Roundtable Summary
ED 295 *Simplified Disclosure for Tier 2 Entities*
For Profit and Not-for-Profit Sessions

What did we do and why did we do it?

- We ran separate roundtables for for-profit (FP) and not-for-profit (NFP) entities in Melbourne, Sydney, Brisbane, Perth and Adelaide to obtain feedback on ED 295 *Simplified Disclosures for Tier 2 Entities*.
- The AASB also performed outreach on Exposure Draft ED 297 *Removal of Special Purpose Financial Statements for Certain For-Profit Private Sector Entities*. The feedback on that outreach is available in a separate summary.

What did we hear at the roundtables?

Participants are broadly supportive of the proposed ED 295 with some concerns over the timeline and the right level of disclosures in some areas. Specific feedback received is summarised as follows:

Polling Questions		Yes	No	Unsure
Question 1	**Proposed Simplified Disclosures to replace RDR?**	77 or 88%	4 or 5%	6 or 7%
NFP Specific Question 1	**Application extended to NFP entities?**	33 or 100%	0	0
Question 2	**Proposed simplified disclosures in one stand-alone standard?**	84 or 90%	3 or 3%	6 or 7%
Question 3	**Provide option of not preparing a statement of changes in equity?**	45 or 53%	30 or 35%	10 or 12%
Question 4	**Support the proposed effective date?**	75 or 88%	5 or 6%	5 or 6%
Question 5	**Early adopt if it was available now?**	20 or 41%	13 or 26%	16 or 33%
Overall Question	**Should the AASB continue with the project?**	81 or 95%	3 or 4%	1 or 1%

The proposed Simplified Disclosure Standard should replace RDR

- While most participants agreed that the proposed Simplified Disclosure Standard should replace RDR, one participant thought it would be easier for preparers if the AASB would modify RDR rather than introducing a completely new framework.
- The majority of the participants agreed that the proposed Simplified Disclosure Standard is an improvement from RDR, which they considered has too many disclosure requirements, SPFS with too little disclosures and the previously proposed specified disclosure regime in ITC 39 with insufficient disclosures in some areas and too many disclosures in others.
- However, participants did identify some disclosures which should be revisited and which are outlined below.
- All participants at the NFP roundtables agreed that the standard should also apply to NFP entities.

A clear preference for Simplified Disclosures as one stand-alone standard

- Only three participants voted against the “one stand-alone standard” approach. Two participants were concerned about the loss of the additional guidance provided in the full standards and one participant was concerned about applying the disclosures in isolation without the context of the overriding objectives of the full standards.

Mixed views about the option of not preparing a statement of changes in equity

- 53 percent of participants (64% of FP session participants and 30% of NFP session participants) supported the proposed option of not preparing a statement of changes in equity.
- 35 percent of participants (31% of FP session participants and 44% of NFP session participants) disagree with the proposed option of not preparing a statement of changes in equity.

- Participants who voted against the option were concerned about the reduced comparability of financial statements both between entities and the possible year-on-year inconsistency in presentation. They also felt that having differences in presentation could be confusing for users.
- One participant noted that providers of financial statement preparation software would need to build this option into their templates before preparers could adopt it.
- NFP session participants in Sydney noted that many NFP entities have set up reserves, hence would not qualify for the exemption. They also suggested reviewing international practice, in particular in the UK *(staff have since confirmed that this option is also available to UK charities under the Charities SORP (FRS 102)).*

