



To:	AASB members	Date:	19 August 2014
From:	Mitchell Bryce and Joanna Spencer	Agenda Item:	7.1 (M140)
Subject:	Revenue - Constituent feedback on Tier 2 disclosure proposals and proposal to supersede AASB Interpretation 1042	File:	

Action

To consider any constituent feedback received on ‘adverse comment’ Exposure Drafts ED 251 *Revenue from Contracts with Customers – Tier 2 proposals* and ED 252 *Proposal to supersede AASB Interpretation 1042 Subscriber Acquisition Costs in the Telecommunications Industry*.

Overview

- 1 IFRS 15 *Revenue from Contracts with Customers* was finalised by the IASB on 28 May 2014. AASB staff are currently in the process of determining Australia-specific reporting requirements prior to creating a ballot draft for the anticipated forthcoming Standard AASB 15 *Revenue from Contract with Customers*.
- 2 At the July 2014 AASB meeting the Board considered the following in relation to incorporating IFRS 15 in Australian Accounting Standards:
 - (a) Tier 2 Disclosure Proposals; and
 - (b) the proposal to supersede AASB Interpretation 1042 *Subscriber Acquisition Costs in the Telecommunications Industry* with AASB 15.
- 3 In respect of paragraph 2(a) above, the Board decided to amend a number of the Tier 2 disclosure requirements previously proposed by the Board. In respect of paragraph 2(b) above, the Board decided that the requirements of AASB Interpretation 1042 ought to be superseded by AASB 15.
- 4 The Board decided to issue two ‘adverse comment’ EDs incorporating the proposals in paragraph 3 above.

Process

- 5 Adverse comments in respect of the proposals in ED 251 and ED 252 are due to the AASB by 29 August 2014. AASB staff will prepare a tabled paper considering any submissions received on ED 251 and/or ED 252 for the September 2014 Board meeting.