

AUSTRALIAN ACCOUNTING STANDARDS BOARD

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MEMORANDUM

To:	AASB Members	Date:	28 August 2007
From:	Robert Keys and Natalie Batsakis	Agenda item:	9.1
Subject:	GAAP/GFS Harmonisation (ED 155)	File:	P113

Action

Consider:

- (a) responses to ED 155 *Financial Reporting by Whole of Governments* and Supplement to ED 155 *Financial Reporting by Whole of Governments – Illustrative Example*; and
- (b) a draft of an integrated Standard (amending AASB 1049 to incorporate both GGS and WoG requirements),

and provide staff with directions for finalising a Standard(s).

Background

The comment period for ED 155 and its Illustrative Example Supplement closed on 17 August 2007. To date we have received 5 responses (see agenda papers 9.3.1-9.3.5). A collation of responses is provided in agenda paper 9.2.

Consistent with the Board's proposal in ED 155 to issue a single integrated standard for GGS and WoG financial reporting, we have drafted agenda paper 9.4. Due to the extent of differences between it and ED 155 (which was written from only a WoG perspective), agenda paper 9.4 is not marked-up.

Agenda paper 9.4 also reflects some 'improvements', in line with the Board's discussions in March 2007 arising out of a limited implementation review of AASB 1049 *Financial Reporting of General Government Sectors by Governments*. Text boxes in the margin, together with some of the explanations in agenda paper 9.2, highlight some of the more significant differences between agenda paper 9.4 and ED 155/AASB 1049.

The Standard(s) that will emerge from this process will effectively supersede AAS 31 *Financial Reporting by Governments*. Therefore, this project is related to ED 156 *Proposals Arising from the Short-term Review of the Requirements in AAS 27, AAS 29 and AAS 31* (comment period closes 3 September 2007). Staff intend bringing a collation of comments on ED 156 to the Board's October 2007 meeting, together with a penultimate draft of the Standard based on ED 155. If this is able to be achieved, we remain on target for issuing Standards based on ED 155 and ED 156 in early November 2007. Accordingly, constituents should have a clear indication of the requirements of those Standards from the October 2007 meeting, in time for the 2008-09 Budget cycle.

Issues and Staff Views

The issues and related staff views are reflected in agenda papers 9.2 and/or 9.4.

Attachments

Agenda Paper 9.2: Collation of comments on ED 155
Agenda Papers 9.3.1-9.3.5: Responses to ED 155
Agenda Paper 9.4: Draft integrated Standard AASB 1049 *Whole of Government and General Government Sector Financial Reporting*

To be available at the Board meeting for reference, as required

Agenda Paper 9.5: ED 155
Agenda Paper 9.6: Supplement to ED 155
Agenda Paper 9.7: AASB 1049

[Board members already have copies of ED 155, its Supplement and AASB 1049. If you require another copy before the Board meeting, please let me know via email: rkeys@asb.com.au.]