Effective date broadly supported but not so many likely to early adopt

- 88 percent of participants (96% of FP session participants and 71% of NFP session participants) agreed with the proposed effective date.
- Five participants voted against the proposed effective date, of which four were NFP session participants. Their concerns were primarily over the tight timeframe. NFP participants pointed out that the disclosures are not only reductions, but there are also increases and preparers will need time to work out what can be removed and what needs to be added. One NPF participant thought there were already too many changes in recent years and another NFP participant thought that the AASB should finalise the NFP financial reporting framework before introducing the Simplified Disclosures for NFP entities.
- Three FP session participants raised concerns about the implication of the IASB's IFRS for SMEs Subsidiaries Project and potential future changes to the proposed Simplified Disclosure Standard to align with IASB's proposals.
- The majority of participants in Brisbane, Perth and Adelaide believed transitional relief in the form of relief from disclosing comparatives for any new disclosures is needed if the application date of 1 July 2020 is maintained.
- The majority of the participants did not express any view on whether they would adopt the standard early. Of those that did vote, 41 percent of participants (17 FP session participants and 3 NFP session participants) said they would early adopt and 27 percent (2 FP session participants and 11 NFP session participants) said that they would not do so, generally as a result of the tight timeframe and not knowing what the final standard looks like until at least March or April, possibly later. One FP session participant asked whether the AASB could revisit the RDR leasing disclosures for 30 June 2020 as interim measure.
- Two FP participants said they would early adopt for entities changing to GPFS as a result of the large proprietary company threshold increases.
- One participant noted that early adoption would only be possible if the providers of financial statement preparation software would have appropriate templates available in time for June 2020 year-ends.
- Some NFP session participants raised concerns about the co-existence of RDR and Simplified Disclosures (two Tier 2 frameworks) as the result of early adoption.

Broad support for reduction in disclosures and specific concerns over some areas of disclosures

- All participants welcomed the reduction in disclosures.
- However, there were mixed views on the proposed removal of the tax reconciliation across the sessions and locations. Several participants felt that the tax reconciliation provides useful information about the entity and can help to identify errors, but others thought that even though the reconciliation would still need to be performed for audit purposes, entities would appreciate if this information was not being made publicly available.
- One participant suggested that there could be an exemption from providing tax disclosures for entities within a tax consolidated group.
- Some participants questioned why discontinued operations would not be presented separately in the statement of financial position if they still had to be remeasured under the principles in AASB 5 *Non-Current Assets Held for Sale and Discontinued Operations.* One participant was concerned that the relevant assets and liabilities may not be reclassified to current.
- The logic of removing the requirement to disclose individually material income and expense items was questioned and debated in Melbourne and Perth FP sessions. Some participants were concerned that the overriding requirement to disclose information that is relevant to an understanding of the financial statements would not be sufficient.

- One participant thought the disclosure of information about investments in joint ventures should be retained, as joint ventures are particularly prevalent in the Australian environment.

General consensus not to require additional disclosures above and beyond full AAS

- Participants were generally comfortable with the principle to follow IFRS for SMEs even if this results in additional disclosures compared to RDR, but the majority of the participants for both FP and NFP sessions agreed that additional disclosures above and beyond full AAS should not be required. One participant was concerned about the additional costs that would have to be incurred to collect information to produce the disclosures, in particular where this information is not even needed for consolidation purposes.
- However, some participants were concerned that any departures from the principle to follow IFRS for SMEs disclosures that are made on implementing the new approach would make it more difficult for the AASB in future to justify whether to add or remove certain disclosure requirements that are in IFRS for SMEs.
- Participants in all sessions agreed that the requirements for liquidity disclosures should be the same for lease liabilities and for other borrowings and recommended following up with the IASB as to why a maturity analysis is currently only required for lease liabilities, but not specifically for other borrowings.
- Only one participant (NFP session) disagreed with the requirement to disclose audit fees.

Comments on NFP specific disclosures

- One participant recommended clarifying that the government grant disclosures in section 24 only apply to for-profit entities, eg by adding this to the section heading. Some participants recommended considering whether to also include the corresponding NFP disclosures in this section, or at least cross-refer to those disclosures in section 36.
- One participant suggested considering whether the disclosures about contingent liabilities in relation to the potential repayment of grants by NFP entities are sufficient.
- Reporting of fundraising activities was also raised as an area where disclosures could be improved.

Cost savings

- Costs were generally discussed in conjunction with the adoption of ED 297. In relation to the proposals in ED 295, one participant was concerned by additional cost arising from disclosures that are above and beyond what is required under full IFRS and another noted that any cost savings would initially likely be offset by an increase in costs from needing to understand the new requirements.
- A public sector representative did not expect significant cost savings as a result of moving from RDR to the simplified disclosure standard, but thought the new standard might help the sector in presenting financial statements more efficiently.

Who attended the roundtables?

