



## Staff Paper

<b>Project:</b>	<b>AASB Agenda Consultation</b>	<b>Meeting:</b>	AASB June 2016 (M152)
<b>Topic:</b>	<b>Project Update</b>	<b>Agenda Item:</b>	12.1
		<b>Date:</b>	6 June 2016
<b>Contact(s):</b>	Nikole Gyles <a href="mailto:ngyles@asb.gov.au">ngyles@asb.gov.au</a> (03) 9617 7639	<b>Project Priority:</b>	High
		<b>Decision-Making:</b>	n/a
		<b>Project Status:</b>	In progress

### Introduction and objective of this paper

- 1 The objective of this paper is to provide an update on the AASB Agenda Consultation project.

### Background

- 2 In November 2015 the AASB issued ITC 34 [AASB Agenda Consultation 2017–2019](#) for comment by 4 March 2016.
- 3 The purpose of the agenda consultation is to seek views from Australian constituents on the projects the AASB should be addressing that are primarily domestic in nature. The domestic work program of the AASB addresses financial reporting issues in relation to:
  - (a) public sector entities;
  - (b) not-for-profit entities; and
  - (c) Australian specific issues relating to for-profit entities.

It is expected that the agenda consultation will result in the AASB considering a number of short-term projects, and a small number of long-term projects, to add to its current work program.

### Project status and project plan

#### Outreach activity

- 4 The Board has received 5 comment letters on ITC 34:
  - (a) Australasian Council of Auditors-General;
  - (b) CPA Australia;

- (c) HoTARAC;
  - (d) KPMG; and
  - (e) PricewaterhouseCoopers.
- 5 In addition, staff sought feedback on the Board's work program from attendees at the AASB Accounting Firms Forum held in May 2016. These attendees were, in the main, from smaller/mid-tier accounting firms.
- 6 In addition to feedback from the comment letters and AASB forum, staff received informal feedback relevant to the Board's decision-making on its future work programme from:
- (a) Chartered Accountants Australia and New Zealand. Staff note that the CAANZ have conducted a financial reporting survey, which in part will inform their 2016 *future*[inc] reporting project. CAANZ have shared with the AASB initial feedback from the survey relevant to the Board's agenda consultation;
  - (b) Group of 100;
  - (c) 2 accountants working at mid-tier/smaller accounting firms;
  - (d) 3 constituents working with local government or state government;
  - (e) 2 members of the valuation profession; and
  - (f) a member of the public.
- 7 Staff also noted that the AASB was seeking input on its future agenda when presenting at/to the following groups, however, no feedback was received in-session:
- (a) CPA Congress (October – November 2015) sessions in Melbourne, Sydney, Brisbane, Adelaide and Perth, and the CPA Convention session in Newcastle (March 2016);
  - (b) CPA Public Sector discussion group (March 2016);
  - (c) CAANZ Not-for-Profit discussion group (April 2016);
  - (d) Institute of Public Accountants conference in Adelaide (March 2016);
  - (e) South Australian Local Government Finance Managers Group annual conference (December 2015).
- 8 Staff anticipate that the interviews currently being conducted as part of the Board's Review of IFRS Implementation in Australia project will also contribute feedback relevant to the agenda consultation. Further, staff are in the process of reviewing previous Board interim decisions to determine whether some topics should now be brought back for Board consideration as related projects have been progressed.

### Initial high-level themes of feedback

- 9 The feedback received to date reflects the following high-level themes:
- (a) strong support for progressing the Australian Financial Reporting Framework project;
  - (b) strong support for a project on clarifying the application of AASB 13 *Fair Value Measurement* for not-for-profit entities, including potential further consideration of applicable disclosures;
  - (c) general agreement with continuing with projects on the AASB's current standard-setting work program;
  - (d) that the AASB should consider whether it should do more to assist the implementation of accounting standards by smaller and medium sized entities (e.g. guidance, education);
  - (e) some support for post-implementation reviews of certain public sector specific requirements, including AASB 1055 *Budgetary Reporting*;
  - (f) some support for the AASB undertaking further external reporting projects.

### Updated project plan

- 10 Staff intend to continue targeted outreach in the next 4-6 weeks with the following key dates for the remaining project deliverables:

August 2016	Summary of key feedback and AASB work program recommendations presented to the Board
October 2016	Sweep issues (if needed) / Draft Feedback Statement
November 2016	Publish Feedback Statement

### **Question to the Board**

Does the Board have any comments or questions in relation to the feedback received to date or the updated project plan?