



Memorandum

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| To: | AASB members | Date: | 14 May 2013 |
| From: | Nikole Gyles | Agenda Item: | 12.1 |
| Subject: | IASB Request for Information: Rate Regulation | File: | |

Actions

- Form preliminary responses to questions in the IASB's Request for Information (RFI) on Rate Regulation, subject to considering any subsequent comment letters on AASB Invitation to Comment, ITC 28 *Invitation to Comment on IASB Request for Information on Rate Regulation* (which incorporates the IASB's Request for Information)
- Decide the process for finalising the Board's submission to the IASB

Attachments

Agenda Paper 12.2 Staff Issues Paper: The main preliminary issues that could be raised in response to the IASB's Request for Information on Rate Regulation (to be sent to Board members in 2nd mailout, 21 May)

Agenda Paper 12.3 AASB ITC 28 *Invitation to Comment on IASB Request for Information on Rate Regulation* (which incorporates the IASB's Request for Information)

Background

The International Accounting Standards Board (IASB) has decided to restart its Rate-regulated Activities research project. It is first aiming to identify the range of rate-regulated schemes that would be included within the project's scope. In March 2013, the IASB published an RFI on Rate Regulation and in April 2013 the AASB issued ITC 28, which incorporates the IASB RFI. The RFI is seeking high-level overviews of the types of rate regulation that are currently in force, in order to provide factual evidence and examples upon which to base this project. The IASB is not seeking views at this stage on matters such as whether the features of rate regulation create assets or liabilities that can or should be recognised in the general purpose financial statements. Such views will be sought at a later stage of the project.

Comments on ITC 28 are due to the AASB by 7 May 2013 and to the IASB by 30 May 2013. No comment letters have been received to date on ITC 28.

AASB staff are currently conducting targeted outreach to large accounting firms to gather information in relation to rate-regulatory schemes in Australia. Because of this, it has not been possible to include the relevant agenda paper in the first mail-out, and therefore it has been necessary to organise a second mail-out. Agenda Paper 12.2¹ (the Staff Issues Paper) will incorporate the results of the outreach we have conducted since the first mail-out, as well as any comment letters received, as input to the development of the AASB's preliminary responses to questions in the IASB's RFI.

Process for finalising Board submission

Staff recommend that, subject to the nature of any responses subsequently received, the submission be finalised out-of-session via the Chairman.

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| Question to Board members: |
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| Do you agree with staff's recommendation? |
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¹ To be sent to Board members in 2nd mailout, 21 May.