

### **Agenda paper 3.3**

#### **Staff analysis of NFP modifications paragraphs in AAS and NFP specific AASB Standards**

##### **Application of proposed methodology (explained in Agenda paper 3.2) for NFP private and public sector Tier 2 entities**

- 1 This document contains the detailed assessment of NFP modification paragraphs included in AASB standards and sets out the rationale for the simplified disclosures proposed for Tier 2 NFP private and public sector entities.
- 2 The outcome of this analysis (the disclosures set out in the last column) has been used to draft the simplified disclosures NFP private and public sector in draft AASB standard AASB 10xx *Simplified Disclosures for Tier 2 Entities* (see Appendix A of Agenda Paper 3.1). The general basis for those conclusions are included in Draft Basis for Conclusions in the draft standard (agenda paper 3.1).
- 3 As noted in BC40, the AASB has primarily applied the principles in BC33 to determine whether additional disclosures are required in relation to any NFP specific differences. However, the AASB also acknowledged that certain transactions or items in the financial statements are unique to NFP and public entities and may require additional information. A limited number of disclosures have been identified as being required for that reason.
- 4 Interpretations are only covered in the analysis below to the extent that they have specific NFP modifications. At present, there is only interpretation of this kind, being Interpretation 1 *Changes in Existing Decommissioning, Restoration and Similar Liabilities*. While there are other interpretations that are primarily directed at NFP and/or public sector entities, they only provide further guidance on the application of the accounting standards and do not create any R&M differences that would need to be analysed. Furthermore, none of these interpretations currently requires any additional disclosures specifically for NFP private and public sector entities.

Observation	Applicable AASB Standards and Interpretations	Conclusion
AASB Standards and interpretations with no modification for NFP entities	AASB 2, AASB 6, AASB 7, AASB 11, AASB 12, AASB 108, AASB 110, AASB 120, AASB 121, AASB 129, AASB 132, AASB 139, AASB 1048, AASB 1053, AASB 1054, AASB Interpretations other than AASB Interpretation 1	No further analysis required

Observation	Applicable AASB Standards and Interpretations	Conclusion
AASB Standards and interpretations which include specific requirements for NFP entities	AASB 3, AASB 107, AASB 119,AASB 128, AASB 136, AASB 140, AASB 141	None of the R&M differences noted in relation to the standards listed on the left would require any additional or different disclosures.
	AASB 5, AASB 10	The Aus paragraphs refer to scope differences which would not require additional or different disclosures.
	AASB 9, AASB 15, AASB 112, AASB 124, AASB 137 AASB Interpretation 1	The Aus paragraphs containing modifications for NFP entities provide guidance only. Thus no additional or different disclosures are required.
	AASB 13, AASB 101, AASB 127	The Aus paragraphs provide exceptions/relief for NFP entities from disclosures which are not required under the new Tier 2 standard. Thus no further action required.
	AASB 116, AASB 138	The Aus paragraphs provide relief for NFP entities from certain disclosures which are not required for Tier 2 entities under AASB 10xx. No disclosure should be added.
	AASB 1, AASB 16, AASB 102, AASB 123	Additional disclosures will need to be added as a result of the identified R&M differences.
AASB standards and interpretations without a corresponding IFRS	AASB 1004, AASB 1050, AASB 1051, AASB 1055, AASB 1058, AASB 1059	Additional disclosures will need to be added for these standards

Observation	Applicable AASB Standards and Interpretations	Conclusion
Standard, that apply only to NFP entities	AASB 1052	No disclosures need to be added for this standard.
	AASB 1049	This standard applies only to entities that are required to apply the Tier 1 reporting requirements as per AASB 1053. Hence no further analysis required.
AASB standards not relevant in relation to the disclosure standard (see BC51 of the ED – agenda paper 3.1)	AASB 4, AASB 8, AASB 14, AASB 17, AASB 133, AASB 134, AASB 1023, AASB 1056, AASB 1038, AASB 1039, AASB 1057	No further analysis required

2 The detailed analysis is provided in the table below.

AASB Standard/ Interpretation	Equivalent IFRS for SMEs Section	Sector (For profit, NFP or public sector)	NFP modification paragraph Paragraph no. where NFP modifications appear (p.)			Text from the Standard	Conclusion	Additional disclosures for NFP entities to be included in the new Tier 2 Standard
			Scope/ Transition / Appendix	R&M	Disclosures			
AASB 1 <i>First-time Adoption of</i>	Section 35 Transition	FP, NFP and Public sector		AusD7.1 Aus D9D.1	Aus3.2	Aus3.2 In rare circumstances, a not-for-profit public sector entity may experience extreme difficulties in	• Para Aus3.2 provides a specific additional exemption that allows NFP public sector	<del>Aus3.2</del> <u>AusNFP1.1</u> In rare circumstances, a not-for-profit public sector entity may

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Australian Accounting Standards	to the IFRS for SMEs			Aus D9D.2		<p>complying with the requirements of certain Australian Accounting Standards due to information deficiencies that have caused the entity to state non-compliance with previous GAAP. In these cases, the conditions specified in paragraph 3 for the application of this Standard are taken to be satisfied provided the entity:</p> <p>(a)discloses in its first Australian Accounting-Standards financial statements:</p> <p>(i) an explanation of information deficiencies and its strategy for rectifying those deficiencies; and</p> <p>(ii) the Australian Accounting Standards that have not been complied with; and</p> <p>(b) makes an explicit and unreserved statement of compliance with other Australian Accounting Standards for which</p>	<p>entities to apply AASB 1 even where the entity is not able to make a full statement of compliance with AAS in its financial statements. As this situation will be very rare, this disclosure should be required also for Tier 2 entities.</p> <ul style="list-style-type: none"> <li>Paras AusD7.1, AusD7.2, AusD9D.1 and AusD9D.2 provide exemptions that are similar to the deemed cost and lease exemptions in AASB 1. Since there is no requirement to disclose any of the other exemptions that have been applied, paras AusD7.1 and AusD7.2 will also not require any additional disclosures.</li> </ul>	<p>experience extreme difficulties in complying with the requirements of certain Australian Accounting Standards due to information deficiencies that have caused the entity to state non-compliance with previous GAAP. In these cases, the conditions specified in paragraph 3 of AASB 1 for the application of this Standard AASB 1 are taken to be satisfied provided the entity:</p> <p>(a) discloses in its first Australian-Accounting-Standards financial statements:</p> <p>(i) an explanation of information deficiencies and its strategy for rectifying those deficiencies; and</p> <p>(ii) the Australian Accounting Standards that have not been complied with; and</p>

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						<p>there are no information deficiencies.</p> <p>AusD7.1 Notwithstanding paragraphs D5–D7, where a lessee is a not-for-profit entity, the entity may elect to measure a class of right-of-use assets arising under leases that had at inception significantly below-market terms and conditions principally to enable the entity to further its objectives at fair value at the beginning of the current period presented in the entity's first Australian-Accounting Standards financial statements or at the previous GAAP valuation if that valuation broadly reflects that fair value.</p> <p>AusD9D.1 Notwithstanding paragraphs D9B–D9D, where a lessee is a not-for-profit entity and the lease had at inception significantly below-market terms</p>		(b) makes an explicit and unreserved statement of compliance with other Australian Accounting Standards for which there are no information deficiencies.

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						<p>and conditions principally to enable the entity to further its objectives, all references in those paragraphs to the date of transition to Australian Accounting Standards shall be read as referring to the beginning of the current period presented in the entity's first Australian-Accounting-Standards financial statements. Consequently, the entity shall measure the lease liability and the right-of-use asset at that date.</p> <p>AusD9D.2Where a lessee is a not-for-profit entity and elects to measure at fair value in accordance with paragraph AusD7.1 a class of right-of-use assets arising under leases that had at inception significantly below-market terms and conditions principally to enable the entity to further its objectives, the entity shall also recognise any related items in accordance with</p>		

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						paragraph 9 of AASB 1058 Income of Not-for-Profit Entities. Any income arising shall be recognised as an adjustment to the opening balance of retained earnings (or another component of equity, as appropriate) at the beginning of the current period presented in the entity's first Australian Accounting-Standards financial statements.		
AASB 2 <i>Share-based Payment</i>	Section 26 <i>Share-based Payment</i>	FP,NFP and Public sector	No	No	No	N/A	N/A	
AASB 3 <i>Business Combinations</i>	Section 19 <i>Business Combinations and Goodwill</i>	FP,NFP and Public sector	Aus1.1 Aus2.1 Aus 65.1 AusB68.1	Aus63.1-63.5	Aus 63.6-63.9	<b>Restructures of local governments</b>  Aus1.1 Where assets and liabilities are transferred to a local government from another local government at no cost, or for nominal consideration, pursuant to legislation, ministerial directive or other externally imposed	●These requirements only apply to restructures of local governments, which are required to report under Tier 1. Hence they would be not relevant for the new Tier 2 Standard.	

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						<p>requirement, paragraphs Aus63.1–Aus63.9 shall be applied</p> <p>Aus2.1 A restructure of administrative arrangements, as defined in Appendix A of AASB 1004 Contributions, is outside the scope of this Standard. AASB 1004 specifies requirements for restructures of administrative arrangements.</p> <p>Aus63.1 Where assets and liabilities are transferred to a local government from another local government at no cost, or for nominal consideration, pursuant to legislation, ministerial directive or other externally imposed requirement, the transferee local government shall recognise assets and liabilities and any gain or loss.</p> <p>Aus63.2 Assets transferred to a local government from another local government at no cost, or for</p>		



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						<p>nominal consideration, by virtue of legislation, ministerial directive or other externally imposed requirement shall be recognised initially either at the amounts at which the assets were recognised by the transferor local government as at the date of the transfer, or at their fair values.</p> <p>Aus63.3 A restructure of local governments involves the transfer of assets and liabilities of a local government to another local government, at no cost or for nominal consideration, by virtue of legislation, ministerial directive or other externally imposed requirement. This gives rise to assets and liabilities and a gain or loss of the transferee local government. A restructure of local governments may take the form of a new local government being constituted and other local</p>		

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						<p>governments being abolished as a result of a State government's policy to effectively amalgamate a number of local governments.</p> <p>Aus63.4 A restructure of local governments involves a change in the resources controlled by the local governments involved in the restructure. The transferor local government will decrease its assets by the carrying amount of the assets transferred. The transferred assets will usually be recognised by the transferee at their carrying amounts in the books of the transferor at the time of the transfer. Such amounts provide a practical basis for recognising the transfer of assets, particularly when many assets are involved, as is usually the case in a restructure of local governments. However, the recognition of transferred assets at</p>		

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						<p>fair value is permitted by this Standard.</p> <p>Aus63.5 The restructures of local governments referred to in paragraphs Aus63.3 and Aus63.4 do not involve transfers between the local government and its ownership group but give rise to a gain or loss that is recognised in the statement of comprehensive income.</p> <p>Aus63.6 Assets and liabilities transferred during the reporting period and recognised in accordance with paragraph Aus63.1 shall be disclosed separately, by class, by way of note or otherwise, and the transferor local government shall be identified.</p> <p>Aus63.7 Any gain or loss recognised in accordance with paragraph Aus63.1 shall be separately disclosed in the statement of comprehensive income.</p>		

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						<p>Aus63.8 The disclosures required by paragraph Aus63.6 will assist users to identify the assets and liabilities recognised as a result of a restructure separately from other assets and liabilities and to identify the transferor local government. In addition, the disclosures required by paragraph Aus63.7 will assist users to identify separately the gain or loss which results from a restructure of local governments.</p> <p>Aus63.9 Local governments are not required to apply paragraphs 59 to 63 and the related Appendix B Application Guidance paragraphs of this Standard when disclosing information about restructures of local governments.</p> <p>Aus65.1 Assets and liabilities that arose from business combinations whose acquisition dates preceded the application of the previous</p>		

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						<p>version of this Standard shall not be adjusted upon application of this Standard. The previous version of the Standard applied prospectively to business combinations for which the acquisition date is on or after the beginning of the first annual reporting period beginning on or after 1 July 2009 and could be applied at the beginning of an annual reporting period that begins on or after 30 June 2007.</p> <p>AusB68.1 Paragraph Aus65.1 provides that this Standard applies prospectively to business combinations for which the acquisition date is on or after the beginning of the first annual reporting period beginning on or after 1 July 2009. Earlier application is permitted.</p>		

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AASB 4 Insurance Contracts	Not applicable for Tier 2 entities.						N/A	
AASB 5 Non-current Assets Held for Sale and Discontinued Operations	-	FP,NFP and Public sector	Aus2.1 - 2.4 Aus 42.1	No	No	Aus2.1 The requirements in this Standard do not apply to:  (a) the restructuring of administrative arrangements; and  (b) the restructuring of administered activities of government departments.  Aus2.2 AASB 1004 Contributions includes requirements for the disclosure of assets, liabilities and items of equity resulting from the restructuring of administrative arrangements.  Aus2.3 An administered activity of a government department does not give rise to income and expenses of the department reporting the administered activity (see AASB 1050 Administered Items) and	•These Aus paragraphs relate to scope differences. Thus no additional or different disclosures are required.	

