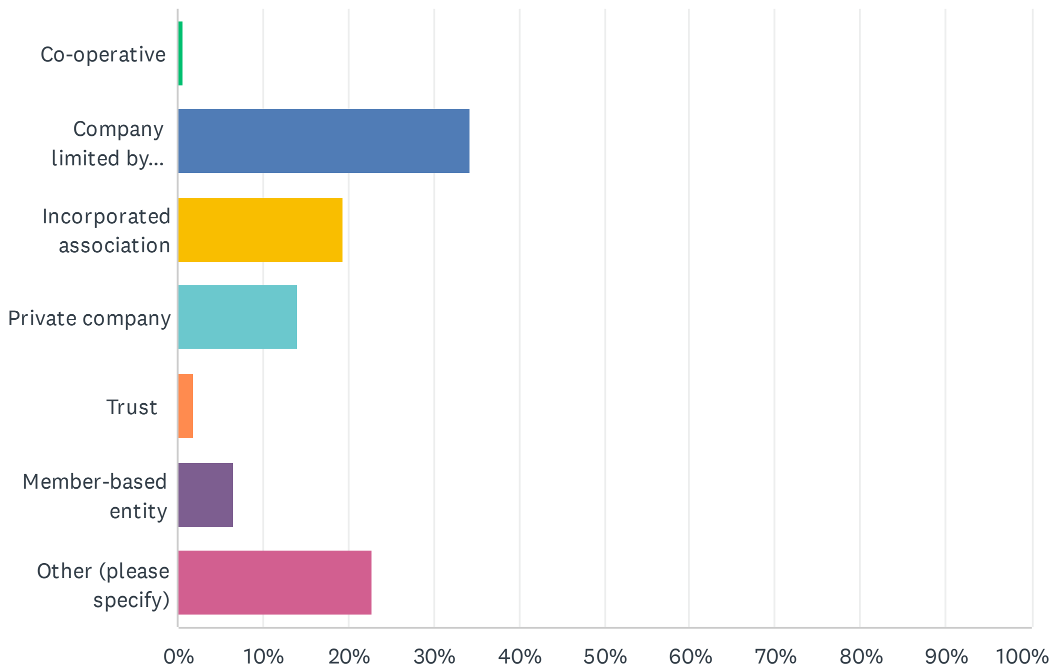
#	OTHER (PLEASE SPECIFY)	DATE
1	Auditor	3/30/2023 6:14 AM
2	Community Services and Health Promotion Charities	3/29/2023 1:03 PM
3	We work with hundreds of charities, across all categories	3/26/2023 10:34 PM
4	Audit firm	3/23/2023 11:01 PM
5	Membership based organisation representing and advocating for the interests of our members	3/22/2023 3:22 PM
6	Multiple of the above categories	3/21/2023 9:29 PM
7	administrator of Private and Public Ancillary Funds	3/8/2023 4:35 PM
8	Auditing entities across many categories	3/6/2023 10:07 AM

9	Child care	3/3/2023 10:25 AM
10	Auditor	2/23/2023 10:42 AM
11	Accounting firm auditing NFP	2/23/2023 10:38 AM
12	Audit services to nfp	2/23/2023 10:35 AM
13	Aged Care and affordable housing	2/22/2023 10:36 AM
14	Girl Guides	2/22/2023 10:05 AM
15	Ensuring first use of all goods - sustainability.	2/22/2023 10:03 AM
16	Many types	2/22/2023 10:03 AM
17	Advisory to NFP	2/22/2023 9:59 AM
18	I work for several NFPs - Insurance, Overseas aid & development, Youth development	2/13/2023 3:18 PM
19	Auditor	2/13/2023 1:55 PM
20	Finance and accounting services	1/25/2023 4:04 PM
21	Accounting Services to multiple and varied clients	1/16/2023 3:20 PM
22	Education advocacy, volunteer support	1/5/2023 6:20 PM
23	Community Services in a rural community	12/14/2022 6:43 PM
24	Technical and Vocational Education and Training	12/14/2022 5:15 PM
25	audit of NFPs	12/13/2022 1:09 PM
26	Financial audit services	12/13/2022 1:09 PM
27	Business Services and audit	12/13/2022 1:09 PM
28	Accounting and Business Services	12/9/2022 12:06 PM
29	Answering as auditor of numerous NFP	12/6/2022 11:03 AM
30	Child care	12/6/2022 11:00 AM
31	Audit firm	12/6/2022 10:59 AM
32	Accounting and Audit Services	12/5/2022 2:00 PM
33	Audit	11/29/2022 3:01 PM
34	Accounting	11/29/2022 3:01 PM
35	Professional accounting/audit firm	11/29/2022 3:00 PM
36	accounting	11/29/2022 3:00 PM
37	Too hard to pick one (philanthropy, education, charities etc)	11/28/2022 12:54 PM
38	Provision of accounting and auditing services to NFP's	11/22/2022 4:03 PM
39	I have many clients encompassing a range of these activities	11/18/2022 1:49 PM
40	Audit services	11/18/2022 1:48 PM
41	Community and Care	11/18/2022 1:48 PM
42	Auditing	11/18/2022 1:48 PM
43	Audit firm	11/18/2022 1:47 PM
44	Auditor	11/18/2022 1:47 PM
45	NFP	11/18/2022 1:47 PM
46	Audit services	11/18/2022 1:42 PM

