

18 December 2020

Dr Keith Kendall  
Chair  
Australian Accounting Standards Board  
PO Box 204  
Collins Street West  
Victoria 8007 AUSTRALIA

Via website: [www.aasb.gov.au](http://www.aasb.gov.au)

Dear Keith

**Submission on Exposure Draft ED 306: –Transitional between Tier 2 Frameworks for Not for profit entities**

As the representatives of over 200,000 professional accountants in Australia, Chartered Accountants Australia and New Zealand (CA ANZ) and CPA Australia thank you for the opportunity to comment on the above Exposure Draft (ED).

CA ANZ and CPA Australia are of the view that the proposals in this ED are sensible and necessary amendments to AASB 1053 *Application of Tiers of Australian Accounting Standards* and AASB 1060 *General Purpose Financial Statements – Simplified Disclosures for For-Profit and Not-for-Profit Tier 2 Entities* (AASB 1060). These proposed changes will ensure that not-for-profit (NFP) entities are not disadvantaged, compared to their for-profit (FP) counterparts, when transitioning to the AASB's new Simplified Disclosure regime (AASB 1060) from the previous Reduced Disclosure Requirements regime.

Encouraging this transition by minimising the costs to do so will promote consistency and comparability of Tier 2 financial statements in both the FP and NFP sectors. We are therefore pleased to support the proposals and their proposed effective date.

If you have any questions about our submission, please contact either Amir Ghandar (CA ANZ) [amir.ghandar@charteredaccountantsanz.com](mailto:amir.ghandar@charteredaccountantsanz.com) or Ram Subramanian (CPA Australia) at [ram.subramanian@cpaaustralia.com.au](mailto:ram.subramanian@cpaaustralia.com.au).

Your sincerely

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