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						<p>therefore, from the point of view of the department, the discontinuance of an administered activity does not give rise to a discontinued operation. However, if a government were to discontinue an activity that one of its departments had disclosed as an administered activity, from the point of view of that government the discontinuance may constitute a discontinued operation.</p> <p>Aus2.4 Although AASB 3 <i>Business Combinations</i> contains requirements relating to the restructuring of local governments, these requirements only apply to the local government receiving assets or liabilities as a result of the restructuring. This Standard applies to the local government transferring assets and liabilities where the restructuring results in a</p>		

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						discontinued operation of the transferor local government.  Aus42.1 The following transitional paragraph shall not be applied by entities that have previously applied this Standard, unless required to do so by another Australian Accounting Standard.		
AASB 6 <i>Exploration for and Evaluation of Mineral Resources</i>	Section 34 <i>Specialised Activities</i>	FP,NFP and Public sector	No	No	No	N/A	N/A	
AASB 7 <i>Financial Instruments: Disclosures</i>	Section 11 <i>Basic Financial Instruments</i> and Section 12 <i>Other Financial</i>	FP,NFP and Public sector	No	No	No	N/A	N/A	



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	<i>Instrument Issues</i>							
AASB 8 <i>Operating Segments</i>	<i>Not applicable for Tier 2 entities.</i>						N/A	
AASB 9 <i>Financial Instruments</i>	Section 11 <i>Basic Financial Instruments</i> and Section 12 <i>Other Financial Instrument Issues</i>	FP,NFP and Public sector	No	Aus2.1.1 added by AASB 2016-8	No	Aus2.1.1 Notwithstanding paragraph 2.1, in respect of not-for-profit entities, the initial recognition and measurement requirements of this Standard apply to non-contractual receivables arising from statutory requirements as if those receivables are financial instruments.	<ul style="list-style-type: none"> <li>•The Aus paragraph provides guidance only. Thus no additional or different disclosures are required.</li> </ul>	
AASB 10 <i>Consolidated Financial Statements</i>	Section 9 <i>Consolidated And Separate Financial</i>	FP,NFP and Public sector	Aus4.1	No	No	Aus4.1 Notwithstanding paragraph 4(a)(iv), a parent that meets the criteria in paragraphs 4(a)(i), 4(a)(ii) and 4(a)(iii) need not present consolidated financial statements if its ultimate or any intermediate	<ul style="list-style-type: none"> <li>•The Aus paragraph relates to scope differences. Thus no additional or different disclosures are required.</li> </ul>	

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	Statement 5					<p>parent produces financial statements that are available for public use in which subsidiaries are consolidated or are measured at fair value through profit or loss in accordance with this Standard and:</p> <p>(a) the parent and its ultimate or intermediate parent are:</p> <p>(i) both not-for-profit entities complying with Australian Accounting Standards; or</p> <p>(ii) both entities complying with Australian Accounting Standards – Reduced Disclosure Requirements; or</p> <p>(b) the parent is an entity complying with Australian Accounting Standards – Reduced Disclosure Requirements and its ultimate or intermediate parent is a not-for-profit entity complying with Australian Accounting Standards.</p>		

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AASB 11 <i>Joint Arrangements</i>	Section 14 <i>Investments In Associates</i>  Section 15 <i>Investments In Joint Ventures</i>	FP,NFP and Public sector	No	No	No	N/A	N/A	
AASB 12 <i>Disclosure of Interests in Other Entities</i>	Section 9 <i>Consolidated And Separate Financial Statements</i>	FP,NFP and Public sector	No	No	No	N/A	N/A	
AASB 13 <i>Fair Value Measurement</i>	Covered in several sections.	FP,NFP and Public sector	No	No	Aus93.1	Aus93.1 Notwithstanding paragraph 93, in respect of not-for-profit public sector entities, for assets within the scope of AASB 116 Property, Plant and Equipment for which the future economic benefits are not primarily dependent on the	•Para Aus 93.1 provides disclosure exemptions for NFP entities. As there are no equivalent disclosures required under AASB 10xx, the	

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						<p>asset's ability to generate net cash inflows, the following requirements do not apply:</p> <p>(a) in paragraph 93(d), the text "For fair value measurements categorised within Level 3 of the fair value hierarchy, an entity shall provide quantitative information about the significant unobservable inputs used in the fair value measurement. An entity is not required to create quantitative information to comply with this disclosure requirement if quantitative unobservable inputs are not developed by the entity when measuring fair value (eg when an entity uses prices from prior transactions or third-party pricing information without adjustment). However, when providing this disclosure an entity cannot ignore quantitative unobservable inputs that are significant to the fair value</p>	exemption does not need to be carried over to AASB 10xx.	

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						measurement and are reasonably available to the entity.”;  (b) paragraph 93(f); and  (c) paragraph 93(h)(i).		
AASB 14 <i>Regulatory Deferral Accounts</i>	N/A						N/A	
AASB 15 <i>Revenue from Contracts with Customers</i>	Section 23 <i>Revenue</i>	FP,NFP and Public sector	Aus5.1 Aus 5.2 Aus7.1 Aus 8.1-8.5 Aus 9.1 AusB34.1	Aus26.1 (per 2016-8)	No	Aus5.1 In addition to paragraph 5, in respect of not-for-profit entities, a transfer of a financial asset to enable an entity to acquire or construct a recognisable non-financial asset that is to be controlled by the entity, as described in AASB 1058 Income of Not-for-Profit Entities, is not within the scope of this Standard.  Aus5.2 Notwithstanding paragraph 5, in respect of not-for-profit public sector licensors, this Standard also	<ul style="list-style-type: none"> <li>•Para Aus26.1 provides further guidance for not-for-profit entities, but does not create any R&amp;M difference as such. Thus no additional disclosures would be required.</li> <li>•The other paragraphs clarify the scope of the standard and hence would not require additional disclosures.</li> <li>•AASB 1058 is considered separately below.</li> </ul>	

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						<p>applies to licences issued, other than licences subject to AASB 16 Leases, or transactions subject to AASB 1059 Service Concession Arrangements: Grantors, irrespective of whether the licences are contracts with customers. Licences include those arising from statutory requirements. Guidance on applying this Standard to licences is set out in Appendix G, including the distinction between a licence and a tax</p> <p>Aus7.1 For not-for-profit entities, a contract may also be partially within the scope of this Standard and partially within the scope of AASB 1058.</p> <p>Aus8.1 Except as specified in paragraph Aus8.2, a not-for-profit public sector licensor may elect not to apply the requirements in paragraphs 9–90 (and</p>		

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						<p>accompanying Application Guidance) to:</p> <p>(a) short-term licences; and</p> <p>(b) licences for which the transaction price is of low value.</p> <p>Aus8.2 The option allowed in paragraph Aus8.1 is not available to licences that have variable consideration in their terms and conditions (see paragraphs 50–59 for identifying and accounting for variable consideration).</p> <p>Aus8.3 If in accordance with paragraph Aus8.1 a not-for-profit public sector licensor elects not to apply the requirements in paragraphs 9–90 (and accompanying Application Guidance) to either short-term licences or licences for which the transaction price is of low value, the licensor shall recognise the revenue associated with those licences</p>		

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						<p>either at the point in time the licence is issued, or on a straight-line basis over the licence term or another systematic basis.</p> <p>Aus8.4 If in accordance with paragraph Aus8.1 a not-for-profit public sector licensor elects not to apply the requirements in paragraphs 9–90 (and accompanying Application Guidance) to short-term licences, a licence shall be treated as if it is a new licence for the purposes of AASB 15 if there is:</p> <p>(a) a modification to the scope of, or the consideration for, the licence; or</p> <p>(b) any change in the term of the licence.</p> <p>Aus8.5 The election for short-term licences under paragraph Aus8.1 shall be made by class of licence. A class of licences is a grouping of</p>		



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						<p>licences of a similar nature and similar rights and obligations attached to the licence. The election for licences for which the transaction price is of low value can be made on a licence-by-licence basis.</p> <p>Aus9.1 Notwithstanding paragraph 9, in respect of not-for-profit entities, if a contract that would otherwise be within the scope of AASB 15 does not meet the criteria in paragraph 9 as it is unenforceable or not sufficiently specific, it is not a contract with a customer within the scope of AASB 15 (see paragraph F5). An entity shall consider the requirements of AASB 1058 in accounting for such contracts.</p> <p>Aus26.1 Notwithstanding paragraph 26(i), a not-for-profit public sector licensor shall refer to Appendix G</p>		

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						for guidance on accounting for revenue from licences issued.  AusB34.1 Notwithstanding paragraphs B34–B38, not-for-profit entities that are government departments shall apply the requirements of AASB 1050 Administered Items to administered items.		
AASB 16 <i>Leases</i>	Section 20 <i>Leases</i>	FP,NFP and Public sector	Aus 3.1 AusC5.1 Aus C5.2 Aus C8.1 Aus C11.1 (Appendix C)	Aus25.1	Aus 59.1 Aus 59.2	Aus3.1 Notwithstanding paragraph 3, in respect of not-for-profit public sector licensors, this Standard also applies to licences that are in substance leases or contain leases, excluding licences of intellectual property. AASB 15 applies to licences of intellectual property. AASB 15 also applies to licences of non-intellectual property that, in substance, are not leases or do not contain leases.	<ul style="list-style-type: none"> <li>• Para Aus25.1 provides an accounting policy choice that is only available and relevant to NFP entities, and the disclosures in Aus59.1 and Aus59.2 were required as compensation for information that would otherwise be provided through fair valuing the RoU assets.</li> <li>• As the disclosures are related to an accounting policy choice,</li> </ul>	Aus59.1 AusNFP2.1 In addition to the disclosures required in paragraphs 53–59 20.13-20.16 of <del>AASB 10xx</del> , where a lessee is a not-for-profit entity and elects to measure a class or classes of right-of-use assets at initial recognition at cost in accordance with paragraphs 23–25 of <u>AASB 16</u> for leases that have significantly below-market terms and conditions principally to enable the entity to further its objectives, the lessee shall

AASB Standard/ Interpretation	Equivalent IFRS for SMEs Section	Sector (For profit, NFP or public sector)	NFP modification paragraph Paragraph no. where NFP modifications appear (p.)			Text from the Standard	Conclusion	Additional disclosures for NFP entities to be included in the new Tier 2 Standard
			Scope/ Transition / Appendix	R&M	Disclosures			
						<p>Aus25.1 Notwithstanding paragraphs 23–25, where the lessee is a not-for-profit entity, the lessee may elect to measure right-of-use assets on a class-by-class basis at initial recognition at fair value in accordance with AASB 13 <i>Fair Value Measurement</i> for leases that have significantly below-market terms and conditions principally to enable the entity to further its objectives. AASB 1058 <i>Income of Not-for-Profit Entities</i> addresses the recognition of related amounts.</p> <p>Aus59.1 In addition to the disclosures required in paragraphs 53–59, where a lessee is a not-for-profit entity and elects to measure a class or classes of right-of-use assets at initial recognition at cost in accordance with paragraphs 23–25 for leases that have significantly below-market terms and conditions principally to enable the entity to</p>	<p>they should be provided under the principles in BC30</p> <ul style="list-style-type: none"> <li>•The remaining NFP specific paragraphs are either scope paragraphs or set out specific transition requirements for the adoption of AASB 16. These do not require any additional disclosures.</li> </ul>	<p>disclose additional qualitative and quantitative information about those leases necessary to meet the disclosure objective in paragraph 51-AASB 16. This additional information shall include, but is not limited to, information that helps users of financial statements to assess:</p> <p>(a)the entity’s dependence on leases that have significantly below-market terms and conditions principally to enable the entity to further its objectives; and</p> <p>(b)the nature and terms of the leases, including:</p> <p>(i)the lease payments;</p> <p>(ii)the lease term;</p> <p>(iii)a description of the underlying assets; and</p>

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			Scope/ Transition / Appendix	R&M	Disclosures			
						<p>further its objectives, the lessee shall disclose additional qualitative and quantitative information about those leases necessary to meet the disclosure objective in paragraph 51. This additional information shall include, but is not limited to, information that helps users of financial statements to assess:</p> <p>(a) the entity's dependence on leases that have significantly below-market terms and conditions principally to enable the entity to further its objectives; and</p> <p>(b) the nature and terms of the leases, including:</p> <p>(i) the lease payments;</p> <p>(ii) the lease term;</p> <p>(iii) a description of the underlying assets; and</p>		<p>(iv) restrictions on the use of the underlying assets specific to the entity.</p> <p><del>Aus59.2</del> <u>AusNFP2.2</u> The disclosures provided by a not-for-profit entity in accordance with paragraph AusNFP2.1 shall be provided individually for each material lease that has significantly below-market terms and conditions principally to enable the entity to further its objectives or in aggregate for leases involving right-of-use assets of a similar nature. An entity shall consider the level of detail necessary to satisfy the disclosure objective and how much emphasis to place on each of the various requirements. An entity shall aggregate or disaggregate disclosures so that</p>

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			Scope/ Transition / Appendix	R&M	Disclosures			
						<p>(iv) restrictions on the use of the underlying assets specific to the entity.</p> <p>Aus59.2 The disclosures provided by a not-for-profit entity in accordance with paragraph Aus59.1 shall be provided individually for each material lease that has significantly below-market terms and conditions principally to enable the entity to further its objectives or in aggregate for leases involving right-of-use assets of a similar nature. An entity shall consider the level of detail necessary to satisfy the disclosure objective and how much emphasis to place on each of the various requirements. An entity shall aggregate or disaggregate disclosures so that useful information is not obscured by either the inclusion of a large amount of insignificant detail or the aggregation of items that have</p>		useful information is not obscured by either the inclusion of a large amount of insignificant detail or the aggregation of items that have substantially different characteristics.

