Australian Government
Australian Accounting Standards Board

Cover Memo

Project:	**Contracts Referencing Nature-dependent Electricity**	**Meeting:**	March 2025 (M211)
Topic:	**Possible amendments to AASB 1060 *General Purpose Financial Statements – Simplified Disclosures for For-Profit and Not-for-Profit Tier 2 Entities***	**Agenda Item:**	4.1
		Date:	19 February 2025
Contact(s):	Lan Lu llu@aasb.gov.au Helena Simkova hsimkova@aasb.gov.au	**Project Priority:**	Medium
		Decision-Making:	High
		Project Status:	Proposed amendments to AASB 1060 for Board approval – ED stage

Objective of this paper

1 The objective of this paper is for the Board to **consider** and **decide** on possible amendments to AASB 1060 *General Purpose Financial Statements – Simplified Disclosures for For-Profit and Not-for-Profit Tier 2 Entities* regarding disclosure requirements for contracts referencing nature-dependent electricity. These contracts are also known as Power Purchase Agreements (PPAs).

Background

2 In December 2024, the IASB issued *Contracts Referencing Nature-dependent Electricity* (Amendments to IFRS 9 and IFRS 7). Nature-dependent electricity contracts help entities secure their electricity supply from sources such as wind and solar power. The amount of electricity generated under these contracts can vary based on uncontrollable factors such as weather conditions. This Standard amends IFRS 9 and IFRS 7 to allow entities to better reflect these contracts in the financial statements. The amendments:

(a) clarify the application of the 'own-use' criteria to nature-dependent electricity contracts;

(b) permit hedge accounting if these contracts are used as hedging instruments; and

(c) add new disclosure requirements to enable users of financial statements to better understand the effect of these contracts on an entity's financial performance and cash flows.

3 On 3 February 2025, the AASB made AASB 2025-1 *Amendments to Australian Accounting Standards – Contracts Referencing Nature-dependent Electricity* following an out-of-session vote. The disclosures added to AASB 7 *Financial Instruments: Disclosures* by AASB 2025-1 are the same as those added to IFRS 7 by the IASB.

International Alignment – IFRS for SMEs Standard

4 The new IFRS 7 disclosures have not been considered in the second review of the *IFRS for SMEs* Standard. The IASB confirmed in October 2023 that it would not align the *IFRS for SMEs* Standard with

any other amendments issued to full IFRS Standards with an effective date after 1 January 2020 that were not considered in developing the Exposure Draft.

International Alignment – New Zealand

5 The NZASB will consider these amendments and any potential concession to Tier 2 entities at the April Board meeting. The NZASB staff's preliminary view is that they will not propose any extensive concessions to RDR.

International Alignment – IFRS 19 *Subsidiaries without Public Accountability: Disclosures*

6 The IASB amending Standard also included disclosures for IFRS 19. Relevant paragraphs from IFRS 19 have been included in our Staff analysis in the table in paragraph 14.

7 Staff observed that the IFRS 19 disclosures are essentially the same as the full disclosures in AASB 7, with some minor wording edits and paragraph references. Staff noted that the IASB amending Standard also included paragraph BC114 to IFRS 19, which states:

"*In December 2024, the IASB issued Contracts Referencing Nature-dependent Electricity that amends IFRS 9 Financial Instruments and IFRS 7. The IASB decided not to reduce the disclosures for eligible subsidiaries because:*

(a) the proposed disclosure requirements would provide information about obligations, commitments or contingencies and information on measurement uncertainties.

(b) the narrow scope of the contracts that meet the criteria in paragraph 5B of IFRS 7 reduces the costs for eligible subsidiaries of providing the information. Therefore, the IASB expects that the benefits of the proposed disclosure requirements would outweigh the costs."

Possible amendments to AASB 1060

8 Given that the AASB 2025-1 added disclosure requirements to AASB 7, staff consider it is also necessary for the Board to consider whether any amendments to AASB 1060 are required.[1,]

9 During the AASB's outreach on ED/2024/3, staff received limited feedback from stakeholders regarding potential additions to AASB 1060. One stakeholder expressed a view that the disclosures were excessive.

10 The *AASB For-Profit Entity Standard-Setting Framework* and *AASB Not-For-Profit Entity Standard-Setting Framework* outline the Board's approach to considering amendments to AASB 1060 following the IASB's amendments to full IFRS Standards.