- 73 stakeholders from FP private sector and 54 stakeholders from NFP private and public sectors attended the sessions.
- Attendees include:
    - 17 Regulators;
    - 65 Professional Services Firms;
    - 21 Preparers;
    - 8 Professional Bodies;
    - 2 Non-Executive Directors;
    - 1 Public sector audit office;
    - 5 Academics; and
    - 8 others.

How were the roundtables structured?

- The structure of the roundtables was designed to facilitate targeted feedback on the AASB's proposed Simplified Disclosure Standard for Tier 2 entities, starting with a high-level presentation of the proposals followed by polling questions and a facilitated discussion session, giving attendees the opportunity to discuss the proposals and provide their feedback.

- In addition to the **polling questions** (refer to the table above for the list of polling questions), the following questions were asked in the facilitated discussion session:
  - **NFP Specific Question 2:** Do you have any comments on the NFP specific disclosures?
  - **Question 6:** Do you agree that the disclosures to be removed from current RDR, as identified in the handouts on your tables, are not needed for tier 2 entities?
  - **Question 7:** What are your views regarding the additional disclosures, including additional disclosures compared with RDR and additional disclosures compared with full AAS?
  - **Question 8:** Are there any disclosures missing that should be added?
  - **Question 9:** What would you estimate to be the cost savings in moving from RDR to Simplified Disclosures?
- To gain a view on how strongly participants felt about the proposals in ED 295 and ED 297, an **overall voting** was carried out before the roundtables concluded.

What's next?

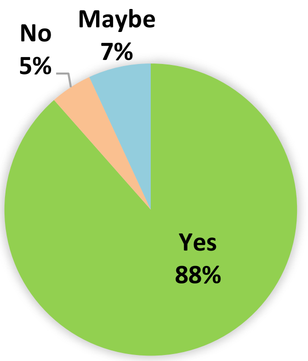
- Comment period for ED 295 ends on 30 November 2019, no submissions will be accepted after that date.
- Staff to collate comments and present feedback collected to the Board in March 2020 Board meeting.
- The intention is that Simplified Disclosure Standard will apply to Tier 2 entities for the annual period beginning on or after 1 July 2020.

Who facilitated the roundtables?

- Kris Peach (AASB Chair), Kala Kandiah (AASB Technical Director), Helena Simkova (AASB Senior Project Manager), Meina Rose (AASB Senior Project Manager) and James Barden (Project Manager).

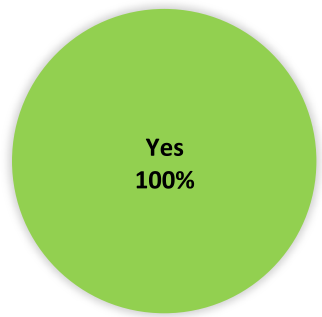
Appendix A: Poll feedback[1]

Q1 – DO YOU AGREE THAT THE PROPOSED SIMPLIFIED DISCLOSURES SHOULD REPLACE RDR?



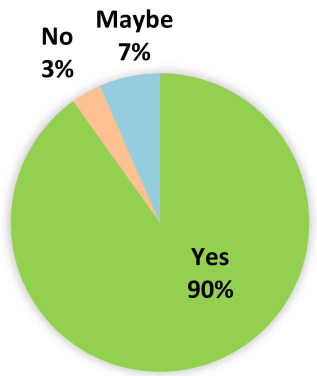
**40 participants did not vote*

NFP SPECIFIC Q1 – DO YOU AGREE THAT THE SIMPLIFIED DISCLOSURES SHOULD ALSO APPLY TO TIER 2 NFP ENTITIES?



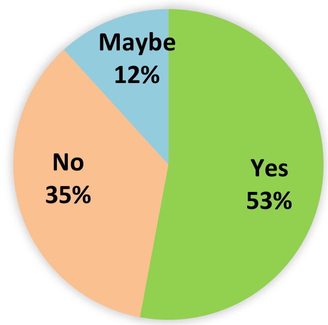
**27 participants did not vote*

Q2 – DO YOU AGREE WITH THE APPROACH TO INCLUDE ALL DISCLOSURE REQUIREMENTS FOR TIER 2 ENTITIES IN ONE STAND-ALONE STANDARD?



