



Australian Government  
Australian Accounting Standards Board

# Preliminary findings on lodgements by non- disclosing entities with ASIC:

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# Objective of this Board Paper

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- **Update** the Board on preliminary research findings regarding number of entities preparing General Purpose Financial Statement (GPFS) and Special Purpose Financial Statements (SPFS) relating to the following for-profit non-disclosing entities lodging with ASIC:
  - Large proprietary companies (Large proprietary)
  - Unlisted public companies not limited by guarantee (Unlisted public)
  - Small proprietary companies controlled by a foreign company (Small foreign)
- **Consider** how these findings might impact the decisions to be made by the Board in relation to Phase 2 of the adoption of the IASB's revised *Conceptual Framework for Financial Reporting* and removal of the reporting entity concept



## Preliminary results:

The preliminary findings from the Research Report 2019 (RR 2019) are:

- **Percentage of entities preparing SPFS has** decreased since the first research report (RR1) – **55%** for 2018<sup>a</sup> population (RR 2019) vs **66%** for 2011<sup>b</sup> population (RR1)

## What does it mean:

- Less entities impacted by removal of reporting entity concept.

a- Based on latest lodgements by all filing entities as at 30 July 2018. The period ranges from 2016- 2018

b- Based on latest lodgements by all filing entities as at 30 July 2011. The period ranges from 2009- 2011

# Population stats

Legal Status of Entity	GPFS Tier-1	GPFS Tier-2 RDR	SPFS	Unreadable	Total	Unreadable % of Total population
Large Pty	1266	845	3869	803	6783	12%
Unlisted Public	1604	340	730	435	3109	14%
Small foreign	526	338	1494	566	2924	19%
<b>Total</b>	<b>3396</b>	<b>1523</b>	<b>6093</b>	<b>1804</b>	<b>12816</b>	
<b>% of total population</b>	<b>26%</b>	<b>12%</b>	<b>48%</b>	<b>14%</b>		

a- Numbers sourced from data aggregator. These numbers represent latest lodgements by all filing entities as at 30 July 2018. The period ranges from Jan 2016- July 2018  
 b- 'Unreadable' represents number of lodgements for this category of entity that could not be machine-read to readily determine whether GPFS or SPFS have been prepared.

# Key results: Estimation of total population: Large Proprietary

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Large Proprietary	Filing entities as at 30 July 2018			
	GPFS Tier-1	GPFS Tier-2 RDR	SPFS	Total
Clearly Readable	1,266 <sup>a</sup>	845 <sup>a</sup>	3,869 <sup>a</sup>	<b>5,980<sup>a</sup></b>
%	21.1	14.1	64.7	
Unreadable <sup>b</sup> (Estimates based on sampled unreadable population)	229	160	414	<b>803<sup>b</sup></b>
Counts (estimated) <sup>b</sup>	1,495	1,005	4,283	<b>6,783</b>
<b>Total % of type of FS lodged</b>	22.0	14.8	63.0	
<b>% of lodgement RR1</b>	<b>20.1</b>	N/A	<b>79.9</b>	

a- Numbers sourced from data aggregator. These numbers represent latest lodgements by all filing entities in this category as at 30 July 2018. The period ranges from Jan 2016- July 2018

b- 'Unreadable' represents number of lodgements for this category of entity that could not be machine-read to readily determine whether GPFS or SPFS have been prepared. The counts and associated % attributed to this group were estimated based on the reporting approaches adopted by the entities in the unreadable sample.

# Key results: Estimation of total population: Unlisted Public

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Unlisted public	Filing entities as at 30 July 2018			
	GPFS Tier-1	GPFS Tier-2 RDR	SPFS	Total
Clearly Readable	1,604 <sup>a</sup>	340 <sup>a</sup>	730 <sup>a</sup>	<b>2,674<sup>a</sup></b>
%	60.0	12.7	<b>27.3</b>	
Unreadable <sup>b</sup> (Estimates based on sampled unreadable population)	124	87	<b>224</b>	<b>435<sup>b</sup></b>
Counts (estimated) <sup>b</sup>	1,728	427	<b>954</b>	<b>3,109</b>
<b>Total % of type of FS lodged</b>	55.5	13.7	30.6	
<b>% of lodgement RR-1</b>	<b>69.7</b>		<b>30.3</b>	

a- Numbers sourced from data aggregator. These numbers represent latest lodgements by all filing entities as at 30 July 2018. The period ranges from Jan 2016- July 2018

b- 'Unreadable' represents number of lodgements for this category of entity that could not be machine-read to readily determine whether GPFS or SPFS have been prepared. The counts and associated % attributed to this group were estimated based on the reporting approaches adopted by the entities in the unreadable sample.

# Key results: Estimation of total population: Small foreign

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Small foreign	Filing entities as at 30 July 2018			
	GPFS Tier-1	GPFS Tier-2 RDR	SPFS	Total
Clearly Readable	526 <sup>a</sup>	338 <sup>a</sup>	1,494 <sup>a</sup>	<b>2,358<sup>a</sup></b>
%	22.3	14.3	<b>63.4</b>	
Unreadable <sup>b</sup> (Estimates based on sampled unreadable population)	161	113	<b>292</b>	<b>566<sup>b</sup></b>
Counts (estimated) <sup>b</sup>	687	451	<b>1,786</b>	<b>2,924</b>
<b>Total % of type of FS lodged</b>	23.5	15.4	61.1	
<b>% of lodgement RR-1</b>	<b>15.6</b>		<b>84.4</b>	

a- Numbers sourced from data aggregator. These numbers represent latest lodgements by all filing entities as at 30 July 2018. The period ranges from Jan 2016- July 2018

b- 'Unreadable' represents number of lodgements for this category of entity that could not be machine-read to readily determine whether GPFS or SPFS have been prepared. The counts and associated % attributed to this group were estimated based on the reporting approaches adopted by the entities in the unreadable sample.

# Summary: For-profit non-disclosing entities – GPFS versus SPFS