11 In determining the Board's approach, the standard-setting frameworks first consider whether the amendments introduce a significant recognition and measurement difference between full IFRS Standards and the *IFRS for SMEs* Standard. If they do not, the standard-setting frameworks state that no further action is required unless the disclosures address a matter of public policy, the disclosures are of particular relevance in the Australian environment, or the amendments clarify or reduce existing disclosure requirements in full IFRS Standards.[2] In addition to the stated framework, the Board has the benefit of considering the IASB's disclosure requirements for IFRS 19 *Subsidiaries without Public Accountability: Disclosures.*

12 The amendments to IFRS 9 made narrow-scope changes do not introduce any significant differences in recognition and measurement between full IFRS Standards and the *IFRS for SMEs* Standard. Staff consider that the disclosures do not address a matter of public policy, they are not of particular relevance in the Australian environment, and they do not clarify or reduce existing disclosure requirements in full IFRS Standards

1 Paragraph BC96 of AASB 1060 states "*a review of the disclosures will need to take place any time … amendments are made to existing Australian Accounting Standards or Interpretations*".

2 See paragraph 56 of the *AASB For-Profit Entity Standard-Setting Framework* and paragraph 43 of the *AASB Not-for-Profit Entity Standard-Setting Framework*.

13 In addition, staff also considered the principles that the Board used when developing the disclosure requirements in AASB 1060. Those principals are based on the view that users of the financial statements of Tier 2 entities are particularly interested in information about:

(a) short-term cash flows and obligations, commitments or contingencies, whether or not recognised as liabilities;

(b) liquidity and solvency;

(c) measurement uncertainties;

(d) accounting policy choices; and

(e) disaggregation of amounts presented in the financial statements.

14 When assessing the amendments to AASB 1060, staff considered the AASB 7 and IFRS 19 disclosure requirements. The proposed additional disclosures to AASB 1060 and staff comments (in blue text) are provided in the following table:

	AASB 7 full disclosures	IFRS 19 reduced disclosure	AASB 1060 proposed disclosures
i)	30A An entity shall disclose in a single note in its financial statements information about contracts that meet the criteria set out in paragraph 5B[3]. In particular, the entity shall disclose information that enables users of its financial statements to understand the effects these contracts have on the amount, timing and uncertainty of its future cash flows and on its financial performance. To meet these objectives, an entity shall disclose: (a) information about contractual features that expose the entity to: (i) variability in the underlying amount of electricity (see paragraph 2.3A of AASB 9); and (ii) the risk that the entity would be required to buy electricity during a delivery interval in which the entity cannot use the electricity (see paragraph B2.7 of AASB 9).	64A An entity shall disclose in a single note in its financial statements information about its contracts referencing nature-dependent electricity that meet the criteria set out in paragraph 5B of IFRS 7. An entity shall disclose: (a) information about contractual features that expose the entity to: (i) variability in the underlying amount of electricity (see paragraph 2.3A of IFRS 9); and (ii) risk that the entity would be required to buy electricity during a delivery interval in which the entity cannot use the electricity (see paragraph B2.7 of IFRS 9). Staff compared paragraph 64A(a) of IFRS 19 to 30A(a) of AASB 7 and noted that the IASB decided not to reduce the disclosures for eligible subsidiaries.	Contracts referencing nature-dependent electricity are contracts that expose an entity to variability in the underlying amount of electricity because the source of electricity generation depends on uncontrollable natural conditions (for example, the weather). Contracts referencing nature-dependent electricity include both contracts to buy or sell nature-dependent electricity and financial instruments that reference such electricity. For contracts to buy nature-dependent electricity that are outside the scope of AASB 9 in accordance with paragraphs B2.7–B2.8 of AASB 9, an entity shall disclose in a single note in its financial statements: (a) Information about contractual features that expose the entity to: (i) variability in the underlying amount of electricity; and (ii) risk that the entity would be required to buy electricity during a delivery interval in which the entity cannot use the electricity (see paragraph B2.7 of AASB 9). As stated in paragraph BC54 of AASB 1060, entities applying AASB 1060 do not need to comply with AASB 7, as such it is not appropriate to refer to paragraph 5B of AASB 7 within AASB 1060. Instead, staff propose to directly define the scope of a contracts referencing nature-dependent electricity (extracted from paragraph 2.3 of AASB 9)[4] and refers to the "own use" criteria in paragraphs B2.7-B2.8 of AASB 9 to align with the scope in paragraph 5B of AASB 7.