**34 participants did not vote*

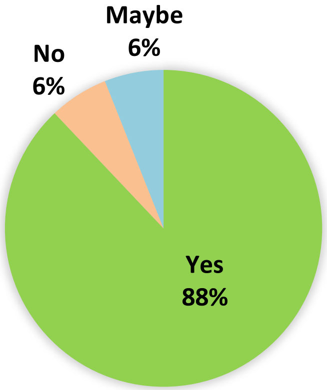
QUESTION 3 – SHOULD TIER 2 ENTITIES BE GIVEN THE OPTION OF NOT PREPARING A STATEMENT OF CHANGES IN EQUITY?



**42 participants did not vote*

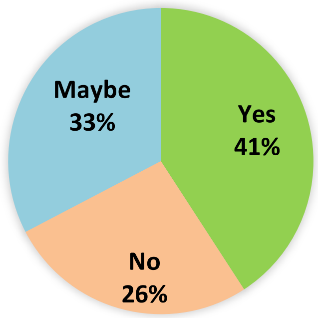
1 Not all participants took part in the voting and some had to leave part-way through a session. The percentages quoted in this document are based on the total votes that were cast for any particular question.

Q4 – DO YOU AGREE WITH THE PROPOSED EFFECTIVE DATE?



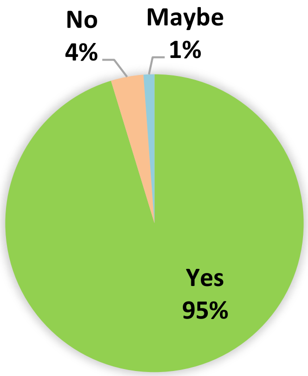
**42 participants did not vote*
** Except for in Melbourne, voting was taken in conjuction with ED 297 for the FP sessions*

Q5 – WOULD YOU EARLY ADOPT IF IT WAS AVAILABLE NOW?



**78 participants did not vote*

OVERALL QUESTION – DO YOU SUPPORT TO PROCEED WITH ED 295 AND ED 297?



