

clarified that the specific disclosures are required only where they are material to the financial statements.

BC10 The Board considered the feedback and decided:

- (a) not to add proposed paragraphs 95A–95E to AASB 1060. When developing AASB 1060, the Board was aware that replacing certain Standards with sections in AASB 1060 also removed some of the guidance included in those Standards, where such guidance was also not included in the *International Financial Reporting Standard for Small and Medium-sized Entities (IFRS for SMEs Standard)*. However, for the sake of maintaining the simplicity of the disclosure requirements in AASB 1060, the Board considered this to be preferable to considering on a case-by-case basis which guidance should be included and which could be omitted.³ Whilst the Board was unable to follow the IASB approach in this case as the *IFRS for SMEs Standard* was last updated in 2015, on balance the Board considered that including the proposed guidance paragraphs in AASB 1060 was not necessary. The Board noted that AASB 1060 paragraph 2 permits an entity applying AASB 1060 to refer to other Australian Accounting Standards (including AASB 101) for guidance where necessary; and
- (b) not to amend the specific accounting policy disclosure requirements in AASB 1060. Whilst the Board could see merit in either deleting them or clarifying that they apply subject to materiality, on balance it decided that such an amendment was not necessary. In particular, the Board noted that the inclusion of the specific accounting policy disclosure requirements, and their drafting, is consistent with the approach adopted in the *IFRS for SMEs Standard*. The Board also noted that AASB 1060 paragraph 23 explicitly states that the requirements of AASB 1060 apply subject to materiality.

Effective date and early application

BC11 To ensure consistency between the amendments in this Standard and the amendments made in AASB 2021-2, the Board decided that this Standard would be effective for annual periods beginning on or after 1 January 2023, with earlier application permitted.

³ AASB 1060 paragraph BC55.