3 Paragraph 5B of AASB 7 states *"Paragraph 30A applies only to contracts to buy nature-dependent electricity that satisfy the requirements in paragraph 2.3A of AASB 9 and are outside the scope of that Standard in accordance with paragraphs B2.7–B2.8 of AASB 9."* Paragraph 5B of AASB 7 is the Australian equivalent to paragraph 5B of IFRS 7.

4 Paragraph 2.3 of AASB 9 states:
"…
Contracts referencing nature-dependent electricity are contracts that expose an entity to variability in the underlying amount of electricity because the source of electricity generation depends on uncontrollable natural conditions (for example, the weather). Contracts referencing nature-dependent electricity include both contracts to buy or sell nature-dependent electricity and financial instruments that reference such electricity."

	AASB 7 full disclosures	IFRS 19 reduced disclosure	AASB 1060 proposed disclosures
			Staff assessed the information required by paragraph 30A(a) of AASB 7 and noted that the disclosures about (i) the variability of electricity and (ii) the risk that the entity cannot use the electricity may be useful to users as it provides information about entity's: (a) Short-term cash flow commitments (b) Liquidity (c) Measurement uncertainties Staff consider that obtaining the required information shouldn't be difficult and therefore, the benefits of disclosing the information to users of financial information exceeds the costs for preparers. As such, staff recommend adding these disclosure requirements in the AASB 1060.
ii)	(b) information about unrecognised commitments arising from such contracts as at the reporting date, including: (i) the estimated future cash flows from buying electricity under these contracts. The entity shall apply its judgement when identifying the appropriate time bands within which to disclose the estimated future cash flows. (ii) qualitative information about how the entity assesses whether a contract might become onerous (see AASB 137 *Provisions, Contingent Liabilities and Contingent Assets*), including the assumptions the entity uses in making this assessment.	(b) information about unrecognised commitments arising from the contracts, as at the reporting date, including: (i) the estimated future cash flows from buying electricity under these contracts. The entity shall apply its judgement when identifying the appropriate time bands within which to disclose the estimated future cash flows. (ii) qualitative information about how the entity assesses whether a contract might become onerous (see IAS 37 *Provisions, Contingent Liabilities and Contingent Assets*), including the	(b) qualitative information about how the entity assesses whether a contract might become onerous (see AASB 137 *Provisions, Contingent Liabilities and Contingent Assets*), including the assumptions the entity uses in making this assessment. Staff assessed paragraph 30A(b)(i) of AASB 7 and noted that estimated future cash flows would meet the following principles regarding information about: (a) Short-term cash flow commitments (b) Liquidity However, estimating long-term future cash flows may be challenging for Tier 2 entities. Considering that some Tier 2 entities may have limited resources, the costs to preparers to forecast long-term future cash flows may exceed the benefits to users of financial information. As such, staff do not recommend adding this disclosure requirement to AASB 1060. Staff assessed paragraph 30A(b)(ii) of AASB 7 and viewed that the disclosure of qualitative information about how an entity would assess whether a contract is onerous to be useful to users of financial

	AASB 7 full disclosures	IFRS 19 reduced disclosure	AASB 1060 proposed disclosures
		assumptions the entity uses in making this assessment. Staff compared paragraph 64A(b) of IFRS 19 to 30A(b) of AASB 7 and noted that the IASB decided not to reduce the disclosures for eligible subsidiaries.	statements and expects the benefits to outweigh the costs. As such, staff recommend adding this disclosure requirement to AASB 1060.
iii)	(c) qualitative and quantitative information about effects on the entity's financial performance for the reporting period. The disclosure is based on the information that is applicable to the reporting period that the entity used to assess whether it has been a net purchaser of electricity (see paragraph B2.8 of AASB 9). An entity shall disclose information for the reporting period about: (i) the costs arising from purchases of electricity made under the contracts, disclosing separately how much of the purchased electricity was unused at the time of delivery; (ii) the proceeds arising from sales of unused electricity; and (iii) the costs arising from purchases of electricity made to offset sales of unused electricity.	(c) qualitative and quantitative information about effects on the entity's financial performance for the reporting period. The disclosure is based on the information that is applicable to the reporting period the entity used to assess whether it has been a net purchaser of electricity (see paragraph B2.8 of IFRS 9). An entity shall disclose information for the reporting period about: (i) the costs arising from purchases of electricity made under the contracts, disclosing separately how much of the purchased electricity was unused at the time of delivery; (ii) the proceeds arising from sales of unused electricity; and (iii) the costs arising from purchases of electricity made to offset sales of unused electricity.	(c) qualitative and quantitative information about effects on the entity's financial performance for the reporting period. The disclosure is based on the information that is applicable to the reporting period the entity used to assess whether it has been a net purchaser of electricity (see paragraph B2.8 of AASB 9). An entity shall disclose information for the reporting period about: (i) the costs arising from purchases of electricity made under the contracts (ii) the proceeds arising from sales of unused electricity; and (iii) the costs arising from purchases of electricity made to offset sales of unused electricity. Staff assessed paragraph 30A(c) of AASB 7 and noted that unused electricity data, costs and proceeds would provide information about: (a) Short-term cash flow commitments; and (b) Liquidity. Costs and proceeds from sale are expected to be captured in an entity's accounting system and, therefore, this information is likely to be accessible to Tier 2 entities at no significant costs. However, staff acknowledge that this may not be the case for obtaining information about unused electricity. Staff is of the view that the costs of obtaining this information may outweigh the benefits. As such, staff recommend to modify the disclosure requirement so it does not require the disclosure of unused amount of the electricity purchased at the time of delivery.