**42 participants did not vote*

Appendix B: Summary combined sessions poll feedback by location

Total attendees: 127 attendees including 73 FP attendees and 54 NFP attendees

		Melbourne Friday,11-10-19			Sydney Monday,14-10-19			Brisbane Friday,18-10-19			Perth Tuesday,22-10-19			Adelaide Thursday, 24-10-19
		FP	**NFP**	**Total**	**FP**	**NFP**	**Total**	**FP**	**NFP**	**Total**	**FP**	**NFP**[2]	**Total**	**Combined**
Question 1 – Proposed Simplified Disclosures to replace RDR?	**Yes**	16	14	30 or 84%	12	7	19 or 83%	11	6	17 or 100%	7	n/a	7 or 100%	4 or 100%
	No	3	0	3 or 8%	1	0	1 or 4%	0	0	0	0	n/a	0	0
	Maybe	3	0	3 or 8%	2	1	3 or 13%	0	0	0	0	n/a	0	0
NFP Specific Question 1a – Application extended to NFP entities?	**Yes**	n/a	14	14 or 100%	n/a	8	8 or 100%	n/a	6	6 or 100%	n/a	n/a	0	5 or 100%
	No	n/a	0	0	n/a	0	0	n/a	0	0	n/a	n/a	0	0
	Maybe	n/a	0	0	n/a	0	0	n/a	0	0	n/a	n/a	0	0
Question 2 – Proposed simplified disclosures in one stand-alone standard?	**Yes**	25	14	39 or 100%	12	5	17 or 68%	11	6	17 or 100%	7	n/a	7 or 100%	4 or 80%
	No	0	0	0	2	0	2 or 8%	0	0	0	0	n/a	0	1 or 20%
	Maybe	0	0	0	3	3	6 or 24%	0	0	0	0	n/a	0	0
Question 3 – Provide option of not preparing a statement of changes in equity?	**Yes**	21	4	25 or 66%	3	2	5 or 28%	2	2	4 or 25%	6	n/a	6 or 75%	5 or 100%
	No	2	9	11 or 29%	7	2	9 or 50%	7	1	8 or 50%	2	n/a	2 or 25%	0
	Maybe	2	0	2 or 5%	0	4	4 or 22%	1	3	4 or 25%	0	n/a	0	0
Question 4 – Support the proposed effective date?	**Yes**	25	14	39 or 95%	5	1	6 or 43%	11	5	16 or 100%	8	n/a	8 or 100%	6 or 100%
	No	0	0	0	1	4	5 or 36%	0	0	0	0	n/a	0	0
	Maybe	0	2	2 or 5%	1	2	3 or 21%	0	0	0	0	n/a	0	0
Question 5 – Early adopt if it was available now?	**Yes**	1	3	4 or 36%	2	0	2 or 20%	11	0	11 or 69%	1	n/a	1 or 13%	2 or 50%
	No	0	2	2 or 18%	0	8	8 or 80%	0	1	1 or 6%	0	n/a	0	2 or 50%
	Maybe	0	5	5 or 46%	0	0	0	0	4	4 or 25%	7	n/a	7 or 87%	0
Overall Question – Should the AASB continue with the project?	**Yes**	22	5	27 or 94%	18	7	25 or 96%	11	5	16 or 100%	7	n/a	7 or 87%	6 or 100%
	No	1	0	1 or 3%	1	0	1 or 4%	0	0	0	1	n/a	1 or 13%	0
	Maybe	1	0	1 or 3%	0	0	0	0	0	0	0	n/a	0	0
Composition of attendees	**FP**	4 Regulators (ASIC, ATO, APESB, AASB), 14 Professional Services Firms, 1 Preparer, 1 Academic, 3 Professional Bodies and 2 others			4 Regulators (ATO, Treasury), 12 Professional Services Firms, 4 Preparers, 1 Professional Body, 1 Non-Executive Director and 1 Academic			1 Regulator (ATO), 5 Professional Service Firms, and 5 Preparers			8 Professional service firms			1 Regulator (ATO), 3 Professional Service Firms, 1 Public sector audit office, 1 Academic,
	NFP	4 Regulators (ACNC), 10 Professional Services Firms, 3 Preparers, 1 Academic, 1 Professional Bodies and 4 Others			2 Regulators (ACNC, AASB), 4 Professional Services Firms, 1 Preparer, 3 Professional Bodies, 1 Non-Executive Director and 1 Academics			1 Regulator (ORIC), 2 Professional Services Firms, 2 Preparers and 1 Other			7 Professional Services Firms, 5 Preparers and 1 Other			

2 While 13 participants attended the Perth NFP session, no voting took place as participants either had already voted in the FP session or had to leave early due to other commitments.

Appendix C: Summary of feedback from facilitated discussions by location

Legend to terminology used:	
All = 100%	Even = 50%
Most = 99-80%	Several = 49-21%
Majority = 79-51%	Some = 20-10%

	Melbourne 25 FP & 23 NFP attendees	**Sydney** 23 FP & 12 NFP attendees	**Brisbane** 11 FP & 6 NFP attendees	**Perth** 8 FP & 13 NFP attendees	**Adelaide** 6 attendees
	Friday, 11-10-19	**Monday, 14-10-19**	**Friday, 18 -10-19**	**Tuesday, 22-10-19**	**Thursday, 24-10-19**
Question 1 – Proposed Simplified Disclosures to replace RDR	• One FP participant did not agree with the approach and preferred to retain the RDR top-down approach.	• Some said modifying RDR might be easier for preparers than a brand-new framework.	• No specific feedback received.	• No specific feedback received.	• No specific feedback received.
Question 2 – Proposed simplified disclosures in one standalone standard	• The participant supporting retaining the RDR approach would not object having the disclosures in a stand-alone standard.	• Two FP session participants did not prefer one stand-alone standard, as full AAS have more guidance that would also be relevant to Simplified Disclosures Standard users.	• No specific feedback received.	• No specific feedback received.	• One participant did not like having disclosures in a separate standard and believed that the overarching objectives of the full standards are needed to appropriately apply the disclosures. The participant preferred to have recognition and measurement and disclosures all in one place.
Question 3 – Proposed option of not preparing a statement of changes in equity	• Participants in both FP and NFP sessions said the option of not preparing a statement of changes in equity would compromise comparability between entities and year-on-year, and that the principle of using IFRS	• Two NFP session participants noted that NFP entities typically have a lot of movements in reserves. The option of not providing a statement of changes in equity would therefore not be	• No specific feedback received.	• FP session participants thought that the option could be confusing for users, particularly those that are not familiar with the format. • One FP session participant questioned whether the option provides any benefit,	• No specific feedback received.

