



Project:	Post-Implementation Reviews	Meeting:	September 2022 (M190)
Topic:	NFP domestic PIRs – academic and non-academic literature reviews	Agenda Item:	9.3
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		Project Priority:	Medium
		Decision-Making:	Low
		Project Status:	Initial deliberations

Objectives of this paper

1. This paper aims to provide an overview of academic and non-academic papers that are relevant to the Not-for-Profit (NFP) domestic post-implementation review (PIR) topics of:
 - (a) income;
 - (b) control/consolidation;
 - (c) the definition of a structured entity;
 - (d) related party disclosures in the public sector; and
 - (e) special purpose financial statements (SPFS) basis of accounting – compliance with Australian Accounting Standards.

Background and objective

2. At its 8-9 September 2021 meeting, the Board considered a proposed PIR process and a strategy for undertaking PIRs on domestic Australian Accounting Standards, including Interpretations¹.
3. The Board agreed to progress its PIR work in tranches over 2021-2025. It concurred with the staff recommendation that its first tranche of PIR work (the 'Category 1 PIRs') should primarily comprise the review of topics that could be expected to inform the Board's decision making on its NFP Private Sector Financial Reporting Framework project (the 'NFP domestic PIRs').
- 2 The AASB *Due Process Framework for Setting Standards* requires a review of any relevant research as part of the PIR process. Staff have performed a literature review on the topics

1 For the purposes of the PIR, "domestic" references both a Standard issued as AASB 10XX and NFP amendments, including guidance, to the suite of Standards that incorporate IFRSs

considered as part of the NFP domestic PIRs. Results were identified using a keyword search in Business Source Complete, Google Scholar, and other academic databases, including the Social Science Research Network (SSRN) and Research Gate.

3. As noted in [agenda paper 4.2](#) to the May 2022 meeting:
 - (a) the preliminary findings from the literature review indicated few published academic research papers that may be relevant to a PIR of the above-noted topics. This outcome was not unexpected, given the NFP/public sector focus and the relatively recent application dates of several of the effecting pronouncements;
 - (b) staff intended to analyse the identified academic research for relevance to this PIR project and provide the Board with an update on its literature review findings at a future Board meeting; and
 - (c) staff also intended to research whether other relevant non-academic research was available, for example, surveys or feedback from industry participants.
4. This paper continues the Board's discussions regarding any relevant academic and non-academic research.

Structure

5. This paper includes:
 - (a) Academic literature review:
 - (i) Methodology
 - (ii) Key messages
 - (b) Non-academic literature review:
 - (i) Methodology
 - (ii) Key messages
 - (c) Appendix A – Academic literature review – Literature on the need for specific sector reporting requirements
 - (d) Appendix B – Academic literature review – Literature on the implementation of the NFP-related accounting standards
 - (e) Appendix C – Non-academic literature review

Academic literature review

Methodology

6. All papers considered in this literature review were identified from Business Source Complete and Google Scholar. The papers were identified by keyword searches using the keywords "AASB 1058", "AASB 15", "AASB 10", "AASB 12", "AASB 1054", "AASB 124," and "NFP," "not for profit," or "not-for-profit." Staff also endeavoured to review academic papers in other databases of academic studies, including the Social Science Research Network (SSRN) and Research Gate. However, no relevant research papers were found.

7. Two relevant academic papers were identified in the literature review. The content of these papers is summarised in Appendix A and Appendix B.
8. An important caveat when interpreting this review is that there is a limited number of academic papers related to Australian NFP entities that this review could refer to. Quoting from Gilchrist and Simnett (2019, page 62): “Comparatively limited available data (especially compared with listed public companies) combined with a historical bias towards publishing research examining listed public companies in the leading accounting academic literature has traditionally acted as a constraint on the incentives and capacity of interested academics to pursue research topics related to this sector.” As a result, this review may not answer some PIR (e.g., whether a Standard has met its objectives and the costs and benefits of implementing a Standard).
9. Staff commentary is included for some papers where something notable is identified. Staff commentary is primarily to identify the major findings and is neither intended to be an exhaustive list of all possible observations nor thoroughly critique each paper.

Key messages

Implementation of the NFP-related accounting standards

10. Some evidence is documented in an academic paper on implementing and applying accounting standards in the NFP sector.

Recognition of volunteer services²

11. Tooley and Hooks (2020) focus on the recognition of volunteer contributions. The paper raises a concern because the current requirements of Australian Accounting Standards do not fully recognise volunteer contributions.