	AASB 7 full disclosures	IFRS 19 reduced disclosure	AASB 1060 proposed disclosures
		Staff compared paragraph 64A(c) of IFRS 19 to 30A(c) of AASB 7, and noted that the IASB decided not to reduce the disclosures for eligible subsidiaries.	
iv)	30B An entity shall disaggregate, for its contracts that meet the criteria set out in paragraph 5C[5], the information the entity discloses, by risk category, about the terms and conditions of hedging instruments in accordance with paragraph 23A[6].	64B An entity shall disaggregate, for its contracts that meet the criteria set out in paragraph 5C of IFRS 7, the amounts the entity discloses, by risk category, related to items designated as hedging instruments in accordance with paragraph 60. Staff compared paragraph 64B of IFRS 19 to 30B of AASB 7, and noted that paragraph 23A of AASB 7 and paragraph 60 of IFRS 19 are the disclosure requirements for all hedge transactions generally. Both paragraphs are	Staff observed that paragraph 30B of AASB 7 is the disclosure requirement that applies to all hedge transactions. Staff noted that if an entity has applied the hedging requirement in paragraph 6.10.1. of AASB 9 to its eligible nature-dependent electricity contracts, then paragraphs 120[7] and 122[8] of AASB 1060 would apply to those cash flow hedge transactions. The AASB 1060 provides a significant reduction in disclosures related to hedging transactions. As the standard already includes disclosure requirements that are applicable to all cash flow hedges, staff do not recommend including additional disclosure requirement relating to cash flow hedges to AASB 1060.

5 Paragraph 5C of AASB 7 states "*Paragraph 30B applies only to contracts that satisfy the requirements in paragraph 2.3A of AASB 9 and have been designated in a cash flow hedging relationship in accordance with paragraph 6.10.1 of AASB 9*." Paragraph 5C of AASB 7 is the Australian equivalent to paragraph 5C of IFRS 7.

6 Paragraph 23A of AASB 7 states *"Unless exempted by paragraph 23C, an entity shall disclose by risk category quantitative information to allow users of its financial statements to evaluate the terms and conditions of hedging instruments and how they affect the amount, timing and uncertainty of future cash flows of the entity."*

7 Paragraph 120 of AASB 1060 states "*An entity shall disclose the following separately for each category of risk exposures that it decides to hedge and for which hedge accounting is applied:*
(a) a description of the hedge;
(b) a description of the financial instruments designated as hedging instruments and their fair values at the reporting date; and
(c) the nature of the risks being hedged, including a description of the hedged item."

8 Paragraph 122 of AASB 1060 states *"For cash flow hedges and hedges of a net investment in a foreign operation, an entity shall disclose the following:*
(a) the periods when the cash flows are expected to occur and when they are expected to affect profit or loss;
(b) a description of any forecast transaction for which hedge accounting had previously been used, but which is no longer expected to occur;
(c) the amount of the change in fair value of the hedging instrument that was recognised in other comprehensive income during the period;
(d) the amount that was reclassified to profit or loss for the period; and
(e) the amount of any excess of the cumulative change in fair value of the hedging instrument over the cumulative change in the fair value of the expected cash flows that was recognised in profit or loss for the period."