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			Scope/ Transition / Appendix	R&M	Disclosures			
						<p>substantially different characteristics.</p> <p>AusC5.1 Not-for-profit entities electing to measure a class of right-of-use assets at initial recognition at fair value and applying this Standard retrospectively in accordance with paragraph C5(a) to leases that at inception had significantly below-market terms and conditions principally to enable the entity to further its objectives shall:</p> <p>(a) measure each right-of-use asset in the class at fair value;</p> <p>(b) measure the lease liability in accordance with this Standard; and</p> <p>(c) recognise any related items in accordance with paragraph 9 of AASB 1058 <i>Income of Not-for-Profit Entities</i>.</p>		

AASB Standard/ Interpretation	Equivalent IFRS for SMEs Section	Sector (For profit, NFP or public sector)	NFP modification paragraph Paragraph no. where NFP modifications appear (p.)			Text from the Standard	Conclusion	Additional disclosures for NFP entities to be included in the new Tier 2 Standard
			Scope/ Transition / Appendix	R&M	Disclosures			
						<p>Any income arising shall be recognised as an adjustment to the opening balance of retained earnings (or other component of equity, as appropriate) at the beginning of the earliest prior period presented.</p> <p>AusC5.2 Notwithstanding paragraph AusC5.1, not-for-profit entities that adopted AASB 1058 in an earlier reporting period are not required to remeasure the fair value of the right-of-use asset arising from leases that (1) at inception had significantly below-market terms and conditions principally to enable the entity to further its objectives and (2) were previously classified as finance leases applying AASB 117. Instead, the entity shall transition those leases in accordance with paragraph C11, regardless of which</p>		

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			Scope/ Transition / Appendix	R&M	Disclosures			
						<p>transition option in paragraph C5 is applied.</p> <p>AusC8.1 Not-for-profit entities electing to measure a class of right-of-use assets at initial recognition at fair value and applying this Standard retrospectively in accordance with paragraph C5(b) to leases that (1) at inception had significantly below-market terms and conditions principally to enable the entity to further its objectives and (2) were previously classified as operating leases applying AASB 117 shall:</p> <p>(a) notwithstanding paragraph C8(b), measure each right-of-use asset in the class at fair value at the date of initial application of this Standard;</p> <p>(b) measure the lease liability in accordance with paragraph C8(a); and</p>		



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						<p>(c) recognise any related items in accordance with paragraph 9 of AASB 1058.</p> <p>Any income arising shall be recognised as an adjustment to the opening balance of retained earnings (or other component of equity, as appropriate) at the date of initial application of this Standard.</p> <p>AusC11.1 Subject to paragraph AusC5.2 and notwithstanding paragraph C11, not-for-profit entities electing to measure a class of right-of-use assets at initial recognition at fair value and applying this Standard retrospectively in accordance with paragraph C5(b) to leases that (1) at inception had significantly below-market terms and conditions principally to enable the entity to further its objectives and (2) were</p>		

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			Scope/ Transition / Appendix	R&M	Disclosures			
						<p>previously classified as finance leases applying AASB 117 shall:</p> <p>(a)measure each right-of-use asset in the class at fair value at the date of initial application of this Standard;</p> <p>(b)measure the lease liability in accordance with this Standard; and</p> <p>(c)recognise any related items in accordance with paragraph 9 of AASB 1058.</p> <p>Any income arising shall be recognised as an adjustment to the opening balance of retained earnings (or other component of equity, as appropriate) at the date of initial application of this Standard.</p>		
AASB 17 Insurance Contracts			Not applicable for Tier 2 entities				N/A	

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AASB 101 <i>Presentation of Financial Statements</i>	Section 3 <i>Financial Statement Presentation</i>	FP, NFP, Public Sector			Aus16.3 Aus136.2	Aus16.3 Not-for-profit entities need not comply with the paragraph 16 requirement to make an explicit and unreserved statement of compliance with IFRSs.  Aus136.2 Notwithstanding paragraph Aus136.1, a not-for-profit entity need not present the disclosures required by paragraphs 134–136.	•Aus16.3 and Aus136.2 provide relief from disclosures that are not required under AASB 10xx. Hence there is no need to include similar relief in AASB 10xx.	
	Section 4 <i>Statement Of Financial Position</i>							
	Section 5 <i>Statement Of Comprehensive Income And Income Statement</i>							
	Section 6 <i>Statement Of Changes In</i>							

AASB Standard/ Interpretation	Equivalent IFRS for SMEs Section	Sector (For profit, NFP or public sector)	NFP modification paragraph Paragraph no. where NFP modifications appear (p.)			Text from the Standard	Conclusion	Additional disclosures for NFP entities to be included in the new Tier 2 Standard
			Scope/ Transition / Appendix	R&M	Disclosures			
	Equity And Statement Of Income And Retained Earnings Section 8 Notes To The Financial Statements							
AASB 102 Inventories	Section 13 Inventories	FP, NFP and Public sector	Aus 2.1  Aus6.1 Aus8.1-8.2 (Appendix A)	Aus9.1 Aus9.2  Aus10.1 Aus10.2 Aus34.1	Aus 36.1	Aus2.1 Notwithstanding paragraph 2, in respect of not-for-profit entities, this Standard does not apply to work in progress of services to be provided for no or nominal consideration directly in return from the recipients.  Aus9.1 Notwithstanding paragraph 9, each not-for-profit entity shall measure inventories held for	<ul style="list-style-type: none"> <li>AASB 102 has different requirements for the measurement of inventories held for distribution by NFP entities. The disclosures in Aus36.1 reflect these differences by requiring separate disclosures for those inventories.</li> </ul>	<del>Aus36.1</del> <u>AusNFP3.1 Not-for-profit entities shall disclose the basis on which any loss of service potential of inventories held for distribution is assessed, or the bases when more than one basis is used following, in addition to the information required by paragraph 13.22 of AASB 10xx.</u>

AASB Standard/ Interpretation	Equivalent IFRS for SMEs Section	Sector (For profit, NFP or public sector)	NFP modification paragraph Paragraph no. where NFP modifications appear (p.)			Text from the Standard	Conclusion	Additional disclosures for NFP entities to be included in the new Tier 2 Standard
			Scope/ Transition / Appendix	R&M	Disclosures			
			Aus42.1-42.2 ( <i>Transitional provisions</i> )			<p>distribution at cost, adjusted when applicable for any loss of service potential.</p> <p>Aus9.2 Not-for-profit entities would need to use judgment in determining the factors relevant to the circumstances in assessing whether there is a loss of service potential for inventories held for distribution. For many inventories held for distribution, a loss of service potential would be identified and measured based on the existence of a current replacement cost that is lower than the original acquisition cost or other subsequent carrying amount. For other inventories held for distribution, a loss of service potential might be identified and measured based on a loss of operating capacity due to obsolescence. Different bases for determining whether there has</p>	<ul style="list-style-type: none"> <li>•As these assets are unique to NFP entities and their circumstances, the separate disclosure will continue to be relevant to users of these financial statements.</li> <li>•The disclosures that are currently required for Tier 2 entities under the RDR regime should therefore also be included in Appendix A of AASB 10xx, except to the extent that the AASB had previously considered the cost would outweigh the benefits (i.e paragraphs shaded for Tier 2 entities under RDR will not be included).</li> <li>•Disclosure of the circumstances that led to the reversal of a write-down should therefore not be required. This is consistent</li> </ul>	

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						<p>been a loss of service potential and the measurement of that loss may apply to different inventories held for distribution within the same entity.</p> <p>Aus10.1 Notwithstanding paragraph 10 and subject to paragraph Aus10.2, not-for-profit entities shall initially measure the cost of inventories at current replacement cost where the consideration for those inventories is significantly less than fair value principally to enable the entity to further its objectives- AASB 1058 <i>Income of Not-for-Profit Entities</i> addresses the recognition of related amounts.</p> <p><b>Aus10.2 As a practical expedient, where a not-for-profit entity acquires inventory for consideration that is significantly less than fair value principally to</b></p>	<p>with the disclosures required for FP entities under section 13.22.</p> <ul style="list-style-type: none"> <li>•This disclosure added is based on Aus36.1 in AASB 102, but instead of repeating the list of required information, staff have referred to paragraph 13.22 in the main standard instead.</li> </ul>	

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			<i>Scope/ Transition / Appendix</i>	<i>R&amp;M</i>	<i>Disclosures</i>			
						<p>enable the entity to further its objectives, the entity may elect to recognise an item of inventory based on an assessment of the materiality either of the individual item or of inventories at an aggregate or portfolio level.</p> <p>Aus34.1 When inventories held for distribution by a not-for-profit entity are distributed, the carrying amount of those inventories shall be recognised as an expense. The amount of any write-down of inventories for loss of service potential and all losses of inventories shall be recognised as an expense in the period in which the write-down or loss occurs. The amount of any reversal of any write-down of inventories arising from a reversal of the circumstances that gave rise to the loss of service potential shall be recognised as a reduction in the</p>		

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						<p>amount of inventories recognised as an expense in the period in which the reversal occurs.</p> <p>Aus36.1 Notwithstanding paragraph 36, in respect of not-for-profit entities, the financial statements shall disclose:</p> <p>(a) the accounting policies adopted in measuring inventories held for distribution, including the cost formula used;</p> <p>(b) the total carrying amount of inventories held for distribution and the carrying amount in classifications appropriate to the entity;</p> <p>(c) the amount of inventories held for distribution recognised as an expense during the period in accordance with paragraph Aus34.1;</p>		



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						<p>(d) the amount of any write-down of inventories held for distribution recognised as an expense in the period in accordance with paragraph Aus34.1;</p> <p>(e) the amount of any reversal of any write-down that is recognised as a reduction in the amount of inventories held for distribution recognised as expense in the period in accordance with paragraph Aus34.1;</p> <p>(f) the circumstances or events that led to the reversal of a write-down of inventories held for distribution in accordance with paragraph Aus34.1;</p> <p>(g) the carrying amount of inventories held for distribution pledged as security for liabilities; and</p> <p>(h) the basis on which any loss of service potential of inventories held</p>		

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						<p>for distribution is assessed, or the bases when more than one basis is used.</p> <p>Aus42.1 Not-for-profit entities shall apply paragraph Aus9.1 and measure inventories held for distribution at cost, adjusted when applicable for any loss of service potential, on a prospective basis from the beginning of the annual period to which this Standard is first applied.</p> <p>Aus42.2 Under paragraph Aus42.1, not-for-profit entities shall make any necessary adjustment to the opening balance of inventories held for distribution, previously carried at the lower of cost and current replacement cost, against opening retained earnings for the current annual period. Accordingly, comparative information is not adjusted.</p>		

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			<i>Scope/ Transition / Appendix</i>	<i>R&amp;M</i>	<i>Disclosures</i>			
						<p>Appendix A Aus6.1 The following terms are also used in this Standard with the meanings specified. A not-for-profit entity is an entity whose principal objective is not the generation of profit. A not-for-profit entity can be a single entity or a group of entities comprising the parent entity and each of the entities that it controls. In respect of not-for-profit entities, current replacement cost is the cost the entity would incur to acquire the asset at the end of the reporting period. In respect of not-for-profit entities, inventories held for distribution are assets:</p> <p>(a) held for distribution at no or nominal consideration in the ordinary course of operations; (b) in the process of production for distribution at no or nominal</p>		

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			<i>Scope/ Transition / Appendix</i>	<i>R&amp;M</i>	<i>Disclosures</i>			
						<p>consideration in the ordinary course of operations; or</p> <p>(c) in the form of materials or supplies to be consumed in the production process or in the rendering of services at no or nominal consideration.</p> <p>Aus8.1 A not-for-profit entity may hold inventories whose future economic benefits or service potential are not directly related to their ability to generate net cash inflows. These types of inventories may arise when an entity has determined to distribute certain goods at no charge or for a nominal amount. In these cases, the future economic benefits or service potential of the inventory for financial reporting purposes is reflected by the amount the entity would need to pay to acquire the economic benefits or service</p>		