	Melbourne 25 FP & 23 NFP attendees	**Sydney** 23 FP & 12 NFP attendees	**Brisbane** 11 FP & 6 NFP attendees	**Perth** 8 FP & 13 NFP attendees	**Adelaide** 6 attendees
	Friday, 11-10-19	**Monday, 14-10-19**	**Friday, 18 -10-19**	**Tuesday, 22-10-19**	**Thursday, 24-10-19**
	for SMEs should not override comparability. • Several NFP session participants were concerned that the existence of the option makes it difficult to explain to users why a statement of changes in equity is sometimes included and sometimes not. • One NFP session participant suggested to introduce a note disclosure to explain why a statement of changes in equity is not included if the option is elected. • One NFP session participant suggested to have a look at international practices (eg how UK charities have applied IFRS for SMEs disclosures). *Staff have subsequently confirmed that the UK Charities SORP (FRS 102) provides the same option of not including a statement of changes in equity as IFRS for SMEs.*	available to these entities.		as most entities would prepare statement of changes in equity anyway. • One FP session participant highlighted that providers of financial statement preparation software would need to adapt their templates before preparers could adopt this option.	

	Melbourne 25 FP & 23 NFP attendees	Sydney 23 FP & 12 NFP attendees	Brisbane 11 FP & 6 NFP attendees	Perth 8 FP & 13 NFP attendees	Adelaide 6 attendees
	Friday, 11-10-19	**Monday, 14-10-19**	**Friday, 18 -10-19**	**Tuesday, 22-10-19**	**Thursday, 24-10-19**
Questions 4&5– proposed effective date and willingness to early adopt	• One FP session participants were concerned about the timeline, given the fact that IASB has only recently started its IFRS for SMEs for Subsidiaries Project. • One NFP session participant pointed out that the proposed Simplified Disclosures are not just reduction in disclosures but different disclosures and for some this may mean a step up in disclosures. • One NFP session participant would prefer that the financial reporting framework for NFPs is finalised before introducing the Simplified Disclosures for NFP entities. • Only three participants in NFP session said they would consider early adopt. Some of them were concerned about co-existence of RDR and Simplified Disclosures (two Tier 2 frameworks) as the result of early adoption.	• One FP session participant questioned why the AASB intends to issue the standard before IASB finalises their project of IFRS for SMEs for Subsidiaries and was concerned that the requirements may change again in future to align with IASB. • Two FP session participants said they may early adopt for entities changing to GPFS as a result of the threshold increases. • Three NFP session participants were concerned about the tight timeframe and said they would rather keep with RDR. • One NFP session participant asked whether there is any transitional relief to help NFP entities to transition from RDR to Simplified Disclosures, in particular relief from providing comparatives for additional disclosures that there were not previously	• All of the FP session participants agreed with the proposed effective date and said they would want to early adopt at least for some of their clients. • One FP session participant, however, thought that the timeframe might be too tight for some companies. This participant asked whether the AASB could revisit the RDR leasing disclosures for 30 June 2020 as an interim measure. • Another FP session participant asked when entities would know that they can early adopt. • NFP session participants asked for the AASB to consider providing relief from disclosing comparatives in the first year of adoption, in particular for new disclosures.	• No specific comment on proposed effective date. However, all 8 FP session participants were of the view that transition relief for disclosure of comparatives is needed. • One FP session participant said entities would be reluctant to early adopt if the providers of financial statement preparation software (eg IFRS Systems, CaseWare) do not have appropriate templates ready for use.	• Participants would like relief from comparative disclosures in particular in relation to related party disclosures including KMP remuneration.