	AASB 7 full disclosures	IFRS 19 reduced disclosure	AASB 1060 proposed disclosures
		requirements to disclose, by risk category, qualitative information about the hedging instrument. In effect, these disclosures are very similar, and staff noted that in paragraph BC114 to IFRS 19, it states that "*the IASB decided not to reduce the disclosures for eligible subsidiaries*", which implies that the IASB did not find paragraph 60 of IFRS 19 to be substantially reduced from paragraph 23A of AASB 7.	
v)	30C If an entity discloses information about other contracts referencing nature-dependent electricity as described in paragraph 5D[9] (including those contracts described in paragraph 30B) in other notes in its financial statements, the entity shall include cross-references to those notes in the single note required by paragraph 30A.	64C If an entity discloses information about other contracts referencing nature-dependent electricity as described in paragraph 5D of IFRS 7 (including those contracts described in paragraph 64B of this Standard) in other notes in its financial statements, the entity shall include cross-references to those notes in the single note required by paragraph 64A. Staff compared paragraph 64C of IFRS 19 to 30C of AASB 7, and noted that the IASB decided not to reduce the disclosures for eligible subsidiaries.	AASB 1060 includes general requirements to cross-reference the items in the financial statements to related information in the notes. Staff noted that AASB 1060 does not require cross-referencing of individual items between notes. To maintain consistency, staff do not recommend adding specific cross-referencing guidance related to nature-related electricity contracts to AASB 1060.

The proposed AASB 1060 amendments are presented holistically in Appendix A for easier viewing.

9 Paragraph 5D of AASB 7 states "*Paragraph 30C applies only to contracts that satisfy the requirements in paragraph 2.3A of IFRS 9 and have been entered into with regards to an entity's electricity purchases. These contracts comprise those:*
(a) within the scope of IFRS 9; and
(b) outside the scope of IFRS 9 in accordance with paragraph 2.4 of that Standard, including those excluded in accordance with paragraphs B2.7–B2.8 of that Standard." Paragraph 5D of AASB 7 is the Australian equivalent to paragraph 5D of IFRS 7.

15 Staff also reviewed the effective date and transition requirements from the IASB's amending Standard and proposed the following recommendations (in blue text) for AASB 1060:

IFRS 7 full requirements	IFRS 19 reduced requirements	AASB 1060 proposed requirements
44OO *Contracts Referencing Nature-dependent Electricity*, issued in December 2024, which also amended IFRS 9, added paragraphs 5B–5D, 30A–30C and 44PP. An entity shall apply these paragraphs when it applies the amendments to IFRS 9. If an entity does not restate comparative information when it first applies the amendments to IFRS 9 in accordance with paragraph 7.2.51 of that Standard, the entity shall not provide comparative information for the disclosures required by paragraphs 30A–30C. Similarly, an entity that applies IFRS 19 *Subsidiaries without Public Accountability: Disclosures* shall not provide comparative information for the disclosures required by paragraphs 64A–64C. 44PP In the reporting period in which an entity first applies *Contracts Referencing Nature-dependent Electricity*, the entity need not disclose the quantitative information that would otherwise be required by paragraph 28(f) of IAS 8[10]. Similarly,	A6 *Contracts Referencing Nature-dependent Electricity*, issued in December 2024, amended IFRS 9 and IFRS 7, adding new disclosure requirements in paragraphs 30A–30C of IFRS 7. These amendments added paragraphs 64A–64C and amended paragraph 42 of this Standard. In accordance with paragraph 4(c) of this Standard, the transition requirements for paragraphs 64A–64C are set out in paragraphs 44OO–44PP of IFRS 7. An entity shall apply these amendments when it applies the amendments to IFRS 9. The amendments to IFRS 9 and IFRS 7 are effective for annual reporting periods beginning on or after 1 January 2026, and early application is permitted. If an entity applies this Standard for an annual reporting period that begins before 1 January 2026 and has not applied the amendments to IFRS 9 early, it need not apply paragraphs 64A–64C.	Consistent with IASB's requirement for IFRS 19, staff recommend providing the same relief to entities applying AASB 1060: (a) Entities shall not provide comparative information for the new disclosures (b) Entities need not disclose the quantitative information that would otherwise be required by paragraph 108 of AASB 1060[11].

