

AASB Standard

AASB 2012-7
September 2012

Amendments to Australian Accounting Standards arising from Reduced Disclosure Requirements

**[AASB 7, AASB 12, AASB 101 &
AASB 127]**



Australian Government

**Australian Accounting
Standards Board**

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Australian Accounting Standard AASB 2012-7 *Amendments to Australian Accounting Standards arising from Reduced Disclosure Requirements* is set out in paragraphs 1 – 11. All the paragraphs have equal authority.

PREFACE

Introduction

This Standard makes amendments to the Australian Accounting Standards listed in paragraph 1 of this Standard to incorporate reduced disclosure requirements into the Standards for entities preparing general purpose financial statements under Australian Accounting Standards – Reduced Disclosure Requirements.

These amendments result from the application of the AASB’s ‘Tier 2 Disclosure Principles’ and are based on the proposals that were included in the following Exposure Drafts:

- (a) ED 207 *Amendments to AASB 7: Tier 2*;
- (b) ED 209 *Offsetting Financial Assets and Financial Liabilities (proposed amendments to AASB 7 and AASB 132, and proposal relating to Tier 2 disclosure requirements)*;
- (c) ED 213 *Improvements to IFRSs*;
- (d) ED 216 *AASB 12 Disclosure of Interests in Other Entities: Tier 2 proposals*;
- (e) ED 217 *AASB 127 Separate Financial Statements: Tier 2 proposals*; and
- (f) ED 218 *Presentation of Items of Other Comprehensive Income: Tier 2 Proposals*.

Main Features of this Standard

Application Date

This Standard applies to annual reporting periods beginning on or after 1 July 2013. Earlier application of the Standard (or its amendments to individual Standards) is permitted for annual reporting periods beginning on or after 1 July 2009 but before 1 July 2013, provided that the Standards listed in paragraph 5 of this Standard (as relevant) are also adopted for the same period.

Main Requirements

This Standard adds to or amends the Australian Accounting Standards – Reduced Disclosure Requirements for AASB 7 *Financial Instruments: Disclosures*, AASB 12 *Disclosure of Interests in Other Entities*, AASB 101 *Presentation of Financial Statements* and AASB 127 *Separate Financial Statements*. AASB 1053 *Application of Tiers of Australian Accounting Standards* provides further information regarding the differential reporting framework and the two tiers of reporting requirements for preparing general purpose financial statements.

ACCOUNTING STANDARD AASB 2012-7

The Australian Accounting Standards Board makes Accounting Standard AASB 2012-7 *Amendments to Australian Accounting Standards arising from Reduced Disclosure Requirements* under section 334 of the *Corporations Act 2001*.

Dated 10 September 2012

Kevin M. Stevenson
Chair – AASB

ACCOUNTING STANDARD AASB 2012-7

AMENDMENTS TO AUSTRALIAN ACCOUNTING STANDARDS ARISING FROM REDUCED DISCLOSURE REQUIREMENTS

Objective

1 The objective of this Standard is to make amendments to:

- (a) AASB 7 *Financial Instruments: Disclosures*;
- (b) AASB 12 *Disclosure of Interests in Other Entities*;
- (c) AASB 101 *Presentation of Financial Statements*; and
- (d) AASB 127 *Separate Financial Statements*;

to establish reduced disclosure requirements for entities preparing general purpose financial statements under Australian Accounting Standards – Reduced Disclosure Requirements for additional and amended disclosures arising from:

- (e) AASB 2010-6 *Amendments to Australian Accounting Standards – Disclosures on Transfers of Financial Assets*;
- (f) AASB 12;
- (g) AASB 127;
- (h) AASB 2011-9 *Amendments to Australian Accounting Standards – Presentation of Items of Other Comprehensive Income*;

- (i) AASB 2012-2 *Amendments to Australian Accounting Standards – Disclosures – Offsetting Financial Assets and Financial Liabilities*;
- (j) AASB 2012-5 *Amendments to Australian Accounting Standards arising from Annual Improvements 2009–2011 Cycle*; and
- (k) AASB 2012-6 *Amendments to Australian Accounting Standards – Mandatory Effective Date of AASB 9 and Transition Disclosures*.

Application

2 Subject to paragraph 3, this Standard applies to:

- (a) **each entity that is required to prepare financial reports in accordance with Part 2M.3 of the Corporations Act and that is a reporting entity;**
- (a) **general purpose financial statements of each other reporting entity; and**
- (b) **financial statements that are, or are held out to be, general purpose financial statements.**

3 In respect of AASB 101, this Standard applies to:

- (a) **each entity that is required to prepare financial reports in accordance with Part 2M.3 of the Corporations Act;**
- (b) **general purpose financial statements of each reporting entity; and**
- (c) **financial statements that are, or are held out to be, general purpose financial statements.**

4 This Standard applies to annual reporting periods beginning on or after 1 July 2013.

5 This Standard, or its amendments to individual Standards, may be applied to annual reporting periods beginning on or after 1 July 2009 but before 1 July 2013, provided that AASB 1053 *Application of Tiers of Australian Accounting Standards* and the following Standards (as relevant) are also adopted for the same period:

- (a) amendments to AASB 7 – AASB 2010-6, AASB 2012-2 and AASB 2012-6;
- (b) amendments to AASB 12 – AASB 12;
- (c) amendments to AASB 101 – AASB 2011-9 and AASB 2012-5; and
- (d) amendments to AASB 127 – AASB 127.