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						<p>potential if this was necessary to achieve the objectives of the entity. Where the economic benefits or service potential cannot be acquired in the market, an estimate of replacement cost will need to be made. If the purpose for which the inventory is held changes, then the inventory is valued using the provisions of paragraph 9.</p> <p>Aus8.2 The replacement cost that an entity would be prepared to incur in respect of an item of inventory would reflect any obsolescence or any other impairment.</p>		
AASB 107 <i>Statement of Cash Flows</i>	Section 7 <i>Statement Of Cash Flows</i>	FP,NFP and Public sector	No	No	Aus20.2	Aus20.2 Not-for-profit entities that use the direct method and that highlight the net cost of services in their statement of comprehensive income for the reporting period shall disclose in the complete set of financial statements a reconciliation	<ul style="list-style-type: none"> <li>This information would not be required under the broad principles set out in BC30 to AASB 10xx, and should therefore also not be required for Tier 2 NFP entities.</li> </ul>	

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						of cash flows arising from operating activities to net cost of services as reported in the statement of comprehensive income.	<ul style="list-style-type: none"> <li>This is consistent with the requirements for Tier 2 FP entities, which also do not need to disclose a reconciliation of the net cash flow from operating activities to profit (loss).</li> </ul>	
AASB 108 <i>Accounting Policies, Changes in Accounting Estimates and Errors</i>	Section 10 <i>Accounting Policies, Estimates and Errors</i>	FP,NFP and Public sector	No	No	No	N/A	N/A	
AASB 110 <i>Events after the Reporting Period</i>	Section 32 <i>Events After The End Of The Reporting Period</i>	FP,NFP and Public sector	No	No	No	N/A	N/A	

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AASB 112 <i>Income Taxes</i>	Section 29 <i>Income Taxes</i>	FP, NFP and Public sector	Aus2.1 Aus4.1	Aus 33.1	No	<p>Aus2.1 For public sector entities and for the purposes of this Standard, income taxes also include forms of income tax that may be payable by a public sector entity under their own enabling legislation or other authority. These forms of income tax are often referred to as “income tax equivalents”.</p> <p>Aus4.1 In respect of not-for-profit entities, AASB 1058 <i>Income of Not-for-Profit Entities</i> and AASB 15 <i>Revenue from Contracts with Customers</i> address the accounting for government grants.</p> <p>Aus33.1 In respect of not-for-profit entities, a deferred tax asset will not arise on a non-taxable government grant relating to an asset. For example, under AASB 1058 <i>Income of Not-for-Profit Entities</i>, where a not-for-profit entity accounts for the receipt of</p>	<ul style="list-style-type: none"> <li>•The only identified R&amp;M differences relates to further guidance for not-for-profit entities. Thus no additional disclosures would be required.</li> </ul>	

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						non-taxable government grants as income rather than as deferred income a temporary difference does not arise.		
AASB 116 <i>Property, Plant and Equipment</i>	Section 17 <i>Property, Plant and Equipment</i>	FP,NFP and Public sector	Aus6.2 Aus6.1(Ap pendix A)	Aus15.1 Aus15.3 Aus39.1 Aus40.1 Aus40.2	Aus77.1	Appendix A Aus6.1 The following term is also used in this Standard with the meaning specified. A not-for-profit entity is an entity whose principal objective is not the generation of profit. A not-for-profit entity can be a single entity or a group of entities comprising the parent and each of the entities that it controls.  Appendix A Aus6.2Examples of property, plant and equipment held by not-for-profit public sector entities include, but are not limited to, infrastructure, cultural, community and heritage assets.  Aus15.1Notwithstanding paragraph 15, <i>not-for-profit entities</i>	<ul style="list-style-type: none"> <li>•Paragraphs Aus15.1 and Aus15.2 refer to the application of AASB 1058, which is considered separately below.</li> <li>•Paras Aus39.1, Aus40.1 and Aus40.2 provide an exemption to account for revaluations on a class of asset basis, rather than by individual asset. As this does not affect any of the information that users would require based on the broad principles outlined in BC30 it does not require any additional disclosures.</li> <li>•The disclosure is currently shaded in AASB 116 as the</li> </ul>	



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						<p>shall initially measure the cost of an item of property, plant and equipment at fair value in accordance with AASB 13 <i>Fair Value Measurement</i> where the consideration for the asset is significantly less than fair value principally to enable the entity to further its objectives. AASB 1058 <i>Income of Not-for-Profit Entities</i> addresses the recognition of related amounts.</p> <p>Aus15.3 In respect of not-for-profit entities, for the purposes of this Standard, the initial recognition and measurement at fair value of an item of property, plant and equipment in accordance with paragraph Aus15.1 does not constitute a revaluation. Accordingly, the revaluation requirements in paragraph 31, and the supporting commentary in paragraphs 34 and 35, only apply</p>	<p>relevant disclosure is not required for RDR entities.</p> <ul style="list-style-type: none"> <li>•No disclosure should be added to AASB 10xx.</li> </ul>	

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						<p>where an entity elects to revalue an item of property, plant and equipment after its recognition.</p> <p>Aus39.1 Notwithstanding paragraph 39, in respect of not-for-profit entities, if the carrying amount of a class of assets is increased as a result of a revaluation, the net revaluation increase shall be recognised in other comprehensive income and accumulated in equity under the heading of revaluation surplus. However, the net revaluation increase shall be recognised in profit or loss to the extent that it reverses a net revaluation decrease of the same class of assets previously recognised in profit or loss.</p> <p>Aus40.1 Notwithstanding paragraph 40, in respect of not-for-profit entities, if the carrying amount of a class of assets decreased as a result</p>		

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			<i>Scope/ Transition / Appendix</i>	<i>R&amp;M</i>	<i>Disclosures</i>			
						<p>of a revaluation, the net revaluation decrease shall be recognised in profit or loss. However, the net revaluation decrease shall be recognised in other comprehensive income to the extent of any credit balance existing in any revaluation surplus in respect of that same class of asset. The net revaluation decrease recognised in other comprehensive income reduces the amount accumulated in equity under the heading of revaluation surplus.</p> <p>Aus40.2 Notwithstanding paragraph 40, in respect of not-for-profit entities, revaluation increases and revaluation decreases relating to individual assets within a class of property, plant and equipment shall be offset against one another within that class but shall not be offset in</p>		

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						<p>respect of assets in different classes.</p> <p>Aus77.1 Notwithstanding paragraph 77(e), in respect of not-for-profit entities, for each revalued class of property, plant and equipment, the requirement to disclose the carrying amount that would have been recognised had the assets been carried under the cost model does not apply.</p>		
AASB 119 <i>Employee Benefits</i>	Section 28 <i>Employee Benefits</i>	FP,NFP and Public sector		Aus83.1	No	Aus83.1 Notwithstanding paragraph 83, in respect of not-for-profit public sector entities, postemployment benefit obligations denominated in Australian currency shall be discounted using market yields on government bonds.	<ul style="list-style-type: none"> <li>The R&amp;M difference noted on the left would not require any additional or different disclosures, as it does not affect the overall principles applied to the accounting for post-employment benefit plans.</li> </ul>	

AASB Standard/ Interpretation	Equivalent IFRS for SMEs Section	Sector (For profit, NFP or public sector)	NFP modification paragraph Paragraph no. where NFP modifications appear (p.)			Text from the Standard	Conclusion	Additional disclosures for NFP entities to be included in the new Tier 2 Standard
			Scope/ Transition / Appendix	R&M	Disclosures			
AASB 120 <i>Accounting for Government Grants and Disclosure of Government Assistance</i>	Section 24 <i>Government Grants</i>	FP,NFP and Public sector	No	No	No	N/A	N/A	
AASB 121 <i>The Effects of Changes in Foreign Exchange Rates</i>	Section 30 <i>Foreign Currency Translation</i>	FP,NFP and Public sector	No	No	No	N/A	N/A	
AASB 123 <i>Borrowing Costs</i>	Section 25 <i>Borrowing Costs</i>	FP,NFP and Public sector	Aus 1.1 Aus 26.2	Aus8.1 Aus8.2	Aus 26.1	Aus1.1 In respect of not-for-profit public sector entities, borrowing costs may be expensed in accordance with paragraph Aus8.1.  Aus8.1 A not-for-profit public sector entity may elect to recognise borrowing costs as an expense in the period in which they are	<ul style="list-style-type: none"> <li>•The R&amp;M differences identified on the left provide NFP public sector entities with an accounting policy choice that is not available to other entities.</li> <li>•A requirement to disclose the policy adopted for borrowing costs should be added to apply</li> </ul>	Aus26.1 <u>AusNFP4.1</u> A not-for-profit public sector entity shall disclose the accounting policy adopted for borrowing costs.

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						<p>incurred regardless of how the borrowings are applied.</p> <p>\Aus8.2 In respect of not-for-profit public sector entities, paragraphs 9–26, 27 and 28 apply only when an entity elects to capitalise borrowing costs that are directly attributable to the acquisition, construction or production of a qualifying asset as part of the cost of that asset.</p> <p>Aus26.1 A not-for-profit public sector entity shall disclose the accounting policy adopted for borrowing costs.</p> <p>Aus26.2 Paragraphs 27 and 28 shall not be applied by an entity that has previously applied AASB 123, unless required to do so by another Standard.</p>	to these entities, consistent with the principles set out in BC30.	
AASB 124 <i>Related</i>	Section 33 <i>Related Party</i>	FP,NFP and Public sector	Aus28.2 Australian Implement	No	No	Aus28.2 AASB 2015-6 Amendments to Australian Accounting Standards – Extending Related Party	•The Aus paragraph is an application paragraph only and the implementation guidance	

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Party Disclosures	Disclosures		ation Guidance for Not-for-Profit Public Sector Entities			Disclosures to Not-for-Profit Public Sector Entities amended the previous version of this Standard as follows: deleted paragraph Aus1.3, amended paragraph Aus9.1 and added the Australian Implementation Guidance for Not-for-Profit Public Sector Entities. An entity shall apply those amendments for annual periods beginning on or after 1 July 2016. Earlier application is permitted. Those amendments shall be applied prospectively as at the beginning of the annual period in which this Standard is initially applied. For example, a not-for-profit public sector entity shall apply this Standard prospectively as at the beginning of the annual period in which this Standard is initially applied.	does not set out any additional disclosures. Thus no further action required.	

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AASB 127 Separate Financial Statements	Section 9 <i>Consolidated And Separate Financial Statements</i>	FP,NFP and Public sector	No	No	Aus16.1	Aus16.1 When a not-for-profit parent, in accordance with paragraphs 4(a), Aus4.1 and Aus4.2 of AASB 10, elects not to prepare consolidated financial statements and instead prepares separate financial statements, it shall disclose in those separate financial statements the disclosures specified in paragraph 16, with the exception that the reference in paragraph 16(a) to 'International Financial Reporting Standards' is replaced by a reference to 'Australian Accounting Standards'.	<ul style="list-style-type: none"> <li>•The modification relates to a disclosure that is not required for Tier 2 entities under AASB 10xx. As a result this modification does not need to be added.</li> </ul>	
AASB 128 Investments in Associates and Joint Ventures	Section 14 <i>Investments In Associates</i> Section 15 <i>Investments</i>	FP,NFP and Public sector	Aus17.1 Aus 17.2	Aus10.1(added by AASB 1058)	No	Aus10.1 Notwithstanding paragraph 10, not-for-profit entities shall initially measure the cost of an investment in an associate or joint venture at fair value in accordance with AASB 13 Fair Value Measurement where the consideration for the investment is	<ul style="list-style-type: none"> <li>•The only identified R&amp;M difference refers to accounting under AASB 1058, which is considered separately below.</li> </ul>	



AASB Standard/ Interpretation	Equivalent IFRS for SMEs Section	Sector (For profit, NFP or public sector)	NFP modification paragraph Paragraph no. where NFP modifications appear (p.)			Text from the Standard	Conclusion	Additional disclosures for NFP entities to be included in the new Tier 2 Standard
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	ts In Joint Ventures					<p>significantly less than fair value principally to enable the entity to further its objectives. AASB 1058 Income of Not-for-Profit Entities addresses the recognition of related amounts.</p> <p>Aus17.1 Notwithstanding paragraph 17(d), an entity that meets the criteria in paragraphs 17(a), 17(b) and 17(c) need not apply the equity method in accounting for an interest in an associate or joint venture if its ultimate or any intermediate parent produces financial statements that are available for public use in which subsidiaries are consolidated or are measured at fair value through profit or loss in accordance with AASB 10 and:</p> <p>(a) the investor or the joint venturer and its ultimate or intermediate parent are:</p>		

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						<p>(i) both not-for-profit entities complying with Australian Accounting Standards; or</p> <p>(ii) both entities complying with Australian Accounting Standards – Reduced Disclosure Requirements; or</p> <p>(b) the investor or the joint venturer is an entity complying with Australian Accounting Standards – Reduced Disclosure Requirements and its ultimate or intermediate parent is a not-for-profit entity complying with Australian Accounting Standards.</p> <p>Aus17.2 Notwithstanding paragraphs 17 and Aus17.1, the ultimate Australian entity shall apply the equity method in accounting for interests in associates and joint ventures in accordance with this Standard when either the entity or the group is a</p>		

