



Project:	Amendments to Standards – AASB 9, 10, 128 and 1048 and corrections	Meeting	AASB December 2017 (M161)
Topic:	Cover memo	Agenda Item:	4.0.0
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		Decision-Making:	Low
		Project Status:	Ballot Drafts of Standards

Introduction and objective of the meeting

- 1 The objective of this meeting is to review the ballot drafts and seek the Board's approval or directions in relation to amendments to the following Standards: AASB 9, AASB 10, AASB 128 and AASB 1048, and editorial corrections.

Attachments

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| Agenda Paper 4.1.0 | Deferral of amendments to AASB 10 and AASB 128 and editorial corrections |
| Agenda Paper 4.1.1 | Ballot Draft of Amending Standard AASB 2017-X <i>Amendments to Australian Accounting Standards – Effective Date of Amendments to AASB 10 and AASB 128 and Editorial Corrections</i> |
| Agenda Paper 4.2.0 | Prepayment Features with Negative Compensation: Amendments to AASB 9 |
| Agenda Paper 4.2.1 | Ballot Draft of Amending Standard AASB 2017-Y <i>Amendments to Australian Accounting Standards – Prepayment Features with Negative Compensation</i> |
| Agenda Paper 4.2.2 | RDR analysis of new transition disclosure requirements for AASB 9 |
| Agenda Paper 4.3.0 | Long-term Interests in Associates and Joint Ventures: Amendments to AASB 128 |

Agenda Paper 4.3.1 Ballot Draft of Amending Standard AASB 2017-Z *Amendments to Australian Accounting Standards – Long-term Interests in Associates and Joint Ventures*

*Agenda Paper 4.4.0 Update of AASB 1048 references to Interpretations

*Agenda Paper 4.4.1 Ballot Draft of new principal version of AASB 1048 *Interpretation of Standards*

Overview of agenda papers

- 2 Agenda Papers 4.1.0, 4.2.0, 4.3.0 and 4.4.0 are staff papers that address the need for each Standard being proposed and provide respective staff recommendations. Agenda Papers 4.1.1, 4.2.1, 4.3.1 and 4.4.1 present the ballot drafts of Standards, for members' vote at the meeting, if members support that approach.

Deferral of amendments to AASB 10 and AASB 128 and editorial corrections

- 3 As the IASB has not yet determined a specific application date for these amendments, it is necessary for the AASB to now defer the current application date in Australia of periods beginning on or after 1 January 2018. The AASB decided at the October 2017 meeting to defer the amendments to 1 January 2022.
- 4 Recent IASB editorial corrections to a range of Standards, and some domestic corrections as well, are included in this amending Standard so that they also apply from 1 January 2018.

Prepayment features with negative compensation

- 5 This is a narrow-scope amendment of IFRS 9, to apply from 1 January 2019. The AASB made a submission to the IASB on the preceding Exposure Draft.
- 6 Agenda Paper 4.2.2 provides staff analysis of potential disclosure concessions for Tier 2 entities in relation to new transition disclosure requirements in the amending Standard.

Long-term interests in associates and joint ventures

- 7 This is a narrow-scope amendment of IAS 28, to apply from 1 January 2019. The AASB did not make a submission to the IASB on the preceding Exposure Draft.

AASB 1048 Interpretation of Standards

- 8 AASB 1048 needs to be reissued to give mandatory status to two Interpretations – Interpretation 22 *Foreign Currency Transactions and Advance Consideration* (February 2017) and Interpretation 23 *Uncertainty over Income Tax Treatments* (July 2017). In addition, versions of Interpretations that are superseded in relation to the application date of the new AASB 1048 (periods ending on or after 31 December

* Second mailout of agenda papers.

2017) are deleted from the new tables in the Standard, and new versions of Interpretations that would incorporate consequential amendments to Interpretations as a result of the issuance of Standards since the last version of AASB 1048 have been included.

Summary of staff recommendations

- 9 The staff recommend that members vote at the meeting to approve the ballot drafts of the Standards attached to this memo.

Next steps

- 10 If one or more of the ballot drafts are approved, staff will proceed to publish the amending Standards as AASB 2017-5, AASB 2017-6 and AASB 2017-7, as required, replacing the X, Y and Z references. AASB 1048 would be issued as a new principal Standard.
- 11 If one or more of the ballot drafts are not approved, staff will aim to provide revised ballot drafts subsequent to the meeting for members' vote in December.