When an entity applies this Standard, or its amendments to individual Standards, to such an annual reporting period, it shall disclose that fact.

- 6 This Standard uses underlining, striking out and other typographical material to identify some of the amendments to a Standard in order to make the amendments more understandable. However, the amendments made by this Standard do not include that underlining, striking out or other typographical material.

Amendments to AASB 7

- 7 Paragraph Aus2.9 is amended as follows (new text is underlined and deleted text is struck through):

Aus2.9 The following do not apply to entities preparing general purpose financial statements under Australian Accounting Standards – Reduced Disclosure Requirements:

- (a) paragraphs 6, 9-11B, 9-11, 12A(b), 12A(e), 12C, 13A-13F, 15, 18, 19, 20(c), 20(d), 20A, 25-28, 30(b)-(e), 31-42, 42C, 42D(d), 42D(e), 42E(a), 42E(b), 42E(d)-(f), 42F-42H, B1-B4, and B7-B28 B7-B29 and B33-B53;
- (b) in paragraph 8(a), the text “, showing separately ... ~~AASB 9~~ AASB 139”;
- (c) in paragraph 8(e), the text “, showing separately ... AASB 139”;
- (d) in paragraph 20(a)(i), the text “, showing separately ... ~~AASB 9~~ AASB 139”;
- (e) in paragraph 20(a)(v), the text “, showing separately ... AASB 139”; ~~and~~

- (f) in paragraph 23(d), the text “, showing the ... income”; **and**
- (g) in paragraph 42D(f), the text “the total carrying amount of the original assets before the transfer.”.

...

- 8 The following footnote is added at the end of the first sentence of paragraph B32:

A cross-reference to a paragraph that contains disclosure requirements that do not apply to entities preparing general purpose financial statements under Australian Accounting Standards – Reduced Disclosure Requirements does not amend the requirements for such entities.

Amendments to AASB 12

- 9 The following subheading and paragraphs are added:

Reduced Disclosure Requirements

Aus4.6 The following do not apply to entities preparing general purpose financial statements under Australian Accounting Standards – Reduced Disclosure Requirements:

- (a) **paragraphs 9(a), 9(d), 9(e), 10(a)(ii), 10(b)(ii)-(iv), 11(b), 12, 13(a)(ii), 13(b), 14, 16, 18, 19, 20(b), 21(a)(ii), 21(b)(ii), 21(c), 22, 24(b), 25, 27-29, B10-B17, B25 and B26; and**
- (b) **in paragraph 26, the text “qualitative and quantitative”.**

Entities applying Australian Accounting Standards – Reduced Disclosure Requirements may elect to comply with some or all of these excluded requirements.

Aus4.7 The requirements that do not apply to entities preparing general purpose financial statements under Australian Accounting Standards – Reduced Disclosure Requirements are identified in this Standard by shading of the relevant text.

Amendments to AASB 101

- 10 Paragraph Aus1.8 is amended as follows (new text is underlined and deleted text is struck through):

Aus1.8 The following do not apply to entities preparing general purpose financial statements under Australian Accounting Standards – Reduced Disclosure Requirements:

- (a) paragraphs 10(f), 15, 16, Aus16.3, ~~39(e)~~, 40A-40D, 42(b), 61, 65, 80A, ~~90-92~~, 90, 92, 94, 104, 131 and 134-138; and
- ~~(b) the second sentence in paragraph 39; and~~
- (e) in paragraph 107, the text “, and the related amount of dividends per share”.

...

Amendments to AASB 127

- 11 The following subheading and paragraphs are added:

Reduced Disclosure Requirements

Aus1.6 The following do not apply to entities preparing general purpose financial statements under Australian Accounting Standards – Reduced Disclosure Requirements:

- (a) paragraphs 16, Aus16.1, 17(b) and 17(c);
- (b) in paragraph 17, the text “(other than a parent covered by paragraph 16 or Aus16.1)”; and
- (c) in paragraph 17(a), the text “and the reasons why those statements are prepared if not required by law”.

Entities applying Australian Accounting Standards – Reduced Disclosure Requirements may elect to comply with some or all of these excluded requirements.

Aus1.7 The requirements that do not apply to entities preparing general purpose financial statements under Australian Accounting Standards – Reduced Disclosure Requirements are identified in this Standard by shading of the relevant text.

Aus1.8 The RDR paragraph in this Standard applies only to entities preparing general purpose financial statements under Australian Accounting Standards – Reduced Disclosure Requirements.

RDR17.1 A parent or an investor with joint control of, or significant influence over, an investee, that prepares separate financial statements applying Australian Accounting Standards – Reduced Disclosure Requirements, shall disclose the methods used to account for the investment when the investment is significant.