Background to the AASB 1058 requirements

12. Staff note that when AASB 1058 *Income of Not-for-Profit Entities* was issued, the Board decided to carry forward the requirement in AASB 1004 *Contributions* for local governments, government departments, General Government Sectors (GGSs) and whole of government reporting entities to recognise services received free of charge or for nominal consideration, provided the fair value of those services could be measured reliably, and the services would have been purchased if they had not been donated. This was because the Board was concerned that a wide-ranging review of the recognition requirements for volunteer services could take significant time and potentially delay the completion of the income for NFP entities project.³
13. ED 260 *Income of Not-for-Profit Entities*, the predecessor to AASB 1058, proposed clarifying that subject to the requirements summarised in paragraph 12 above, NFP entities may also elect to recognise volunteer services if the fair value of those services

2 Staff note that the research paper generally refers to volunteer contributions, however AASB 1058 refers to volunteer services. Staff do not consider there to be a substantive difference between the terms and therefore for the purposes of this paper consider them to have the same meaning.

3 AASB 1058 paragraph BC107

can be measured reliably, without considering whether they would have been purchased had the services not been donated. In forming the proposal, the Board observed the purchase pre-requisite in AASB 1004 was primarily focused on limiting the scope of volunteer services for which recognition by particular public sector NFP entities is required. The Board considered that NFP entities should be able to elect to recognise volunteer services with a fair value that can be measured reliably even if those services would not have been purchased if they had not been donated.⁴

14. The Board noted that carrying forward the treatment of volunteer services from AASB 1004 to AASB 1058 almost unchanged retained an inconsistency between private sector and public sector NFP entities regarding the scope of the recognition requirements for volunteer services. The Board acknowledged the inconsistency reflects the transfer of recognition requirements for volunteer services to AASB 1004 upon the withdrawal of Australian Accounting Standards for specific types of public sector entities (namely, *AAS 27 Financial Reporting by Local Governments*, *AAS 29 Financial Reporting by Government Departments* and *AAS 31 Financial Reporting by Governments*) in 2007, rather than a difference in information needs of users of financial statements of NFP entities in the private and public sectors.⁵
15. Many respondents to ED 260 believed that the requirements for recognising volunteer services should be the same for all NFP entities. However, many opined that recognising volunteer services should be optional, primarily for cost-benefit reasons. Some encouraged the Board to expedite consideration of whether there was a differentiation between entities in the sector to justify different accounting requirements. Others suggested that the Board reconsider the treatment and location of information about volunteer services.⁶
16. Following the feedback received, the Board considered how to progress its consideration of the accounting for volunteer services. The Board noted further consideration and due process would be required before it could finalise any broad changes to the current accounting requirements in this regard. Accordingly, the Board decided, as a short-term solution, to finalise the recognition and measurement proposals largely unamended from those exposed in ED 260.⁷ When AASB 1058 was issued, the Board expected to consider the accounting requirements for volunteer services as part of a separate future project.⁸
17. In its redeliberations on ED 260, the Board observed that the operations of many not-for-profit entities rely heavily upon volunteer services and donated inventories. The Board considered that users of a NFP entity's financial statements would find it useful to understand the contribution made by such donations to the achievement of the

4 AASB 1058 paragraph BC108

5 AASB 1058 paragraph BC109

6 AASB 1058 paragraph BC110

7 AASB 1058 paragraph BC111

8 AASB 1058 paragraph BC112.

entity's objectives during the reporting period and the entity's dependency on donated inventories and volunteer services for the future achievement of its objectives.⁹

18. The Board observed that it had not proposed a disclosure of this nature as part of ED 260 nor received much feedback seeking such disclosure. In addition, the Board considered whether requiring disclosure of an entity's dependency on volunteer services as part of the income for NFP entities project may be seen as pre-empting the outcomes of the Board's then project on Reporting Service Performance Information and a possible future project relating to volunteer services. Accordingly, at the time, the Board decided to encourage entities to disclose qualitative information about the entity's dependence on volunteer services (recognised and unrecognised) and donated inventory held but not recognised as assets.¹⁰

Staff analysis and recommendation

19. The main requirements of AASB 1058 for volunteer services are:

AASB 1058 paragraph 18 states that "Local governments, government departments, general government sectors (GGs) and whole of governments shall recognise an inflow of resources in the form of volunteer services as an asset (or an expense, when the definition of an asset is not met) if:

- (a) the fair value of those services can be measured reliably; and
- (b) the services would have been purchased if they had not been donated."