AASB Standard/ Interpretation	Equivalent IFRS for SMEs Section	Sector (For profit, NFP or public sector)	NFP modification paragraph Paragraph no. where NFP modifications appear (p.)			Text from the Standard	Conclusion	Additional disclosures for NFP entities to be included in the new Tier 2 Standard
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						reporting entity, or both the entity and the group are reporting entities, except if the ultimate Australian parent is required, in accordance with paragraph 31 of AASB 10, to measure all of its subsidiaries at fair value through profit or loss.		
AASB 129 Financial Reporting in Hyperinflationary Economies	Section 31 <i>Hyperinflation</i>	FP,NFP and Public sector		No	No	N/A	N/A	
AASB 132 Financial Instruments: Presentation	Section 11 <i>Basic Financial Instruments</i> and Section 12 <i>Other Financial</i>	FP,NFP and Public sector	No	No	No	N/A	N/A	

AASB Standard/ Interpretation	Equivalent IFRS for SMEs Section	Sector (For profit, NFP or public sector)	NFP modification paragraph Paragraph no. where NFP modifications appear (p.)			Text from the Standard	Conclusion	Additional disclosures for NFP entities to be included in the new Tier 2 Standard
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	<i>Instrument Issues</i>							
AASB 133 Earnings per Share	<i>Not applicable for Tier 2 Entities</i>							
AASB 134 Interim Financial Reporting	<i>Disclosure standard for specific purpose of preparing interim reports, not relevant.</i>							
AASB 136 Impairment of Assets	Section 27 <i>Impairment of Assets</i>	FP, NFP and Public sector	Aus5.1 Aus6.1- Aus 6.2 (Defined terms)	Aus61.1 Aus120.1	No	Aus5.1 Many assets of not-for-profit entities that are not held primarily for their ability to generate net cash inflows are typically specialised assets held for continuing use of their service capacity. Given that these assets are rarely sold, their cost of disposal is typically negligible. The recoverable amount of such assets is expected to be materially the same as fair value, determined under AASB 13 Fair	<ul style="list-style-type: none"> <li>Paras Aus5.1 and Aus6.2 provide guidance only, hence no impact on disclosures.</li> <li>Paras Aus61.1 and Aus120.1 relate to the exemption provided in AASB 116 and AASB 138 to account for revaluations on a class of asset basis, rather than by individual asset. Consistent with the conclusions on AASB 116 and AASB 138, this does affect any</li> </ul>	

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						<p>Value Measurement, with the consequence that this Standard:</p> <p>(a) does not apply to such assets that are regularly revalued to fair value under the revaluation model in AASB 116 and AASB 138; and</p> <p>(b) applies to such assets accounted for under the cost model in AASB 116 and AASB 138.</p> <p>Aus61.1 Notwithstanding paragraph 61, in respect of not-for-profit entities, an impairment loss on a revalued asset is recognised in other comprehensive income to the extent that the impairment loss does not exceed the amount in the revaluation surplus for the class of asset. Such an impairment loss on a revalued asset reduces the revaluation surplus for the class of asset.</p> <p>Aus120.1 Notwithstanding paragraph 120, in respect of not-</p>	of the information that users would require based on the broad principles outlined in BCxx. It therefore does not require any additional disclosures.	

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						<p>for-profit entities, a reversal of an impairment loss on a revalued asset is recognised in other comprehensive income and increases the revaluation surplus. However, to the extent that an impairment loss on the same class of asset was previously recognised in profit or loss, a reversal of that impairment loss is also recognised in profit or loss.</p> <p>Aus6.2 The following terms are also used in this Standard with the meaning specified. A not-for-profit entity is an entity whose principal objective is not the generation of profit. A not-for-profit entity can be a single entity or a group of entities comprising the parent and each of the entities that it controls.</p>		
AASB 137 Provisions, Contingent	Section 21 <i>Provisions and</i>	FP,NFP and Public sector	No	Aus 26.1 Aus 26.2	No	Aus26.1 This paragraph and paragraph Aus26.2 relate to the recognition by a local government,	<ul style="list-style-type: none"> <li>While paras Aus26.1 and Aus26.2 deal with R&amp;M issues, they only explain how the</li> </ul>	

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Liabilities and Contingent Assets	Contingencies					government department or government of a liability arising from a local government or government existing public policy, budget policy, election promise or statement of intent. The intention to make payments to other parties, whether advised in the form of a local government or government budget policy, election promise or statement of intent, does not of itself create a present obligation which is binding. A liability would be recognised only when the entity is committed in the sense that it has little or no discretion to avoid the sacrifice of future economic benefits. For example, a government does not have a present obligation to sacrifice future economic benefits for social welfare payments that might arise in future reporting periods. A present obligation for social welfare	principles in AASB 137 should be applied in the context of public sector entities.  •As they do not create any R&M differences as such, no additional disclosures are required.	

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						<p>payments arises only when entitlement conditions are satisfied for payment during a particular payment period. Similarly, a government does not have a present obligation to sacrifice future economic benefits under multi-year public policy agreements until the grantee meets conditions such as grant eligibility criteria, or has provided the services or facilities required under the grant agreement. In such cases, only amounts outstanding in relation to current or previous periods satisfy the definition of liabilities.</p> <p>Aus26.2 Some such transactions or events may give rise to legal, social, political or economic consequences which leave little, if any, discretion to avoid a sacrifice of future economic benefits. In such circumstances, the definition of a liability is satisfied. An example of</p>		



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						such an event is the occurrence of a disaster, where a government has a clear and formal policy to provide financial aid to victims of such disasters. In this circumstance, the government has little discretion to avoid the sacrifice of future economic benefits. However, the liability is recognised only when the amount of financial aid to be provided can be measured reliably.		
AASB 138 Intangible Assets	Section 18 <i>Intangible Assets</i>	FP,NFP and Public sector	Aus3.1	Aus24.1 Aus85.1 Aus86.1 Aus86.2	Aus124.1	<p>Aus3.1 This Standard does not apply to intangible assets recognised as service concession assets in accordance with AASB 1059 Service Concession Arrangements: Grantors, except as set out in that Standard.</p> <p>Aus24.1 Notwithstanding paragraph 24, not-for-profit entities shall initially measure the cost of the asset at <i>fair value</i> where the consideration for the asset is</p>	<ul style="list-style-type: none"> <li>• Paragraphs Aus3.1 and Aus24.1 refer to the application of AASB 1058 and AASB 1059, which are considered separately below.</li> <li>• Paras Aus85.1, Aus86.1 and Aus86.2 provide an exemption to account for revaluations on a class of asset basis, rather than by individual asset. As this does affect any of the information that users would</li> </ul>	

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						<p>significantly less than fair value principally to enable the entity to further its objectives. AASB 1058 <i>Income of Not-for-Profit Entities</i> addresses the recognition of related amounts.</p> <p>Aus85.1 Notwithstanding paragraph 85, in respect of not-for-profit entities, if the carrying amount of a class of assets is increased as a result of a revaluation, the net revaluation increase shall be recognised in other comprehensive income and accumulated in equity under the heading of revaluation surplus. However, the net revaluation increase shall be recognised in profit or loss to the extent that it reverses a net revaluation decrease of the same class of assets previously recognised in profit or loss.</p>	<p>require based on the broad principles outlined in BC30, it does not require any additional disclosures.</p> <ul style="list-style-type: none"> <li>•The disclosure 124.1 is currently shaded as the relevant disclosure is not required for RDR entities, should not be added to AASB 10xx.</li> </ul>	

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						<p>Aus86.1 Notwithstanding paragraph 86, in respect of not-for-profit entities, if the carrying amount of a class of assets decreased as a result of a revaluation, the net revaluation decrease shall be recognised in profit or loss. However, the net revaluation decrease shall be recognised in other comprehensive income to the extent of any credit balance existing in any revaluation surplus in respect of that same class of assets. The net revaluation decrease recognised in other comprehensive income reduces the amount accumulated in equity under the heading of revaluation surplus.</p> <p>Aus86.2 In respect of not-for-profit entities, revaluation increases and revaluation decreases relating to individual assets within a class of intangible assets shall be offset against one another within that</p>		

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						<p>class but shall not be offset in respect of assets in different classes.</p> <p>Aus124.1 Notwithstanding paragraph 124(a)(iii), in respect of not-for-profit entities, for each revalued class of intangible assets, the requirement to disclose the carrying amount that would have been recognised had the assets been carried under the cost model does not apply.</p>		
AASB 139 Financial Instruments: Recognition and Measurement	Section 11 <i>Basic Financial Instruments</i> and Section 12 <i>Other Financial Instrument Issues</i>	FP, NFP and Public sector	No	No	No	N/A	N/A	

AASB Standard/ Interpretation	Equivalent IFRS for SMEs Section	Sector (For profit, NFP or public sector)	NFP modification paragraph Paragraph no. where NFP modifications appear (p.)			Text from the Standard	Conclusion	Additional disclosures for NFP entities to be included in the new Tier 2 Standard
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AASB 140 Investment Property	Section 16 <i>Investment Property</i>	FP, NFP and Public sector	No	Aus9.1 Aus20.1	No	<p>Aus9.1 In respect of not-for-profit entities, property may be held to meet service delivery objectives rather than to earn rental or for capital appreciation. In such situations the property will not meet the definition of investment property and will be accounted for under AASB 116, for example:</p> <p>(a) property held for strategic purposes; and</p> <p>(b) property held to provide a social service, including those which generate cash inflows where the rental revenue is incidental to the purpose for holding the property.</p> <p>Aus20.1 Notwithstanding paragraph 20, in respect of not-for-profit entities, where an investment property is acquired at no cost or for nominal cost, its cost shall be deemed to be its fair value as at the date of acquisition.</p>	<ul style="list-style-type: none"> <li>• Aus9.1 only provides additional guidance and the other paragraphs refer to accounting under AASB 1058, which is considered separately below.</li> <li>• No additional disclosures are therefore required in relation to AASB 140.</li> </ul>	

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						Aus20.1 Notwithstanding paragraph 20, not-for-profit entities shall initially measure the cost of the asset at fair value in accordance with AASB 13 <i>Fair Value Measurement</i> where the consideration for the asset is significantly less than fair value principally to enable the entity to further its objectives AASB 1058 <i>Income of Not-for-Profit Entities</i> addresses the recognition of related amounts.		
AASB 141 Agriculture	Section 34 <i>Specialised Activities</i>	FP,NFP and Public sector	No	Aus38.1		Aus38.1Notwithstanding paragraphs 34-38, not-for-profit entities shall account for government grants related to a biological asset in accordance with AASB 1058 <i>Income of Not-for-Profit Entities</i> .	<ul style="list-style-type: none"> <li>•The identified R&amp;M difference refers to the application of AASB 1058, which will is considered separately below. No additional disclosures are therefore required in relation to AASB 141.</li> </ul>	

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AASB 1004 Contributions	-	NFP	<p><i>The standard applies to GPFS of government departments, other government controlled NFP entities and Local Governments and whole of governments, and sets out requirements in relation to accounting for parliamentary appropriations, liabilities of government departments assumed by other entities, contributions by owners and distribution to owners and restructures of administrative arrangements.</i></p> <p><i>The majority of the disclosures have been transferred to AASB 1058 and are considered below.</i></p> <p><i>The only remaining disclosure paragraph in AASB 1004 is para 43A which is reproduced on the right.</i></p>			<p>Disclosure of Contributions</p> <p>43A A government department shall disclose liabilities that were assumed during the reporting period by the government or other entity.</p>	<ul style="list-style-type: none"> <li>•The disclosure in para 43A relates to transactions are unique to public sector entities. Users would therefore expect some information about these transactions in a set of Tier 2 GPFS.</li> <li>•The disclosure should therefore be included in Appendix A of AASB 10xx.</li> </ul>	<p><del>43A-AusNFP5.1</del> A government department shall disclose liabilities that were assumed during the reporting period by the government or other entity.</p>

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AASB 1023 General Insurance Contracts	Not applicable for Tier 2 entities						N/A	
AASB 1038 Life Insurance Contracts	Not applicable for Tier 2 entities						N/A	
AASB 1039 Concise Financial Reports	Disclosure standard for specific purpose of preparing concise reports under CA, not relevant.						N/A	
AASB 1048 Interpretation of Standards	-	FP, NFP, Public sector	Does not include R&M or disclosures				N/A	
AASB 1049 Whole of Government and General	AASB 1049 applies to each government’s whole of government GPFS and GGS financial statements. As per AASB 1053 paragraphs 11 and 12, these financial statements must be prepared under Tier 1, hence this standard is not applicable to Tier 2 entities.							



