

Explanatory Statement

Accounting Standard AASB 2013-6 ***Amendments to AASB 136 arising from Reduced Disclosure*** ***Requirements***

September 2013



Australian Government

**Australian Accounting
Standards Board**

EXPLANATORY STATEMENT

Introduction

AASB 2013-6 *Amendments to AASB 136 arising from Reduced Disclosure Requirements* makes amendments to AASB 136 *Impairment of Assets*.

The amendments made by the Standard incorporate reduced disclosure requirements into the Standard for entities preparing general purpose financial statements under Australian Accounting Standards – Reduced Disclosure Requirements.

Main Features of the Standard

Reduced Disclosure Requirements

This Standard amends the Australian Accounting Standards – Reduced Disclosure Requirements for AASB 136 *Impairment of Assets*. AASB 1053 provides further information regarding the differential reporting framework and the two tiers of reporting requirements for preparing general purpose financial statements.

Application Date

This Standard applies to annual reporting periods beginning on or after 1 January 2014. Earlier application of the Standard is permitted for annual reporting periods beginning on or after 1 July 2009 but before 1 January 2014, provided that AASB 1053 *Application of Tiers of Australian Accounting Standards* and AASB 2013-3 *Amendments to AASB 136 – Recoverable Amount Disclosures for Non-Financial Assets* are also adopted for the same period.

Consultation Prior to Issuing the Standard

These amendments result from the application of the AASB's 'Tier 2 Disclosure Principles' and are based on the proposals that were included in Tier 2 Supplement to ED 235 *Recoverable Amount Disclosures for Non-Financial Assets*.

The one submission received on the Exposure Draft was supportive of the proposals. The AASB considered the submission received in finalising AASB 2013-6.

A Regulation Impact Statement has not been prepared in connection with the issue of the Standard as the amendments made do not have a substantial direct or indirect impact on business or competition, are of a minor or machinery nature or clarify existing requirements.

Statement of Compatibility with Human Rights

Prepared in accordance with Part 3 of the
Human Rights (Parliamentary Scrutiny) Act 2011

Accounting Standard AASB 2013-6 *Amendments to AASB 136 arising from Reduced Disclosure Requirements*

Overview of the Accounting Standard

AASB 2013-6 makes amendments to AASB 136 *Impairment of Assets* to incorporate reduced disclosure requirements into the Standard for entities preparing general purpose financial statements under Australian Accounting Standards – Reduced Disclosure Requirements.

Human Rights Implications

This Standard is issued by the AASB in furtherance of the objective of facilitating the Australian economy. It does not diminish or limit any of the applicable human rights or freedoms, and thus does not raise any human rights issues.

Conclusion

This Standard is compatible with the human rights and freedoms recognised or declared in the international instruments listed in section 3 of the *Human Rights (Parliamentary Scrutiny) Act 2011*.