AASB 1058 Paragraph 19 states that "Any not-for-profit entity (including those listed in the preceding paragraph) may, as an accounting policy choice, elect to recognise volunteer services, or a class of volunteer services, if the fair value of those services can be measured reliably, whether or not the services would have been purchased if they had not been donated."

AASB 1058 paragraph 27 states that "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:

- (a) volunteer services it receives, including those not recognised; and
- (b) inventories held but not recognised as assets during the period."

20. Staff note that to date, the requirements relating to the recognition of volunteer services have not been considered as part of a separate project. However, staff also note that this topic was not raised during the recent AASB domestic agenda

9 AASB 1058 paragraph BC123

10 AASB 1058 paragraph BC124

consultation, nor was it raised during the outreach conducted for the short-term, narrow scope amendments project or the targeted outreach conducted as part of the planning phase of the NFP domestic PIRs.

21. Staff acknowledge that the difference in the recognition of volunteer services between the NFP public and private sectors could be inconsistent with the Board's transaction neutrality policy (e.g., inconsistencies between for-profit and NFP entities and NFP public sector and private sector entities).
22. Staff also acknowledge when considering whether issues are sufficiently significant to warrant NFP-specific guidance Standards or guidance, the principles of the *AASB Not-for-Profit Entity Standard-Setting Framework* (SSF) would be used. However, as the difference in requirements has existed for several years, staffs' view is that any steps to resolve any possible inconsistencies should also be supported by evidence consistent with the *AASB Evidence-Informed Standard-Setting Framework*, and due process would also be required.
23. Anecdotally, staff understand that recognition of volunteer services is not common in the NFP sector. Staff understand this is because:
 - (a) entities in the NFP public and private sectors have difficulty in determining the fair value of services received; and
 - (b) entities in the NFP public sector assert that if the volunteer services had not been donated, they would not have purchased the services.
24. While staff accept that not recognising volunteer services could result in financial statements that do not reflect the economic reality of the NFP's financial position and performance. Staff also note that unless there is a way to measure the value of the services reliably, any amounts recognised in a NFP entity's financial statements regarding volunteer services could be misleading. Further, recognising volunteer services is unlikely to affect the financial position of a NFP entity. The net impact on a NFP entity's financial performance is also nil, as the recognition of revenue and expenses would have an equal and opposite effect. Staff also consider that the recognition of volunteer services could also be difficult to audit.
25. Staff consider for-profit entities are unlikely to obtain donated services, so staff consider the accounting for volunteer services to be a topic specific to the NFP sector.
26. On balance, staff consider there is merit in seeking feedback on the accounting for volunteer services in the Invitation to Comment (ITC). This is because the objective of a PIR is to conclude, based on available evidence, on the overall effectiveness and efficiency of a pronouncement in meeting its original objectives, including whether a pronouncement remains appropriate. For this reason, staff recommend adding a question to the ITC to seek feedback from stakeholders on the topic of accounting for volunteer services.

Question for Board members

Q1. Do Board members agree with the staff recommendation in paragraph 26 to add a question on the topic of volunteer services to the ITC? If not, what do Board members suggest?

Non-academic literature review

Methodology

27. The non-academic literature articles were identified by keyword searches using the keywords of "AASB 1058", "AASB 15", "Appendix F", "AASB 10", "AASB 12", "AASB 1054", "AASB 124", "control", "consolidation", "income", "related party", "related parties", "structured entity", "special purpose disclosures" and "NFP", "not for profit", "not-for-profit".
28. Staff have summarised the relevant articles in Appendix B.

Key messages

29. The key implementation issues noted in the non-academic research can be summarised as follows:
- (a) Income of NFP entities
- (i) Income recognition is complex, and there is often a mismatch between when cash is received, income is recognised, and expenses are incurred. The mismatch often makes explaining a NFP entity's result to stakeholders challenging;
 - (ii) Applying the Standards requires significant judgement and gives rise to significant practical challenges;
 - (iii) Applying the terms 'performance obligation' and 'sufficiently specific' are challenging in practice. This can make identifying whether a contract with a customer exists difficult. In addition, there are inconsistencies in outcomes when applying the Standards. For example, capital grants are deferred, and operational grants are expensed. However, there do not seem to be any conceptual differences between the types of grants (e.g., both are enforceable and specific);
 - (iv) Recognition of grant funding can be challenging;
 - (v) There is diversity in accounting when termination for convenience clauses are present;
 - (vi) Inconsistent outcomes have led to increased costs by preparers, their accountants and auditors; and
 - (vii) Accounting for volunteer services and donated assets is complex, and the lack of reporting of these items undervalues their contribution to NFP entities. Further, comparability is compromised because of inconsistent reporting (i.e., some entities recognise volunteer services and others don't).

