



AASB Action Alert

From the Australian Accounting Standards Board

Issue No. 246
23 March 2026

Welcome to the AASB Action Alert

The AASB Board met in public and in private on 19 March 2026. At the meeting, the Board made key decisions in relation to:

[Not-for-Profit Private Sector Financial Reporting Framework \(Tier 3\)](#)

[Conceptual Framework – Not-for-Profit Amendments](#)

[Post-implementation Review of AASB 1060 and AASB 2020-2](#)

[AASB 1060 Review](#)

The Board also discussed the following topics:

[Tier 2 – Translation to a Hyperinflationary Presentation Currency](#)

Not-for-Profit Private Sector Financial Reporting Framework (Tier 3)

The Board considered a pre-ballot draft version of AASB 10XX *General Purpose Financial Statements – Not-for-Profit Private Sector Tier 3 Entities*. The Board confirmed that the due process undertaken in developing the draft Standard has been appropriate and that re-exposure of the requirements included in the forthcoming Standard is not necessary.

The Board decided to vote on making the Standard out of session before the next meeting. The planned application date is periods beginning on or after 1 July 2029, with earlier application permitted.

Conceptual Framework – Not-for-Profit Amendments

The Board considered a pre-ballot draft version of AASB 2026-X *Amendments to Australian Accounting Standards – Extending the Application of the Conceptual Framework and Limiting the Ability of Not-for-Profit Entities to Prepare Special Purpose Financial Statements*. The Board confirmed that the due

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process undertaken in developing the draft Standard has been appropriate and that re-exposure of the requirements included in the forthcoming Standard is not necessary.

The Board decided to vote on making the Standard out of session before the next meeting. The planned application date is periods beginning on or after 1 July 2029, with earlier application permitted.

Post-implementation Review of AASB 1060 and AASB 2020-2

The Board completed Step 4 of the Post-implementation Review (PIR) process – consideration of feedback and evidence to determine next steps – for the PIR of AASB 1060 *General Purpose Financial Statements – Simplified Disclosures for For-Profit and Not-for-Profit Tier 2 Entities* and AASB 2020-2 *Amendments to Australian Accounting Standards – Removal of Special Purpose Financial Statements for Certain For-Profit Private Sector Entities*.

The Board reviewed the feedback received and evidence gathered on Section 1 of Invitation to Comment ITC 56 *Post-implementation Review of Tier 2 and the Removal of Special Purpose Financial Statements for Certain For-Profit Private Sector Entities and Further Update of Tier 2* (September 2025), as well as feedback from other outreach activities and other evidence gathered to inform the PIR.

After considering the feedback, the Board:

- (a) concluded that both AASB 1060 and AASB 2020-2 are operating effectively and meeting their intended objectives;
- (b) concluded that the optional transition relief that was available to support entities transitioning to AASB 1060 from either special purpose financial statements or general purpose financial statements (Tier 1 or the previous Tier 2 framework) achieved the Board's objectives;
- (c) decided to continue with its existing approach to maintaining AASB 1060, which is to update the Standard as appropriate when changes are made to Tier 1 disclosure requirements in other Standards; and
- (d) decided not to take any immediate action in response to other matters raised by stakeholders, including:
 - (i) ongoing concerns about the costs of preparing Tier 2 general purpose financial statements for smaller for-profit private sector and public sector entities – staff will continue to monitor these concerns through other outreach activities, including the 2027–2031 Agenda Consultation;



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- (ii) the application of AASB 1060 in the public sector, which is more appropriately addressed through the Board's Public Sector Financial Reporting Framework project;
- (iii) whether AASB 1060 should include an explicit requirement to disclose individually material items of income and expense, along with drafting improvements, which will be considered by the Board in relation to the feedback on Section 2 of ITC 56 (i.e. the review of Tier 2); and
- (iv) feedback on the usefulness of transition relief and potential enhancements to future education materials, which the Board noted for future projects.

The Feedback Statement on Section 1 of ITC 56 is expected to be published on the AASB website in the second half of this year, which will conclude the PIR project.

AASB 1060 Review

The Board continued deliberating the alignment of the presentation and classification requirements in AASB 1060 *General Purpose Financial Statements – Simplified Disclosures for For-Profit and Not-for-Profit Tier 2 Entities* with those in AASB 18 *Presentation and Disclosure in Financial Statements*. This alignment was strongly supported by initial feedback on Section 2 of ITC 56, which the Board considered at its previous meeting.

The Board decided to:

- (a) issue an exposure draft (ED) proposing to amend the presentation and classification requirements in AASB 1060 to align with those in AASB 18;
- (b) include the relevant AASB 18 guidance in a new Appendix B to AASB 1060;
- (c) replace the existing guidance on presentation and classification requirements in AASB 1060 with a reference to the guidance in the new Appendix B to AASB 1060;
- (d) set a comment period of 90 days for the ED; and
- (e) finalise the ED through a subcommittee for publication.

Tier 2 – Translation to a Hyperinflationary Presentation Currency

The Board discussed whether the disclosure requirements recently added to AASB 121 *The Effects of Changes in Foreign Exchange Rates*, which relate to the translation procedures applied by an entity with a hyperinflationary presentation currency, should also be incorporated in AASB 1060 *General Purpose Financial Statements – Simplified Disclosures for For-Profit and Not-for-Profit Tier 2 Entities*.

The Board decided not to propose amendments to AASB 1060 for these disclosures.



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Recently Approved Documents

Since last reported (Action Alert, 9 February 2026), the Board has approved the following Standards, Exposure Drafts or other proposal documents.

Date Approved	Document	Effective Date (Standards/Int'ns) or Due Date for Submissions (EDs)
4 March 2026	ED 340 Amendments to the Fair Value Option for Investments in Associates and Joint Ventures	31 March 2026

Documents Open for Comment

The following documents are open for comment. AASB submissions to the IASB, the ISSB, the IFRS Interpretations Committee, the IFRS Foundation, the IPSASB and other organisations are published on the AASB website.

Issuer	Document	AASB No.	AASB Due Date	Other Organisation Due Date
AASB	ITC 57 AASB 2027–2031 Agenda Consultation	ITC 57	31 March 2026	–
AASB	ED 340 Amendments to the Fair Value Option for Investments in Associates and Joint Ventures	ED 340	31 March 2026	20 April 2026
AASB	ED 339 Risk Mitigation Accounting	ED 339	15 May 2026	31 July 2026

AASB Board Future Meeting Dates

14 May 2026
18–19 June 2026
27 August 2026
29–30 October 2026

Next AASB Board Meeting

The Board is expected to address the following agenda items:

AASB 2027-2031 Agenda Consultation
Climate-related Financial Disclosure
Post-implementation Review – Leases
Presentation and Disclosure in Financial Statements of Superannuation and Not-for-Profit Entities