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Government Sector Financial Reporting								
AASB 1050 Administered Items	-	Public sector	<p><i>The standard applies to GPFS of government departments and sets out presentation and disclosure requirements in relation to administered items.</i></p> <p><i>For the purpose of this analysis, only disclosure paragraphs have been included.</i></p>			<p><b>Disclosure of Administered Income, Expenses, Assets and Liabilities</b></p> <p>7 A government department shall disclose the following in its complete set of financial statements in relation to activities administered by the government department:</p> <p>(a) administered income, showing separately:</p> <p>(i) each major class of income; and</p> <p>(ii) in respect of each major class of income, the amounts reliably attributable to each of the government department's activities</p>	<ul style="list-style-type: none"> <li>While information about these items would not be required under the broad principles set out in BC30, these transactions are unique to public sector entities. Users would therefore expect some information about these transactions in a set of Tier 2 GPFS.</li> <li>However, for items that are shaded on in the text on the left, the AASB had previously concluded that the costs of providing these disclosures would outweigh the benefits.</li> </ul>	<p>7 <u>AusNFP6.1</u> A government department shall disclose the following in its complete set of financial statements in relation to activities administered by the government department:</p> <p>(a) administered income, showing separately:</p> <p>(i) each major class of income; and</p> <p>(ii) in respect of each major class of income, the amounts reliably attributable to each of the government department's</p>

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						<p>and the amounts not attributable to activities;</p> <p>(b) administered expenses, showing separately:</p> <p>(i) each major class of expense; and</p> <p>(ii) in respect of each major class of expense, the amounts reliably attributable to each of the government department's activities and the amounts not attributable to activities;</p> <p>(c) administered assets, showing separately each major class of asset; and</p> <p>(d) administered liabilities, showing separately each major class of liability.</p> <p>Para 8 is also identified as disclosure para by the RDR exclusions at the moment, so please include here.</p>	<p>• These reasons are still valid and the previous RDR disclosures (non-shaded in the text on the left) should therefore also be included in Appendix A of AASB 10xx.</p>	<p><del>activities and the amounts not attributable to activities;</del></p> <p>(b) administered expenses, showing separately:</p> <p>(i) each major class of expense; and</p> <p><del>(ii) in respect of each major class of expense, the amounts reliably attributable to each of the government department's activities and the amounts not attributable to activities;</del></p> <p>(c) administered assets, showing separately each major class of asset; and</p> <p>(d) administered liabilities, showing separately each major class of liability.</p> <p><del>22 AusNFP6.2 Details of the broad categories of recipients</del></p>

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						22 Details of the broad categories of recipients and the amounts transferred to those recipients shall be disclosed in the government department's complete set of financial statements.		and the amounts transferred to those recipients shall be disclosed in the government department's complete set of financial statements.
AASB 1051 Land Under Roads	-	Public sector	<i>The standard applies to GPFS of local governments, government departments and whole of governments, and financial statements of GGS. It provides an accounting policy choice for land under roads acquired before the end of the first reporting period ending on or after 31 December 2017.</i>  <i>For the purpose of this analysis, only disclosure paragraphs have been included.</i>			11 An entity shall disclose its accounting policy for land under roads acquired before the end of the first reporting period ending on or after 31 December 2007, in each reporting period to which this Standard is applied.  12 The nature and net amount of each adjustment made in accordance with paragraph 9 shall be disclosed.	<ul style="list-style-type: none"> <li>As the information in paragraph 11 relates to an accounting policy choice, it should be included in Appendix X to AASB 10xx.</li> <li>However, paragraph 9 relates to transitional adjustments recognised when the election to adopt the policy was first made. This information is no longer relevant and paragraph 12 should therefore not be included.</li> </ul>	<del>11</del> <u>AusNFP7.1</u> An entity shall disclose its accounting policy for land under roads acquired before the end of the first reporting period ending on or after 31 December 2007, in each reporting period to which <del>this Standard</del> <u>AASB 1051 Land Under Roads</u> is applied.

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AASB 1052 Disaggregated Disclosures	-	Public sector	<p><i>The standard applies to GPFS of local governments and government departments and sets out requirements in relation to reporting of disaggregated information.</i></p> <p><i>For the purpose of this analysis, only those disclosure paragraphs have been included that apply to government departments. Paragraphs 11-14 only apply to local governments, who are not permitted to prepare Tier 2 GPFS under AASB 1053, and hence will not be able to apply AASB 10xx.</i></p>			<p><b>Disclosure of Service Costs and Achievements by Government Departments</b></p> <p>15 The complete set of financial statements of a government department shall disclose:</p> <p>(a) in summarised form, the identity and purpose of each major activity undertaken by the government department during the reporting period;</p> <p>(b) if not otherwise disclosed in, or in conjunction with, the government department's complete set of financial statements, a summary of the government department's objectives;</p> <p>(c) expenses reliably attributable to each of the activities identified in (a) above, showing separately each major class of expenses; and (d) income reliably attributable to each</p>	<ul style="list-style-type: none"> <li>• While disaggregation of amounts is noted as a key item for disclosure in BCxx, The AASB had previously considered these disclosures in ED277 and concluded that the costs of providing this information would outweigh the benefits for Tier 2 entities.</li> <li>• These reasons are still valid and the previous RDR disclosures (shaded in the text on the left) should therefore not be included in Appendix X of AASB 10xx.</li> </ul>	

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						<p>of the activities identified in (a) above, showing separately user charges, income from government and other income by major class of income.</p> <p>16 The complete set of financial statements of a government department shall also disclose the assets deployed and liabilities incurred that are reliably attributable to each of the activities identified in paragraph 15(a).</p> <p>17 Government departments are required to achieve service delivery as well as financial objectives. Accordingly, a government department's performance is assessed by reference to the effectiveness, economy and efficiency with which the government department achieves its service delivery and financial objectives. Financial information is</p>		

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			<i>Scope/ Transition / Appendix</i>	<i>R&amp;M</i>	<i>Disclosures</i>			
						<p>therefore only a subset of the information necessary to enable an adequate assessment of a government department's performance. Accordingly, the complete set of financial statements is presented as part of an annual report that discloses information about such matters as the government department's objectives and service delivery achievements during the reporting period. To enhance the quality of information available for assessing performance, paragraph 15 requires that a summary of the government department's objectives be disclosed in the complete set of financial statements where the government department's annual report does not include this disclosure.</p> <p>18 Paragraphs 15 and 16 require disclosure of information about the</p>		

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						<p>expenses, income, assets and liabilities attributable to the major activities of a government department for the reporting period. This information is relevant in assessing the effectiveness, efficiency and economy of operations and of resource allocation decisions. It is also necessary for reviewing existing expenditure commitments and service delivery arrangements, and for considering the long-term funding implications of new initiatives.</p> <p>19 However, in some instances it may not be possible to reliably attribute all expenses, income, assets and liabilities to each of the major activities of a government department. Paragraphs 15 and 16 require that the complete set of financial statements of a government department only</p>		

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						disclose, on an activity by activity basis, information about the expenses, income, assets and liabilities that can be reliably attributed to major activities.  Paras 20 and 21 are technically also related to disclosures, so should also be included for completeness.		
AASB 1053 Application of Tiers of Australian Accounting Standards	-	FP, Public sector and NFP	<i>Includes requirements on application of deferential reporting and moving between tiers</i>				N/A	
AASB 1054 Australian Additional Disclosures	-	FP,NFP and Public sector		No	No		N/A	



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AASB 1055 Budgetary Reporting	-	Public sector	<p><i>The standard applies to whole of government GPFS of each government, financial statements of each government's GGS, GPFS of each NFP reporting entity within the GGS, and financial statements of each NFP entity within the GGS that are, or are held out to be, GPFS.]</i></p> <p><i>It specifies budgetary disclosure requirements for these entities.</i></p> <p><i>For the purpose of this analysis, only disclosure paragraphs have been included.</i></p>			<p><b>Budgetary Information</b></p> <p>6 Where an entity's budgeted:</p> <p>(a) statement of financial position;</p> <p>(b) statement of profit or loss and other comprehensive income;</p> <p>(c) statement of changes in equity; or</p> <p>(d) statement of cash flows; reflecting controlled items is presented to parliament and is separately identified as relating to that entity, the entity shall disclose for the reporting period:</p> <p>(e) that original budgeted financial statement presented to parliament, presented and classified on a basis that is consistent with the presentation and classification adopted in the corresponding financial statement prepared in</p>	<ul style="list-style-type: none"> <li>• Budgetary reporting is unique to public sector entities. Users would therefore expect information about this even in a set of Tier 2 GPFS.</li> <li>• The disclosures on the left should therefore also be retained for Tier 2 entities. However, rather than including the full text of AASB 1055, entities will be required to comply with the requirements in AASB 1055 when disclosing budgetary information.</li> </ul>	<p>6 <u>AusNFP8.1</u> Where an entity's budgeted:</p> <p>(a) statement of financial position;</p> <p>(b) statement of profit or loss and other comprehensive income;</p> <p>(c) statement of changes in equity; or</p> <p>(d) statement of cash flows; reflecting controlled items is presented to parliament and is separately identified as relating to that entity, the entity shall disclose for the reporting period:</p> <p>(e) that original budgeted financial statement presented to parliament, presented and classified on a basis that is consistent with the presentation and classification adopted in the corresponding financial</p>

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						<p>accordance with Australian Accounting Standards; and</p> <p>(f) explanations of major variances between the actual amounts presented in the financial statements and the corresponding original budget amounts.</p> <p>7 Where an entity within the GGS's budgeted financial information reflecting major classes of administered income and expenses, or major classes of administered assets and liabilities, is presented to parliament and is separately identified as relating to that entity, the entity shall disclose for the reporting period:</p> <p>(a) that original budgeted financial information presented to parliament, presented and classified on a basis that is consistent with the presentation and classification adopted for the corresponding</p>		<p>statement prepared in accordance with Australian Accounting Standards; and</p> <p>(f) explanations of major variances between the actual amounts presented in the financial statements and the corresponding original budget amounts.</p> <p><del>7</del> <u>AusNFP8.2</u> Where an entity within the GGS's budgeted financial information reflecting major classes of administered income and expenses, or major classes of administered assets and liabilities, is presented to parliament and is separately identified as relating to that entity, the entity shall disclose for the reporting period:</p> <p>(a) that original budgeted financial information presented to parliament, presented and</p>

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						<p>information about administered items disclosed in accordance with AASB 1050 Administered Items; and</p> <p>(b) explanations of major variances between the actual amounts disclosed in the financial statements in accordance with AASB 1050 and the corresponding original budget amounts</p> <p>8 Comparative budgetary information in respect of the previous period need not be disclosed.</p> <p>9 The original budget is the first budget presented to parliament in respect of the reporting period.</p> <p>10 Under AASB 101 Presentation of Financial Statements an entity may present a statement of profit or loss and other comprehensive income as:</p>		<p>classified on a basis that is consistent with the presentation and classification adopted for the corresponding information about administered items disclosed in accordance with AASB 1050 Administered Items; and</p> <p>(b) explanations of major variances between the actual amounts disclosed in the financial statements in accordance with AASB 1050 and the corresponding original budget amounts.</p> <p><u>8 AusNFP8.3 Comparative budgetary information in respect of the previous period need not be disclosed.</u></p> <p><u>When disclosing budgetary information under AusNFP8.1-8.3, the entity must comply with</u></p>

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						<p>(a) a single statement of profit or loss and other comprehensive income, with profit or loss and other comprehensive income presented in two sections; or (b) the profit or loss section in a separate statement of profit or loss, and a separate statement presenting comprehensive income that begins with profit or loss.</p> <p>AASB 1049 Whole of Government and General Government Sector Financial Reporting limits the presentation of the statement of profit or loss and other comprehensive income of a GGS and a whole of government to the format described in (a) above. Accordingly, if a GGS or whole of government budget presented to parliament is in the format described in (b), in accordance with paragraph 6(e) of this Standard, that budgeted information would</p>		<p><u>the requirements in AASB 1055 Budgetary Reporting.</u></p>

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						<p>need to be restated for disclosure purposes to align with the format described in (a).</p> <p>11 Any revised budget that is presented to parliament during the reporting period may be disclosed in the financial statements in addition to the original budget and might need to be referred to in explanations of major variances as noted in paragraph 15.</p> <p>12 Information provided in accordance with paragraph 6 or 7 facilitates users of financial statements (including taxpayers) making and evaluating decisions about the allocation of scarce resources and for assessing the discharge of an entity's accountability. The budget information is disclosed on the same presentation and classification bases adopted for the</p>		

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						<p>corresponding actual information in the financial statements, to facilitate a comparison of actual outcomes against the budget. Accordingly:</p> <p>(a) in relation to controlled items, to the extent the presentation and classification bases adopted in the budget presented to parliament are not consistent with the corresponding financial statements, the budget presented to parliament is restated for disclosure purposes to align with the presentation and classification bases adopted in the corresponding financial statements. As such, the budget information may be presented in the corresponding financial statements; and (b) in relation to administered items of entities within the GGS, to the extent the presentation and classification bases adopted in the budget presented to parliament are</p>		

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						<p>not consistent with the corresponding information about administered items disclosed in accordance with AASB 1050, the budget presented to parliament is restated for disclosure purposes to align with the presentation and classification bases adopted for the corresponding information about administered items disclosed in accordance with AASB 1050. As such, the budget information may be disclosed with the corresponding information about administered items, including where the corresponding information about administered items is disclosed with the financial statements.</p> <p>(b)in relation to administered items of entities within the GGS, to the extent the presentation and classification bases adopted in the budget presented to parliament are not consistent with the</p>		