(b) Control and consolidation

- (i) Stakeholders have raised concerns "with regard to apparently unintended consequence associated with the application of AASB 10" (e.g., the paper notes the idea "that the church (being the parent) has invested in a subsidiary by providing its religious ethos and values to a NFP or Charity (the subsidiary) and that those charged with governance of the subsidiary may also be officers of the church (power), the returns being the social outcomes resulting from the work of the subsidiary and being an objective of the church. Under this construction, there is an argument that these entities should be consolidated"). While there might be a relationship and shared objectives, it does not necessarily follow that consolidation will result in better financial reporting outcomes, especially if there is no shared financial liability; and
- (ii) Consolidation may misinform users if an entity's financial position and performance are aggregated with another.

30. Nothing was noted on the topics of the definition of a structured entity, related party disclosures in the public sector and the SPFS basis of accounting disclosures.

Staff analysis and recommendation

31. Staff note that most of the implementation and application challenges identified during the review of non-academic literature summarised in paragraph 29(a) are matters that the Board was already aware of and had previously considered.

- (a) At its August meeting, Board members agreed to consider matters (i) to (vi) in the ITC, and therefore staff recommend that no additional work is required.
- (b) While the Board has not previously considered matter (vii), the recognition of volunteer services was also identified during the academic literature review. See paragraphs 11 to 26 above for staff analysis and recommendation.

32. Staff note that the implementation and application challenges identified during the review of non-academic literature summarised in paragraph 29(b) are also matters that the Board was aware of and has previously considered. These matters are summarised in Agenda Paper 9.2.

Question for Board members

Q2. Do Board members agree with the staff recommendations in paragraph 31(a) that no further work is required as the Board has already considered these matters and decided to include them in the ITC? If not, what do Board members suggest?

Appendix A – Academic literature review – Literature on the need for specific sector reporting requirements

Title, author(s) and scope	Quoted Standard(s)	Quotes related to the Standard(s)	Overview of paper's conclusions and findings
<p>Gilchrist, D.J. and Simnett, R. (2019). 'Research horizons for public and private not-for-profit sector reporting: moving the bar in the right direction', <i>Accounting and Finance</i>.</p>	<p>AASB 1058</p>	<p>"...There has also been a recent trend to develop accounting standards that deal with specific sectoral reporting arrangements—for instance, AASB 1049 <i>Whole of Government and General Government Sector Financial Reporting</i> and AASB 1058 <i>Income for Not-for-profit Entities</i>. ... While the recent trends in the development of sector-specific disclosure requirements in current standards (through 'Aus paragraphs') and the development of sector-specific standards can be argued to be evidence of the one conceptual framework and the underpinning transaction neutrality being appropriately adaptive across different sectors, others have argued that such developments are evidence of the need for more discrete sector-specific approaches."</p>	<p>In this paper, the authors elaborate on four important questions:</p> <ol style="list-style-type: none"> 1) Which private and public not-NFP entities lodge financial reports, and what is reported? 2) Who are the users, and what are their information needs? 3) Which private and public NFP entities should lodge financial reports, and what should they include? 4) How should the accounting frameworks for NFP sector reporting be set? <p>With a particular focus on how the accounting frameworks for the NFP sector should be set, the authors assert that there is increasing sector-specific guidance and examples presented to assist in making for-profit concepts applicable to the NFP settings.</p>

Appendix B – Academic literature review – Literature on the implementation of the NFP-related accounting standards

