

19 August 2019

The Board Members
 Australian Accounting Standards Board
 Podium Level,
 Level 14, 530 Collins Street,
 Melbourne, VIC 3000

By email: standard@aab.gov.au

Dear Board Members,

Request for deferral of Exposure Drafts

The AASB is pursuing a project to remove the ability of companies to prepare special purpose financial reports under the current financial reporting framework. To this end, the AASB has recently issued the following eight Exposure Drafts comprising a combined 887 pages of material for public comment:

Exposure Draft	Issue date of ED	Comment Due Date	Length of ED and accompanying materials
ED 293 Amendments to Australian Accounting Standards – Disclosure in Special Purpose Financial Statements of Compliance with Recognition and Measurement Requirements	July 2019	19 Aug 2019	24
ED 290 References to the Conceptual Framework	June 2019	20 Aug 2019	25
ED 292 Amendments to AASB 17	July 2019	30 Aug 2019	63
ED 291 Not-for-Profit Entity Definition and Guidance	June 2019	9 Sept 2019	38
ED 294 Deferred Tax related to Assets and Liabilities arising from a Single Transaction	July 2019	18 Oct 2019	25
ED 296 Disclosure of Accounting Policies	Aug 2019	28 Oct 2019	35
ED 295 General Purpose Financial Statements – Simplified Disclosures for For-Profit and Not-for-Profit Tier 2 Entities	Aug 2019	15 Nov 2019	624
ED 297 Removal of Special Purpose Financial Statements for Certain For-Profit Private Sector Entities	Aug 2019	15 Nov 2019	53

The above proposals are scheduled to apply from 1 July 2020.

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In addition to this demand on accounting firms' resources is the call for submissions by 30 September to the Joint Parliamentary Committee on Corporations and Financial Services Inquiry into Regulation of Auditing.

Request for deferral

The period between July and October is the busiest time for companies, accounting firms and auditors as they attend to companies' 30 June financial reporting obligations.

In our opinion, the AASB's haste to satisfy its internal agenda does not provide companies, accounting firms and other stakeholders sufficient time to properly consider, engage with clients and stakeholders and respond to each of these proposals in an informed manner within the time permitted.

In our opinion, further time would ensure that such analyses could be appropriately undertaken. Consequently, we request that the AASB:

- i) extend the project time line for submissions on ED 291, ED 295 and ED 297 until, at least, 20 December 2019; and
- ii) suspend deliberation of these proposals until that time.

Nexia Australia Pty Ltd represents the seven Australian firms comprising the Nexia Australia network with over 60 partners servicing clients from small to medium enterprises, large private companies, not-for-profit entities, subsidiaries of international companies and listed public companies. Our position within the SME market qualifies us to share our views on the Board's proposals.

Should you wish to discuss any aspects of our submission, please contact the undersigned.

Sincerely

Nexia Australia Pty Ltd



Martin Olde
Technical Director