Explanatory Statement

Accounting Standard AASB 2015-2
*Amendments to Australian Accounting Standards – Disclosure Initiative: Amendments to AASB 101*

**January 2015**


# EXPLANATORY STATEMENT

## Reasons for Issuing AASB 2015-2

AASB 2015-2 *Amendments to Australian Accounting Standards – Disclosure Initiative: Amendments to AASB 101* makes amendments to AASB 101 *Presentation of Financial Statements* and consequential amendments to AASB 7 *Financial Instruments: Disclosures*, AASB 134 *Interim Financial Reporting* and AASB 1049 *Whole of Government and General Government Sector Financial Reporting*.

These amendments arise from the issuance of International Financial Reporting Standard *Disclosure Initiative* (Amendments to IAS 1) by the International Accounting Standards Board in December 2014, and to make an editorial correction.

## Main Features of AASB 2015-2

### Main Requirements

This Standard amends AASB 101 to provide clarification regarding the disclosure requirements in AASB 101. Specifically, the Standard proposes narrow-focus amendments to address some of the concerns expressed about existing presentation and disclosure requirements and to ensure entities are able to use judgement when applying a Standard in determining what information to disclose in their financial statements.

This Standard also makes an editorial correction to AASB 101.

In addition, as a result of the amendments to AASB 101, this Standard makes consequential amendments to AASB 7, AASB 134 and AASB 1049.

**Application Date**

AASB 2015-2 applies to annual reporting periods beginning on or after 1 January 2016. Earlier application is permitted for annual reporting periods beginning on or after 1 January 2005 but before 1 January 2016.

## Consultation Prior to Issuing this Standard

The AASB issued Exposure Draft ED 249 *Disclosure Initiative* (Proposed amendments to AASB 101 in March 2014 for comment by 30 June 2014.

Eight submissions were received by the AASB in respect of the proposals in ED 249. The AASB considered the comments it received in making its submission to the IASB and in finalising AASB 2015‑2.

A Regulation Impact Statement (RIS) has not been prepared in connection with the issue of AASB 2015‑2 as the amendments made are minor in nature.

**Statement of Compatibility with Human Rights**

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

**Accounting Standard AASB 2015-2
*Amendments to Australian Accounting Standards – Disclosure Initiative: Amendments to AASB 101***

**Overview of the Accounting Standard**

The amendments in AASB 2015-2 *Amendments to Australian Accounting Standards – Disclosure Initiative: Amendments to AASB 101* amends AASB 101 to provide clarification regarding the disclosure requirements in AASB 101. Specifically, the Standard proposes narrow-focus amendments to address some of the concerns expressed about existing presentation and disclosure requirements and to ensure entities are able to use judgement when applying a Standard in determining what information to disclose in their financial statements.

This Standard also makes an editorial correction to AASB 101.

**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*.