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						<p>corresponding information about administered items disclosed in accordance with AASB 1050, the budget presented to parliament is restated for disclosure purposes to align with the presentation and classification bases adopted for the corresponding information about administered items disclosed in accordance with AASB 1050. As such, the budget information may be disclosed with the corresponding information about administered items, including where the corresponding information about administered items is disclosed with the financial statements.</p> <p>13 Budgeted financial information reflecting administered income and expenses, or assets and liabilities, presented to parliament that is subject to the requirements of paragraph 7 would, consistent with AASB 1050, at a minimum, contain</p>		



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						<p>information about major classes of administered income and expenses, or major classes of administered assets and liabilities. Accordingly, if the budgeted information of an entity within a GGS is presented to parliament only at a more highly summarised level, for example, budgeted aggregate of administered income and expenses, that entity would not be required to report the budgetary information specified in paragraph 7. Similarly, the requirements in paragraph 6 do not apply where parliament only receives information about an entity's budgeted controlled items at a more highly summarised level than the level of information required by Australian Accounting Standards to be presented in the financial statements.</p> <p>14 The budgetary reporting requirements in this Standard only</p>		

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						<p>apply to an entity within the GGS where budgeted information about controlled or administered items is separately identified as relating to that entity within the budgetary information presented to parliament. Accordingly, for example, where:</p> <p>(a) a consolidated GGS budget presented to parliament incorporates a budget of an entity within the GGS in a way that the individual entity's budget is not separately identified as relating to that entity; and</p> <p>(b) a separate individual budget is not presented to parliament for that entity;</p> <p>that entity's budget is not regarded as having been presented to parliament and therefore the entity is not required to report the</p>		

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						<p>budgetary information specified in this Standard.</p> <p>15 The explanations of major variances required to be disclosed by paragraph 6(f) or 7(b) are those relevant to an assessment of the discharge of accountability and to an analysis of performance of an entity, not merely focusing on the numerical differences between original budget and actual amounts. They include high-level explanations of the causes of major variances rather than merely the nature of the variances. Furthermore, if revised budgets are presented to parliament, even when there are no major numerical differences between the original budget and actual amounts, an entity might need to have regard to those revised budgets and include explanations for major numerical differences between them and</p>		

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						actual amounts. Such explanations are made when they are relevant for the assessment of the discharge of accountability and to an analysis of the performance of an entity.		
AASB 1056 Superannuation Entities	-		FP only				N/A	
AASB 1057 Application of Australian Accounting Standards	-	FP, NFP, Public sector	<b>Does not include R&amp;M or Disclosures</b>				N/A	
AASB 1058 Income of Not-for-Profit Entities	-	NFP	<i>AASB 1058 applies to all NFP entities. It addresses the accounting for the income arising from transactions where the consideration to acquire an asset is significantly less than fair value principally to enable the NFP entity to further its objectives, and</i>			<b>Disclosure</b> 23 The objective of the disclosure requirements is for an entity to disclose sufficient information to enable users of financial statements to understand the effects of volunteer services and other transactions where an entity	<ul style="list-style-type: none"> <li>• Disclosure of this information would arguably not be required under the principles a-f set out in BC30 to AASB 10xx.</li> <li>• However, the transactions in scope of AASB 1058 are unique to NFP private and public</li> </ul>	23 <u>AusNFP9.1</u> The objective of the disclosure requirements is for an entity to disclose sufficient information to enable users of financial statements to

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			<p><i>from the receipt volunteer services.</i></p> <p><i>The standard creates R&amp;M differences as it requires the recognition of the relevant assets at their fair value, and permits the recognition of volunteer services at fair value under certain circumstances.</i></p> <p><i>For the purposes of this analysis, only disclosure paragraphs have been included.</i></p>			<p>acquires an asset for consideration that is significantly less than fair value principally to enable the entity to further its objectives on the financial position, financial performance and cash flows of the entity. Paragraphs 24–41 specify requirements relating to this objective.</p> <p>24 An entity shall consider the level of detail necessary to satisfy the disclosure objective and how much emphasis to place on each of the various requirements. An entity shall aggregate or disaggregate disclosures so that useful information is not obscured by either the inclusion of a large amount of insignificant detail or the aggregation of items that have substantially different characteristics.</p>	<p>sector entities. Users of the financial statements would therefore require information about the extent of these transactions, even in Tier 2 GPFS.</p> <p>•The RDR disclosures in AASB 1058 have been developed based on a cost/benefit analysis in 2018. This analysis is still relevant and therefore the disclosures currently required under AASB 1058 for Tier 2 entities should be similarly included in Appendix A of AASB 10xx.</p>	<p>understand the effects of volunteer services and other transactions where an entity acquires an asset for consideration that is significantly less than fair value principally to enable the entity to further its objectives on the financial position, financial performance and cash flows of the entity. Paragraphs <del>24–41</del> <u>AusNFP9.2- AusNFP9.16</u> specify requirements relating to this objective.</p> <p><del>24</del> <u>AusNFP9.2</u> An entity shall consider the level of detail necessary to satisfy the disclosure objective and how much emphasis to place on each of the various requirements. An entity shall aggregate or disaggregate disclosures so that useful information is not obscured by either the inclusion</p>

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						<p>25 An entity need not disclose information in accordance with this Standard if it has provided the information in accordance with another Standard.</p> <p>26 An entity shall disclose income recognised during the period, disaggregated into categories that reflect how the nature and amount of income (and the resultant cash flows) are affected by economic factors. An entity considers disclosing separately the following categories of income:</p> <p>(a) grants, bequests and donations of cash, other financial assets and goods;</p> <p>(b) recognised volunteer services; and</p> <p>(c) for government departments and other public sector entities, appropriation amounts recognised</p>		<p>of a large amount of insignificant detail or the aggregation of items that have substantially different characteristics.</p> <p><del>25</del> <u>AusNFP9.3</u> An entity need not disclose information in accordance with <del>this Standard</del> <u>AASB 1058</u> if it has provided the information in accordance with another Standard.</p> <p><del>26</del> <u>AusNFP9.4</u> An entity shall disclose income recognised during the period, disaggregated into categories that reflect how the nature and amount of income (and the resultant cash flows) are affected by economic factors. An entity considers disclosing separately the following categories of income:</p>

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						<p>as income, by class of appropriation.</p> <p>27 To assist users to make informed judgements about the contribution of volunteer services and inventories to the achievement of the entity's objectives during the reporting period, and the entity's dependence on such contributions for the achievement of its objectives in the future, an entity is encouraged to disclose qualitative information, by major class of transaction, about the nature of the entity's dependence arising from:</p> <p>(a) volunteer services it receives, including those not recognised; and</p> <p>(b) inventories held but not recognised as assets during the period.</p> <p><b>Non-contractual income arising from statutory requirements</b></p>		<p>(a) grants, bequests and donations of cash, other financial assets and goods;</p> <p>(b) recognised volunteer services; and</p> <p>(c) for government departments and other public sector entities, appropriation amounts recognised as income, by class of appropriation.</p> <p><del>27 To assist users to make informed judgements about the contribution of volunteer services and inventories to the achievement of the entity's objectives during the reporting period, and the entity's dependence on such contributions for the achievement of its objectives in the future, an entity is encouraged to disclose qualitative information, by major</del></p>

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						<p>28 An entity shall disclose income arising from statutory requirements (such as taxes, rates and fines) recognised during the period, disaggregated into categories that reflect how the nature and amount of income (and the resultant cash flows) are affected by economic factors. 29 To meet the objective in paragraph 23, an entity shall consider disclosing information about assets and liabilities recognised at the reporting date in accordance with this Standard, including the amounts of:</p> <p>(a) receivables that are not a financial asset as defined in AASB 132 Financial Instruments: Presentation (eg income tax receivable from a taxpayer), and:</p> <p>(i) interest income recognised in relation to such receivables during the period; and</p>		<p><del>class of transaction, about the nature of the entity's dependence arising from:</del></p> <p><del>(a) volunteer services it receives, including those not recognised; and</del></p> <p><del>(b) inventories held but not recognised as assets during the period.</del></p> <p><b>Non-contractual income arising from statutory requirements</b></p> <p><b>28 AusNFP9.5</b> An entity shall disclose income arising from statutory requirements (such as taxes, rates and fines) recognised during the period, disaggregated into categories that reflect how the nature and amount of income (and the resultant cash flows) are affected by economic factors.</p>



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						<p>(ii) impairment losses recognised in relation to such receivables during the period; and</p> <p>(b) financial liabilities relating to prepaid taxes or rates for which the taxable event has yet to occur, and the future period(s) to which those taxes or rates relate.</p> <p>30 Other information that may be appropriate for an entity to disclose includes, for each class of taxation income that the entity cannot measure reliably during the period in which the taxable event occurs (see paragraphs B28–B31):</p> <p>(a) information about the nature of the tax;</p> <p>(b) the reason(s) why that income cannot be measured reliably; and</p> <p>(c) when that uncertainty might be resolved.</p>		<p><del>29</del> <u>AusNFP9.6</u> To meet the objective in paragraph <u>AusNFP9.1</u> <del>23</del>, an entity shall consider disclosing information about assets and liabilities recognised at the reporting date in accordance with <del>this Standard</del> <u>AASB 1058</u>, including the amounts of:</p> <p>(a) receivables that are not a financial asset as defined in <i>AASB 132 Financial Instruments: Presentation</i> (eg income tax receivable from a taxpayer), and:</p> <p>(i) interest income recognised in relation to such receivables during the period; and</p> <p>(ii) impairment losses recognised in relation to such receivables during the period; and</p> <p>(b) financial liabilities relating to prepaid taxes or rates for which the taxable event has yet to</p>

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						<p><b>Transfers to enable an entity to acquire or construct a recognisable non-financial asset to be controlled by the entity</b></p> <p>31 An entity shall disclose the opening and closing balances of financial assets arising from transfers to enable an entity to acquire or construct recognisable non-financial assets to be controlled by the entity and the associated liabilities arising from such transfers, if not otherwise separately presented or disclosed. An entity shall also disclose income recognised in the reporting period arising from the reduction of an associated liability.</p> <p>32 An entity shall disclose information about its obligations under such transfers, including a description of when the entity typically satisfies its obligations (for</p>		<p>occur, and the future period(s) to which those taxes or rates relate.</p> <p><del>30</del> <u>AusNFP9.7</u> Other information that may be appropriate for an entity to disclose includes, for each class of taxation income that the entity cannot measure reliably during the period in which the taxable event occurs (see paragraphs B28–B31 of <u>AASB 1058</u>):</p> <p>(a) information about the nature of the tax;</p> <p>(b) the reason(s) why that income cannot be measured reliably; and</p> <p>(c) when that uncertainty might be resolved.</p> <p><b>Transfers to enable an entity to acquire or construct a</b></p>

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						<p>example, as the asset is constructed, upon completion of construction or when the asset is acquired).</p> <p>33 An entity shall disclose an explanation of when it expects to recognise as income any liability for unsatisfied obligations as at the end of the reporting period. An entity may disclose this information in either of the following ways:</p> <p>(a) on a quantitative basis using the time bands that would be most appropriate for the duration of the remaining obligations; or</p> <p>(b) through qualitative information.</p> <p>34 An entity shall disclose the judgements, and changes in the judgements, made in applying this Standard that significantly affect the determination of the amount and timing of income arising from transfers to enable an entity to</p>		<p><b>recognisable non-financial asset to be controlled by the entity</b></p> <p><del>31</del> <u>AusNFP9.8</u> An entity shall disclose the opening and closing balances of financial assets arising from transfers to enable an entity to acquire or construct recognisable non-financial assets to be controlled by the entity and the associated liabilities arising from such transfers, if not otherwise separately presented or disclosed. An entity shall also disclose income recognised in the reporting period arising from the reduction of an associated liability.</p> <p><del>32</del> <u>AusNFP9.9</u> An entity shall disclose information about its obligations under such transfers, including a description of when the entity typically satisfies its obligations (for example, as the</p>

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						<p>acquire or construct a recognisable non-financial asset to be controlled by the entity. In particular, an entity shall explain the judgements, and changes in the judgements, made in determining the timing of satisfaction of obligations (see paragraphs 35 and 36).</p> <p>35 For obligations that an entity satisfies over time, an entity shall disclose both of the following:</p> <p>(a) the methods used to recognise income (for example, a description of the output methods or input methods used and how those methods are applied); and</p> <p>(b) an explanation of why the methods used provide a faithful depiction of the entity's progress toward satisfying its obligations.</p> <p>36 For obligations satisfied at a point in time, an entity shall disclose the significant judgements</p>		<p>asset is constructed, upon completion of construction or when the asset is acquired).</p> <p><del>33 An entity shall disclose an explanation of when it expects to recognise as income any liability for unsatisfied obligations as at the end of the reporting period. An entity may disclose this information in either of the following ways:</del></p> <p><del>(a) on a quantitative basis using the time bands that would be most appropriate for the duration of the remaining obligations; or</del></p> <p><del>(b) through qualitative information.</del></p> <p><u>34 AusNFP9.10</u> An entity shall disclose the judgements, and changes in the judgements, made in applying this Standard <u>AASB 1058</u> that significantly</p>

