Explanatory Statement

Accounting Standard AASB 2011-11
*Amendments to AASB 119 (September 2011) arising from Reduced Disclosure Requirements*

**September 2011**


# EXPLANATORY STATEMENT

## Reasons for Issuing AASB 2011-11

This Standard makes amendments to AASB 119 *Employee Benefits* (September 2011), to incorporate reduced disclosure requirements into the Standard for entities applying Tier 2 requirements in preparing general purpose financial statements.

These amendments arise from the issuance of AASB 119 (September 2011).

## Main Features of AASB 2011-11

AASB 2011-11 sets out the disclosure requirements of AASB 119 (September 2011) from which entities applying the second Tier of reporting requirements are exempt. It adds paragraphs to AASB 119 (September 2011) that state the exemptions that apply under reduced disclosure requirements. AASB 119 (September 2011) also shows the relevant exemptions in shaded text. Reduced disclosure requirements suitable for entities adopting Tier 2 requirements are included in the form of a RDR paragraph.

## Application Date

AASB 2011-11 applies to annual reporting periods beginning on or after 1 July 2013. Earlier application is permitted for 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* is also applied for the period.

## Consultation Prior to Issuing this Standard

The AASB issued Exposure Draft ED 195R *Tier 2 Supplement to ED 195 Defined Benefit Plans (proposed amendments to AASB 119)* in February 2011.

The AASB received three submissions from Australian constituents on ED 195R. Submissions received were generally supportive. The AASB considered the comments it received in finalising AASB 2011-11.

A Regulation Impact Statement (RIS) has not been prepared in connection with the issuance of AASB 2011-11. A relevant analysis is contained in the RIS prepared in connection with the issue of AASB 1053 *Application of Tiers of Australian Accounting Standards.*