	Melbourne 25 FP & 23 NFP attendees	**Sydney** 23 FP & 12 NFP attendees	**Brisbane** 11 FP & 6 NFP attendees	**Perth** 8 FP & 13 NFP attendees	**Adelaide** 6 attendees
	Friday, 11-10-19	**Monday, 14-10-19**	**Friday, 18 -10-19**	**Tuesday, 22-10-19**	**Thursday, 24-10-19**
	• Some NFP session participants did acknowledge that for some NFP entities (eg those that will have to adopt AASB 16 *Leases),* early adoption would provide significant reduction in disclosures. However, other participants thought that the impact for entities with simple operations may not be sufficient to warrant early adoption.	required (eg audit fees). • None of the NFP session participants had intention to early adopt. One commented that they need time to work out what disclosures to take out and what to keep and one noted that there had already been too many changes over the last few years.			
NFP Specific Question 2 – NFP-specific disclosures?	• No specific feedback received.	• One participant noted that it is not clear that the government grant disclosures in section 24 only apply to FP entities and recommended clarifying this (eg in the title of the section). • Some participants recommended considering whether we could also include the corresponding NFP disclosures in section 24, or at least cross-refer to those disclosures. . • One participant suggested considering	• No specific feedback received.	• One NFP session participant expressed concern about reporting of fundraising (eg individual grant acquittal reporting), not providing sufficient details/information to donors.	• No specific feedback received.

	Melbourne 25 FP & 23 NFP attendees	Sydney 23 FP & 12 NFP attendees	Brisbane 11 FP & 6 NFP attendees	Perth 8 FP & 13 NFP attendees	Adelaide 6 attendees
	Friday, 11-10-19	**Monday, 14-10-19**	**Friday, 18 -10-19**	**Tuesday, 22-10-19**	**Thursday, 24-10-19**
		whether the disclosures in AASB 1058 about contingent liabilities in relation to the potential repayment of grants are adequate.			
Question 6 – Disclosures proposed to be removed from current RDR?	• Several FP session participants said that tax reconciliation should be retained (eg on the basis of political reason or to align with tax consolidation). • Some FP session participants questioned the logic of removing the disclosure of material income and expense items and some were concerned that overriding requirement to disclose material information would not be sufficient. • Some FP session participants would prefer to retain presentation of discontinued operations to be consistent with full IFRS. • One FP session participant believed that disclosure of information about interests in joint	• Two FP session participants wanted to retain tax reconciliation requirement. • One FP participant felt that the wording in paragraph 29.40(c) is not clear enough and could be interpreted to still require a reconciliation.	• Two FP session participants noted that the tax reconciliation can help to identify errors, enhance comparability and provide useful information, eg for a business combination. While an acquirer could demand this information, it would then not be audited. • One FP session participant suggested that an exemption from disclosing a tax reconciliation could be appropriate for entities within a tax consolidation group.	• One FP session participant was concerned about the proposed removal of disclosure of individually material income and expense items. • One FP participant did not like the proposed removal of tax reconciliation and believed such disclosure should be mandatory. Otherwise, audit of tax disclosures in financial statements would not be possible. However, seven other participants voted for the proposed removal, noting that auditors could still require preparation of the reconciliation. These participants also thought some companies may appreciate that this type of information	• Participants had mixed views as to whether the tax reconciliation is needed by users hence required to be disclosed. 5 participants believed tax reconciliation could be removed while one participant (a regulator) said the information is used for screening purpose hence prefer the disclosure to be retained. • Several participants asked why entities would still be required to remeasure a discontinued operation but not to disclose it separately in the statement of financial position.