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						<p>made in evaluating when it has satisfied its obligations.</p> <p><b>Restrictions</b></p> <p>37 An entity is encouraged to disclose information about externally imposed restrictions that limit or direct the purpose for which resources controlled by the entity may be used. For example, an entity may elect to disclose an explanation of the judgements used in determining whether funds are restricted and any of, or any combination of, the following:</p> <p>(a) assets to be used for specified purposes;</p> <p>(b) components of equity divided into restricted and unrestricted amounts; and</p> <p>(c) total comprehensive income divided into restricted and unrestricted amounts – either on</p>		<p>affect the determination of the amount and timing of income arising from transfers to enable an entity to acquire or construct a recognisable non-financial asset to be controlled by the entity. In particular, an entity shall explain the judgements, and changes in the judgements, made in determining the timing of satisfaction of obligations (see paragraphs <del>35 and 36</del> <u>AusNFP9.11 and AusNFP9.12</u>).</p> <p><del>35</del><u>AusNFP9.11</u> For obligations that an entity satisfies over time, an entity shall <del>both of the</del> following:</p> <p>(a) the methods used to recognise income (for example, a description of the output methods or input methods used and how those methods are applied); <del>and</del></p>

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						<p>the face of the statement of profit or loss and other comprehensive income or in the notes.</p> <p><b>Compliance with parliamentary appropriations and other related authorities for expenditure</b></p> <p>38 Paragraphs 39–41 apply only to government departments and other public sector entities that obtain part or all of their spending authority for the period from a parliamentary appropriation. The amounts disclosed in accordance with paragraphs 39–41 include any amounts appropriated in respect of which the entity recognises revenue or other income in accordance with another Australian Accounting Standard.</p> <p>39 An entity shall disclose:</p> <p>(a) a summary of the recurrent, capital or other major categories of amounts authorised for expenditure</p>		<p><del>(b) an explanation of why the methods used provide a faithful depiction of the entity's progress toward satisfying its obligations</del></p> <p><b>36 AusNFP9.12</b> For obligations satisfied at a point in time, an entity shall disclose the significant judgements made in evaluating when it has satisfied its obligations.</p> <p><b>Restrictions</b></p> <p><del>37 An entity is encouraged to disclose information about externally imposed restrictions that limit or direct the purpose for which resources controlled by the entity may be used. For example, an entity may elect to disclose an explanation of the judgements used in determining whether funds are restricted and</del></p>

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						<p>(including parliamentary appropriations), disclosing separately:</p> <p>(i) the original amounts appropriated; and</p> <p>(ii) the total of any supplementary amounts appropriated and amounts authorised other than by way of appropriation (eg by the Treasurer, other Minister or other legislative authority);</p> <p>(b) the expenditures in respect of each of the items disclosed in (a) above; and</p> <p>(c) the reasons for any material variances between the amounts appropriated or otherwise authorised and the resulting associated expenditures, and any financial consequences for the entity of unauthorised expenditure.</p>		<p>any of, or any combination of, the following:</p> <p>(a) assets to be used for specified purposes;</p> <p>(b) components of equity divided into restricted and unrestricted amounts; and</p> <p>(c) total comprehensive income divided into restricted and unrestricted amounts – either on the face of the statement of profit or loss and other comprehensive income or in the notes.</p> <p><b>Compliance with parliamentary appropriations and other related authorities for expenditure</b></p> <p><del>38 AusNFP9.13 Paragraphs 39–41 AusNFP9.14– AusNFP9.16</del> apply only to government</p>

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						40 For the purposes of resource allocation decisions, including assessments of accountability, this Standard requires that users of financial statements of government departments and other public sector entities that obtain part or all of their spending authority for the period from a parliamentary appropriation be provided with information about the amounts appropriated or otherwise authorised for the entity's use, and whether the entity's expenditures were as authorised. This information may be based on acquittal processes applied by an entity. When spending limits imposed by parliamentary appropriation or other authorisation have not been complied with, information regarding the amount of, and reasons for, the non-compliance is		<p>departments and other public sector entities that obtain part or all of their spending authority for the period from a parliamentary appropriation. The amounts disclosed in accordance with paragraphs <del>39–41</del> <u>AusNFP9.14- AusNFP9.16</u> include any amounts appropriated in respect of which the entity recognises revenue or other income in accordance with another Australian Accounting Standard.</p> <p><del>39-AusNFP9.14</del> An entity shall disclose:</p> <p>(a) a summary of the recurrent, capital or other major categories of amounts authorised for expenditure (including parliamentary appropriations), disclosing separately:</p>



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						<p>relevant for assessing the performance of management, the likely consequences of non-compliance, and the ability of the entity to continue to provide services at a similar or different level in the future.</p> <p>41 Broad summaries of the major categories of appropriations and associated expenditures, rather than detailed reporting of appropriations for each activity or output, is sufficient for most users of such an entity's financial statements. Determining the level of detail and the structure of the summarised information is a matter of judgement. To develop effective disclosures, entities also subject to AASB 1055 Budgetary Reporting might consider the variance disclosure requirements in that Standard at the same time.</p>		<p>(i) the original amounts appropriated; and</p> <p>(ii) the total of any supplementary amounts appropriated and amounts authorised other than by way of appropriation (eg by the Treasurer, other Minister or other legislative authority);</p> <p>(b) the expenditures in respect of each of the items disclosed in (a) above; and</p> <p>(c) the reasons for any material variances between the amounts appropriated or otherwise authorised and the resulting associated expenditures, and any financial consequences for the entity of unauthorised expenditure.</p>

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								<p>40 AusNFP9.15 For the purposes of resource allocation decisions, including assessments of accountability, <del>this Standard</del> AASB 1058 requires that users of financial statements of government departments and other public sector entities that obtain part or all of their spending authority for the period from a parliamentary appropriation be provided with information about the amounts appropriated or otherwise authorised for the entity's use, and whether the entity's expenditures were as authorised. This information may be based on acquittal processes applied by an entity. When spending limits imposed by parliamentary appropriation or other authorisation have not been complied with, information</p>

AASB Standard/ Interpretati on	Equivalent IFRS for SMEs Section	Sector (For profit, NFP or public sector)	NFP modification paragraph Paragraph no. where NFP modifications appear (p.)			Text from the Standard	Conclusion	Additional disclosures for NFP entities to be included in the new Tier 2 Standard
			<i>Scope/ Transition / Appendix</i>	<i>R&amp;M</i>	<i>Disclosures</i>			
								<p>regarding the amount of, and reasons for, the non-compliance is relevant for assessing the performance of management, the likely consequences of non-compliance, and the ability of the entity to continue to provide services at a similar or different level in the future.</p> <p>41 <u>AusNFP9.16</u> Broad summaries of the major categories of appropriations and associated expenditures, rather than detailed reporting of appropriations for each activity or output, is sufficient for most users of such an entity's financial statements. Determining the level of detail and the structure of the summarised information is a matter of judgement. To develop effective disclosures, entities also subject to AASB 1055 <i>Budgetary Reporting</i> might</p>

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								consider the variance disclosure requirements in that Standard at the same time.
AASB 1059 Service Concession Arrangements: Grantors	-	Public sector	<p><i>AASB 1059 applies to the accounting for service concession arrangements by public sector entities.</i></p> <p><i>For the purposes of this analysis, only disclosure paragraphs have been included.</i></p>			<p>28 The objective of the disclosure requirements is for an entity to disclose sufficient information to enable users of financial statements to understand the nature, amount, timing and uncertainty of assets, liabilities, revenue and cash flows arising from service concession arrangements. To achieve this, an entity shall consider disclosing qualitative and quantitative information about its service concession arrangements, including the following:</p> <p>(a) a description of the arrangements;</p> <p>(b) significant terms of the arrangements that may affect the</p>	<ul style="list-style-type: none"> <li>• Not all of the information required under paras 28 and 29 would arguably be required under the broad principles a-f in BC30 to AASB 10xx.</li> <li>• However, the transactions in scope of AASB 1059 are unique to public sector entities, and users of the financial statements would therefore require information about the extent of these transactions, even in Tier 2 GPFS.</li> <li>• On that basis, the disclosures in paragraphs 28 and 29 should be included in Appendix A of AASB 10xx.</li> </ul>	<p><del>28-AusNFP10.1</del> The objective of the disclosure requirements is for an entity to disclose sufficient information to enable users of financial statements to understand the nature, amount, timing and uncertainty of assets, liabilities, revenue and cash flows arising from service concession arrangements. To achieve this, an entity shall consider disclosing qualitative and quantitative information about its service concession arrangements, including the following:</p> <p>(a) a description of the arrangements;</p>

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						<p>amount, timing and uncertainty of future cash flows (eg the period of the arrangement, re-pricing dates and the basis upon which re-pricing or renegotiation is determined);</p> <p>(c) the nature and extent (eg quantity, time period, or amount, as appropriate) of:</p> <p>(i) rights to receive specified services from the operator;</p> <p>(ii) the carrying amount of service concession assets as at the end of the reporting period, including separate disclosure for existing assets of the grantor reclassified as service concession assets during the reporting period;</p> <p>(iii) rights to receive specified assets at the end of an arrangement;</p> <p>(iv) renewal and termination options;</p>	<p>•However, paragraph B79 provides additional guidance only and can therefore be omitted.</p>	<p>(b) significant terms of the arrangements that may affect the amount, timing and uncertainty of future cash flows (eg the period of the arrangement, re-pricing dates and the basis upon which re-pricing or renegotiation is determined);</p> <p>(c) the nature and extent (eg quantity, time period, or amount, as appropriate) of:</p> <p>(i) rights to receive specified services from the operator;</p> <p>(ii) the carrying amount of service concession assets as at the end of the reporting period, including separate disclosure for existing assets of the grantor reclassified as service concession assets during the reporting period;</p>

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						<p>(v) other rights and obligations (eg major overhaul of service concession assets); and</p> <p>(vi) obligations to provide the operator with access to service concession assets or other revenue-generating assets; and</p> <p>(d) changes in arrangements occurring during the reporting period.</p> <p>29 The disclosures provided by an entity in accordance with paragraph 28 are provided individually for each material service concession arrangement or in aggregate for service concession arrangements involving services of a similar nature, in addition to disclosures required by AASB 116 and AASB 138. Service concession assets of a similar nature may form a subset of a class of assets disclosed in accordance with AASB 116 or AASB</p>		<p>(iii) rights to receive specified assets at the end of an arrangement;</p> <p>(iv) renewal and termination options;</p> <p>(v) other rights and obligations (eg major overhaul of service concession assets); and</p> <p>(vi) obligations to provide the operator with access to service concession assets or other revenue-generating assets; and</p> <p>(d) changes in arrangements occurring during the reporting period.</p> <p><u>29 AusNFP10.2</u> The disclosures provided by an entity in accordance with paragraph <del>28</del> <u>AusNFP10.1</u> are provided individually for each material service concession arrangement or in aggregate for service</p>

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						<p>138 or may be included in more than one class of assets disclosed in accordance with AASB 116 or AASB 138. For example, for the purposes of AASB 116, a toll bridge may be included in the same class as other bridges, and for the purposes of paragraph 28 may be included with service concession assets reported in aggregate as toll roads.</p> <p>B79 Disclosures relating to various aspects of service concession arrangements may be addressed in other Standards. This Standard addresses only the additional disclosures relating to service concession arrangements. Where the accounting for a particular aspect of a service concession arrangement is addressed in another Standard, the grantor follows the relevant disclosure requirements of that Standard in addition to those set out in</p>		<p>concession arrangements involving services of a similar nature, in addition to disclosures required by AASB 116 and AASB 138. Service concession assets of a similar nature may form a subset of a class of assets disclosed in accordance with AASB 116 or AASB 138 or may be included in more than one class of assets disclosed in accordance with AASB 116 or AASB 138. For example, for the purposes of AASB 116, a toll bridge may be included in the same class as other bridges, and for the purposes of paragraph 28 <u>AusNFP10.1</u> may be included with service concession assets reported in aggregate as toll roads.</p>

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						paragraphs 28 and 29. The grantor also applies the relevant presentation and disclosure requirements in other Standards as they pertain to assets, liabilities, revenues, and expenses recognised under this Standard.		
AASB Interpretation 1 <i>Changes in Existing Decommissioning, Restoration and Similar Liabilities</i>			<i>R&amp;M paragraph</i>			Aus6.1 Notwithstanding paragraph 6, in respect of a not-for-profit entity, the requirements of paragraph 6 shall be applied in relation to a class of assets, consistent with the revaluation model requirements of AASB 116 for not-for-profit entities.	<ul style="list-style-type: none"> <li>• This paragraph only refers to the R&amp;M difference identified in AASB 116, which has been considered above.</li> </ul>	