



To:	AASB members	Date:	28 January 2010
From:	Clark Anstis	Agenda Item:	5.2
Subject:	Public Sector Projects	File:	–

Action

To review the attached correspondence on public sector project priorities for a preliminary discussion of project priorities.

Attachments

- 5.3 ACAG's initial letter re priorities (19-10-09) [agenda paper 17.5, 12/09 meeting];
- 5.4 ACAG's second letter re priorities (18-11-09) and the Chairman's reply (23-11-09) [17.6]; and
- 5.5 HoTARAC's letter re priorities (27-11-09) [17.7]
- 5.6 HoT's letter re discount rates (4-8-09) and the Chairman's reply (12-8-09).

Background

Staff intend for the Board to have a full discussion of public sector work program priorities at the March joint meeting with the FRSB. However, we consider that it would be useful for Board members to have an initial discussion of the issues at the February meeting, to provide an appreciation of member views as a basis for preparing materials for the March meeting.

As indicated above, items 5.3 to 5.5 were provided previously to the Board in the agenda papers for the December meeting (agenda paper 17.7 was tabled at that meeting). The Heads of Treasuries letter (agenda paper 5.6) is referred to in the HoTARAC letter. The HoTs letter was included in the agenda papers for the September 2009 meeting in relation to the 2009 Exposure Draft ED 187 *Discount Rate for Employee Benefits*. That ED has not resulted in any amendments to Standards.

There are three common topics in the top five priorities listed by ACAG and HoTARAC: control in the public sector, non-exchange transactions (grants), and public private partnerships (service concession arrangements). All of these are active projects of the Board, although at differing stages: project proposal agreed in December, ED 180 (but for recipients, not grantors), and IPSASB ED due to be issued in February, respectively.

Beyond those common topics, however, there is considerable divergence in the top priorities raised by the two groups. ACAG nominated infrastructure, heritage and cultural assets, and intangible assets, whereas HoTARAC nominated long-term liabilities, environmental initiatives and borrowing costs.