10 Paragraph 28(f) of AASB 108 states "*when initial application of an Australian Accounting Standard has an effect on the current period or any prior period, would have such an effect except that it is impracticable to determine the amount of the adjustment, or might have an effect on future periods, an entity shall disclose:*

…

(f) for the current period and each prior period presented, to the extent practicable, the amount of the adjustment:

(i) for each financial statement line item affected; and

(ii) if AASB 133 Earnings per Share applies to the entity, for basic and diluted earnings per share;

…" Paragraph 28(f) of AASB 108 is the Australian equivalent of paragraph 28(f) of IAS 8.

11 Paragraph 108 of AASB 1060 states "*when a voluntary change in accounting policy has an effect on the current period or any prior period, an entity shall disclose the following:*

…

IFRS 7 full requirements	IFRS 19 reduced requirements	AASB 1060 proposed requirements
an entity that applies IFRS 19 need not disclose the quantitative information that would otherwise be required by paragraph 178(f) of IFRS 19.		

(c) to the extent practicable, the amount of the adjustment for each financial statement line item affected, shown separately:
(i) for the current period;
(ii) for each prior period presented; and
(iii) in the aggregate for periods before those presented;
…"

Note: AASB 1060 does not address earnings per share (AASB 133), as stated in paragraph 33 of AASB 1060.

16 Subject to Board member agreement, staff suggest the following next steps:

Task	Timing
Staff to draft Exposure Draft proposing amendments to AASB 1060.	by 14 March 2025
Staff to finalise the Exposure Draft out of session via the Chair and publish the Exposure Draft.	by 21 March 2025
Comments on the Exposure Draft due (60-day comment period). Staff consider this a narrow-scope amendment; therefore, a shorter comment period is justified.	Approximately 60 days from the issuance of the Exposure Draft (by 20 May 2025)
Staff to analyse any feedback received in June/July 2025, discuss any feedback with the Board at the **August 2025 AASB meeting** and, if appropriate, ask Board members to vote on the amending Standard.	July/August 2025
Staff to finalise and issue the amending Standard after incorporating any feedback from stakeholders and Board members at the August 2025 AASB meeting.	August 2025

17 Staff note that the above timeline does not allow for the Board to consider the drafting of the Exposure Draft prior to it being issued. If the Board did wish to consider the Exposure Draft in session, an amending Standard is unlikely to be issued until Q4 2025.

Question to Board members

Q1: Do Board members have any questions or comments on possible amendments to AASB 1060?

Q2: Do Board members agree with the staff recommendation in:

(a) paragraph 14i)

(b) paragraph 14ii)

(c) paragraph 14iii)

(d) paragraph 14iv)

(e) paragraph 14v)

If not, what do Board members suggest?

Q3: Do Board members agree with the staff recommendation in paragraph 15? If not, what do Board members suggest?

Q4: Do Board members have any comments on the suggested next steps?

Appendix A – Staff recommended amendments to AASB 1060

The following is the resulting effect of our proposal to amend AASB 1060 from paragraph 14 of this paper:

Contracts referencing nature-dependent electricity

122A Contracts referencing nature-dependent electricity are contracts that expose an entity to variability in the underlying amount of electricity because the source of electricity generation depends on uncontrollable natural conditions (for example, the weather). Contracts referencing nature-dependent electricity include both contracts to buy or sell nature-dependent electricity and financial instruments that reference such electricity. For contracts to buy nature-dependent electricity that are outside the scope of AASB 9 in accordance with paragraphs B2.7–B2.8 of AASB 9, an entity shall disclose in a single note in its financial statements:

(a) information about contractual features that expose the entity to:

(i) variability in the underlying amount of electricity; and

(ii) risk that the entity would be required to buy electricity during a delivery interval in which the entity cannot use the electricity (see paragraph B2.7 of AASB 9).

(b) qualitative information about how the entity assesses whether a contract might become onerous (see AASB 137 *Provisions, Contingent Liabilities and Contingent Assets*), including the assumptions the entity uses in making this assessment.

(c) qualitative and quantitative information about effects on the entity's financial performance for the reporting period. The disclosure is based on the information that is applicable to the reporting period the entity used to assess whether it has been a net purchaser of electricity (see paragraph B2.8 of AASB 9). An entity shall disclose information for the reporting period about:

(i) the costs arising from purchases of electricity made under the contracts

(ii) the proceeds arising from sales of unused electricity; and

(iii) the costs arising from purchases of electricity made to offset sales of unused electricity.