	Melbourne 25 FP & 23 NFP attendees	**Sydney** 23 FP & 12 NFP attendees	**Brisbane** 11 FP & 6 NFP attendees	**Perth** 8 FP & 13 NFP attendees	**Adelaide** 6 attendees
	Friday, 11-10-19	**Monday, 14-10-19**	**Friday, 18 -10-19**	**Tuesday, 22-10-19**	**Thursday, 24-10-19**
	ventures should also be retained due to Australian specific environment.			does not need to be made public. • One FP session participant expressed concern over the proposed removal of separate disclosure of discontinued operations in the statement of financial position.	
Question 7 – Disclosures proposed to be added to current RDR and Full AAS	• Participants agreed with the additional lease liability maturity disclosure and considered the addition an improvement to address the lack of liquidity disclosure under current RDR. • However, participants questioned why the same liquidity disclosure was not required for other financial liabilities. • Most of the participants were of the view that additional disclosures introduced by IFRS for SMEs above and beyond full IFRS should be removed. • Most of the NFP session participants agreed to include audit	• Participants generally agreed with the disclosures added to RDR where these also required under full AAS on the basis of the principle to align the disclosures with IFRS for SMEs. • Eight FP session participants expressed concern over the additional disclosures compared to full AAS and did not consider them necessary. • However, three FP session participants would prefer to stay with the principle of retaining consistency with the IFRS for SMEs. They noted that removing disclosures may make it difficult for	• 20 participants (including 10 FP session participants and 10 NFP session participants) believed that the additional disclosures above and beyond full AAS should be removed. • FP session participants also discussed the additional disclosures of defined benefit and hedging disclosures and could not see any reason why the Simplified Disclosures should require disclosures more than those required under the full AAS.	• There was general agreement to follow the IFRS for SMEs as a principle, but a mixed view among the FP session participants on the additional disclosure above and beyond full AAS. Three of the participants believed these additional disclosures should be removed; five said to leave them in and some noted that they are likely to be less relevant to Tier 2 entities. • Those who preferred to leave the additional disclosures in considered it important to follow IFRS for SMEs and were concerned that the	• All 6 participants agreed to have additional audit remuneration disclosure. • One participant commented that not many SMEs lessors would have loss allowance on lease receivables, making the disclosure requirement less relevant for this type of entity.

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	Friday, 11-10-19	**Monday, 14-10-19**	**Friday, 18 -10-19**	**Tuesday, 22-10-19**	**Thursday, 24-10-19**
	remuneration disclosure. One NFP session participant, however, preferred this disclosure be removed.	the AASB in future to determine when to add/remove any requirements to IFRS for SMEs disclosures. All NFP session participants agreed that additional disclosures above and beyond full AAS should be removed.		AASB's decision to override IFRS for SMEs requirements would set a precedent. • All FP session participants supported the inclusion of Audit Remuneration disclosure.	
Question 8 – Missing disclosures that should be added?	• FP session participants questioned why maturity disclosures were not required for financial liabilities but required for lease liabilities. • NFP session participants were of the view that the maturity disclosures need to be consistent (eg either all in or all out).	• Two FP session participants noted that the maturity table is not required for borrowings and this is inconsistent with leasing disclosures. • One NFP participant would like the AASB to follow up with IASB to understand the rationale.	• Three NFP session participants questioned why maturity disclosure is required for leases but not for other financial liabilities and said maturity disclosure should be required for all financial liabilities.	• All FP session participants agreed that it does not make much sense to disclose the maturity analysis for leases but not for other financial liabilities.	• All participants agreed that maturity disclosure for lease liabilities and other liabilities should be consistent.
Question 9 – Estimated cost savings in moving from RDR to Simplified Disclosures	• One FP session participant was concerned about additional cost that would incur to produce the additional disclosures above and beyond full IFRS, particularly for subsidiaries that are not required to collect this information for	• One FP session participant mentioned that costs savings would be offset by increase in costs to understand the new requirements.	• No specific feedback received.	• No specific feedback received.	• One participant did not expect significant cost savings in public sector even though the proposed Simplified Disclosures might help the sector to present financial statements more efficiently.

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	consolidation purposes but would have to set up system to collect data for their own statutory reporting purpose.				
Other comments	• Participants were broadly supportive of ED 295. • Majority of the NFP session participants thought the proposed Simplified Disclosure Standard is an improvement and felt this is the right approach. • The ASIC and ATO representatives confirmed that they are supportive of the proposals in ED 295.	• All NFP session participants agreed that this is the project worth pursuing. • However, three NFP session participants expressed concern over the tight timeline for adoption.	• One FP session participant asked whether voluntary disclosures under RDR after the Simplified Disclosures standard become effective would effectively create a third tier of disclosures.	• One FP session participant said preparers would be concerned about KMP disclosures, particularly the privacy issue when the company only has one KMP and this was the same complaint under RDR. • One participant asked whether the AASB could prepare model financial statements	• One participant mentioned that related party disclosures would be a major concern for their clients.