Title, author(s) and scope	Quoted Standard(s)	Quotes related to the Standard(s)	Overview of paper's conclusions and findings
<p>Tooley, S. and Hooks, J. (2020). 'Accounting for Volunteers: Enhancing Organizational Accountability and Legitimacy', <i>Nonprofit and Voluntary Sector Quarterly</i>.</p>	<p>AASB 1058</p>	<p>"Within the geographical context of this study, Australia adopts a similar stance to IPSASB whereby Accounting Standard AASB 1058 "Income of Not-for-profit Entities" permits an NPO to elect to recognize volunteer services "if the fair value of those services can be measured reliably" (Australian Accounting Standards Board [AASB], 2016, para. 19). Such recognition, where permitted, is to assist users (readers) to make informed judgments about the contribution of volunteer services and the NPOs' dependence on such contributions."</p>	<p>In this paper, the author finds that the benefits and impact of volunteer contributions are rarely reported despite organisations placing a high value on the contributions. The principal reason for current non-disclosure is the absence of regulatory requirements and lack of resources.</p> <p>The author argues that the current and limited approach of Australia and other countries, which limit the reporting only if the value of the services can be measured reliably, implies that the volunteer contribution has zero impact on the operating capability of the NFP and understate the organisational dependency on volunteers despite the finding that 98% of the respondents (i.e., the person who was responsible for managing and coordinating volunteers employed within their organisation) agree that NFP entities should publicly acknowledge the contribution of volunteers in some way (e.g., website, annual report, annual general meeting, newsletters).</p>

Appendix C – Non-academic literature review

Link	Staff summary
Income - AASB 1058/AASB 15	
<p>NFP accounting: Revenue vs income INTHEBLACK (cpaaustralia.com.au)</p>	<ul style="list-style-type: none"> • Income recognition within the NFP sector is complex since there is often a mismatch between when cash is received and when it is recognised as revenue in the financial statements and then spent and recognised as an expense. • NFPs want a break-even or a sustainable result that's not 'swings and roundabouts.' • The terms 'performance obligation' and 'sufficiently specific' are challenging to apply in practice, particularly in the private sector. • In the public sector, whether an agreement is a contract with a customer or represents something else is not always apparent. • Recognition of research grant funding can be challenging, especially where there are different types of research income and research activities. • There is diversity in views when termination for convenience clauses are present.
<p>Insights from the implementation of AASB 1058 CA ANZ (charteredaccountantsanz.com)</p> <p><i>(please scroll down and click on the pdf to access the article)</i></p>	<ul style="list-style-type: none"> • When applying the concept of “performance obligations,” significant interpretive judgement must be applied to reading funding agreements that are not explicit contracts for goods or services to find “performance obligations,” a concept created for use in for-profit entities. • The other challenge comes in understanding and explaining the impact of the Standard to users, noting that applying the standards often shows results that are inconsistent with users' expectations. • When government funding is received, it can often "have restrictions or conditions that reflect the Government’s requirement to monitor its expenditure to ensure it is spent in the public good, is not mismanaged, and represents value-for-money. The restrictions do not reflect a supplier-customer relationship between the Government and the NFP", and they are not performance obligations. Where this is the case, income is recognised up-front and cannot be deferred. • Preparers must interpret grant agreements under a Standard designed for commercial transactions or simple donations. This results in preparers attempting to defer income by analysing grant acquittal programmes or activity work plans to attempt to identify specific outputs that can be deemed “sufficiently specific performance obligations,” even when those

Link	Staff summary
	<p>outputs are secondary to the overall purpose of the grant funding, or do not reflect the actual intent of the arrangement.</p> <ul style="list-style-type: none"> • There is concern that reporting significant variability in their results year-on-year could be misread as poor financial management because users tend to default to reading “this year’s results” compared to “last year’s results.” However, the article acknowledges that education and additional disclosures can assist users with understanding the effects of grant funding.
<p>Income Standards for NFP entities: does AASB 1058 really help with matching principle? (vanguardconsulting.com.au)</p>	<ul style="list-style-type: none"> • The matching principle is not working in full scope – capital grants are deferred. However, operational grants are not unless they are within the scope of AASB 15. • There does not seem to be any conceptual difference for income recognition between capital and operational grants in a situation when both of them are enforceable and specific. However, the accounting treatment differs, which affects reported results.
<p>Ongoing issues with income recognition for NFP entities - Pitcher Partners</p>	<ul style="list-style-type: none"> • The key areas of confusion are determining whether a transfer of services exists between the NFP and the customer (e.g., often the government) or a third party as directed by the customer and that the term ‘sufficiently specific’ is not well understood. • Contracts should be reviewed for termination for convenience clauses as their inclusion can affect the accounting treatment of a contract. While a termination for convenience clause may result in deferral of income, this treatment is not widely accepted and can create uncertainty and confusion. • The resulting outcome of applying these accounting standards is not generally consistent with the matching of income and expenditure that NFPs tend to prefer since matching reduces the volatility in the income statement. The uncertainty and confusion created has led to inconsistent application of the standards and increased costs by both NFP preparers, their accountants and auditors in reviewing the detail in agreements with the government, leading to frustration and sometimes illogical outcomes. These standards were supposed to address the difficulties in applying the old AASB 1004 <i>Contributions</i> and instead have created their own problems.
<p>Issues Paper: Better Financial Reporting for Australian NFPs – Independent Centre for Applied Not-for-Profit Research</p>	<ul style="list-style-type: none"> • A perennial issue for NFPs is the complexity of accounting for volunteer time and donated goods. While there may be some concern about the necessity for considering these items, the comprehensive cost of service delivery for any NFP includes the volunteer time and