47	Audit of Small to Large Charities	11/18/2022 12:23 PM
48	Welfare of families of veterans; tenancy issues & homelessness	10/17/2022 2:20 PM
49	Club	10/14/2022 1:20 PM
50	Accountants auditors and advisors to charities	10/13/2022 2:51 PM
51	Auditor	10/5/2022 7:58 PM
52	Audit	9/29/2022 11:59 AM

Q41 Is your organisation a (tick all that apply):

Answered: 149 Skipped: 140



ANSWER CHOICES	RESPONSES	
Co-operative	0.67%	1
Company limited by guarantee	34.23%	51
Incorporated association	19.46%	29
Private company	14.09%	21
Trust	2.01%	3
Member-based entity	6.71%	10
Other (please specify)	22.82%	34
TOTAL		149

#	OTHER (PLEASE SPECIFY)	DATE
1	Auditor	3/30/2023 6:14 AM
2	We audit a range of NFPs	3/29/2023 10:01 AM
3	Company limited by guarantee and incorporated associations	3/21/2023 9:29 PM
4	The option doesn't allow more than one to be ticked - Co-Ops, Company ltd by guarantee and Inc Assoc	3/6/2023 10:07 AM
5	APS is CLG, but our over 300 clients are charitable trusts	3/3/2023 2:29 PM
6	Audit firm	3/3/2023 8:39 AM

7	Small audit firm	2/23/2023 10:42 AM
8	Company	2/23/2023 10:38 AM
9	Statutory entity incorporated by law	2/22/2023 10:04 AM
10	Governed by Act of parliament	2/22/2023 10:03 AM
11	Government regulator	2/22/2023 10:03 AM
12	We work many with charities across different industries	2/22/2023 10:03 AM
13	Auditor - all types	2/22/2023 10:03 AM
14	Accounting and advisory firm	2/22/2023 9:59 AM
15	Partnership	2/13/2023 1:55 PM
16	Co Ltd by Guarantee and Incorp Associations	1/5/2023 6:20 PM
17	Company limited by guarantee, incorporated association	12/13/2022 1:32 PM
18	audit	12/13/2022 1:09 PM
19	Answering as auditor of numerous NFP	12/6/2022 11:03 AM
20	companies limited by guarantee, incorporated associations, trusts	12/2/2022 3:46 PM
21	Accounting firm	11/29/2022 3:01 PM
22	partnership	11/29/2022 3:00 PM
23	Audit Firm	11/28/2022 12:55 PM
24	Accg firm	11/28/2022 12:54 PM
25	Mostly incorporated associated, but also some in other categories	11/18/2022 1:49 PM
26	Auditor	11/18/2022 1:48 PM
27	All of the above	11/18/2022 1:47 PM
28	Authorised Audit Company	11/18/2022 12:23 PM
29	All of the above	11/18/2022 12:01 PM
30	auditor	11/11/2022 9:42 AM
31	Charity	11/9/2022 10:09 AM
32	s	10/13/2022 8:11 PM
33	Religious organisation	10/1/2022 1:29 PM
34	Company	9/29/2022 11:59 AM