Link	Staff summary
	<p>donated assets consumed. The lack of reporting of these consumptions means that our collective knowledge regarding the cost of service delivery is deficient.</p> <ul style="list-style-type: none"> • Amongst other things, this Standard requires entities to recognise donated assets at fair value with associated income as performance obligations are satisfied and allows entities to recognise income and an associated expense from volunteer time but only if these services can be reliably fair valued. In addition, it encourages voluntary disclosure of volunteer services where they are not recognised. However, recognising such income may impact an entity's position regarding such elements as tiered reporting requirements. Further, providing donated goods or volunteer time does not necessarily equate to administrative capacity to meet increased reporting and regulatory requirements. • AASB 1058 does not mandate the reporting of volunteer services, so inconsistent reporting may also arise, with some entities recognising/reporting volunteer services while others do not.
<p>How specific is sufficiently specific - RSM Global</p>	<ul style="list-style-type: none"> • This article highlights common challenges and how to address them. The key challenges noted are identifying whether an agreement is a contract with a customer, interpreting the term sufficiently specific and the timing of revenue recognition.
<p>Annual Reports of Australian Not-for-Profit Organisations: Insights from Internal and External Stakeholders – CPA Australia and Swinburne</p>	<ul style="list-style-type: none"> • The Standards changed the timing of revenue recognition by NFPs so much that some implemented different business practices to negate the effect on revenue recognition.
<ul style="list-style-type: none"> • Control/consolidation - AASB 10 NFP Appendix E 	
<p>Issues Paper: Better Financial Reporting for Australian NFPs – Independent Centre for Applied Not-for-Profit Research</p>	<ul style="list-style-type: none"> • Stakeholders have raised concerns about apparently unintended consequences associated with applying AASB 10. For example, NFPs with historically based governance structures may imply control has been achieved, and consolidation is required. The paper notes that "This is a complex discussion about the idea that the church (being the parent) has invested in a subsidiary by providing its religious ethos and values to a NFP or Charity (the subsidiary) and that those charged with governance of the subsidiary may also be officers of the church (power), the returns being the social outcomes resulting from the work of the subsidiary and being an objective of the church. Under this construction, there is an argument that these entities should be consolidated." While there might be a relationship and shared objectives,

Link	Staff summary
	<p>it does not necessarily follow that consolidation will result in better financial reporting outcomes, especially if there is no shared financial liability.</p> <ul style="list-style-type: none"> • Consolidation reduces the usefulness of information about specific entities, and funds may be misinformed. Further, donations may be at risk if philanthropists and donors cannot discern a recipient's financial position and performance.
<p>Annual Reports of Australian Not-for-Profit Organisations: Insights from Internal and External Stakeholders – CPA Australia and Swinburne</p>	<ul style="list-style-type: none"> • There was some concern about how linked, but structurally separate organisations' annual reports are not consolidated, so members do not have transparent or appropriate reporting of the number of members, assets, revenue or profit with a self-appointing board. It was noted that preparing "consolidated accounts" was the AASB's technical solution to some organisation relationships. However, it was noted that a requirement to consolidate does not always provide insight into how the organisations operate.
<p>Definition of a structured entity - AASB 12 NFP Appendix E</p>	<p>Nothing to note.</p>
<p>Related party disclosures – (AASB 2015-6)</p>	<p>Nothing to note.</p>
<p>SPFS basis of accounting – (AASB 2019-4)</p>	<p>Nothing to note.</p>