



Memorandum

To:	AASB members	Date:	12 May 2015
From:	Clark Anstis	Agenda Item:	7.1
Subject:	Reissue of IFRS-Equivalent Pronouncements	Project Priority:	High
Project Status:	Drafting – Standards and Interpretations for voting, Q2 2015	Decision-Making:	High

Action for this meeting

To make key decisions in relation to:

- 1 project scope and timing; and
- 2 principles to be applied in drafting new principal versions of AASB pronouncements.

Background

The objective of this project is to reissue nearly all of the existing AASB Standards and Interpretations (UIG and AASB) that incorporate IFRSs, by the end of June 2015. The reason for doing so is to remove all unnecessary editorial differences between the AASB pronouncements and the IFRSs. These editorial differences have made the preparation of AASB amending Standards very time-consuming, due to the need to first identify the different wording or punctuation in the AASB pronouncements and then modify the IASB amendment wording to suit.

Reissuing the existing AASB Standards and Interpretations that incorporate IFRSs as new principal versions would enable IASB amendments to be adopted largely without change, subject to adding any amendments for Aus paragraphs. Furthermore, this approach would allow the use of IASB compilations of standards and amendments as the basis for compilations of the corresponding AASB pronouncements, again subject to adding Aus paragraphs as amended and Australian legislative requirements for compilations (e.g. compilation details such as the table of amendments to a Standard).

Recently issued AASB Standards that do not include historical editorial differences would not need to be reissued. These are considered to be AASB 9 *Financial Instruments* (2014), AASB 14 *Regulatory Deferral Accounts* and AASB 15 *Revenue from Contracts with Customers*.

Issuing the new principal versions of affected pronouncements by the end of June is proposed on the grounds that at present there is a relative hiatus in the issuance of new IASB pronouncements and amendments. Putting the new versions in place now will establish the basis for more efficient updating of AASB pronouncements in the future.

Attachments

7.2 AASB staff issues paper

Overview of agenda papers

Agenda paper 7.2 – Staff issues paper

This agenda paper addresses the scope of the project, proposing that all of the existing AASB Standards and Interpretations that incorporate IFRSs should be reissued by the end of June 2015, except that the recently issued Standards that do not include historical editorial differences would not be reissued: AASB 9, AASB 14 and AASB 15.

The agenda paper also addresses the principles to be applied in drafting the pronouncements to be reissued. For example, the proposed principles recommend the following:

Basis of the new versions

- (a) the new versions of AASB pronouncements should be based on current IASB files;
- (b) existing Aus paragraphs and material should be added to each pronouncement, except that the entity application paragraphs (re reporting entities and GPFSSs) and RDR paragraphs should be removed to a general Standard to facilitate future amendment of those paragraphs;
- (c) the new versions should replace the existing pronouncements as presently amended, resulting in various application dates depending on which amending Standards have affected each existing version;

Content of the new versions

- (d) the historical amendment transition paragraphs in existing Standards should not be included in the new principal versions as they relate to periods to which the new version does not apply, but any initial application transition paragraphs should be included; and
- (e) the Discussion paragraphs in UIG Interpretations that incorporate SIC Interpretations should be changed to Basis for Conclusions paragraphs, as they are called in the SIC Interpretations, as the IASB no longer presents these paragraphs as part of the Interpretation and amends them as part of BC amendments.

The proposed principles are set out in tables in the agenda paper.

Agenda Paper 7.2 includes the following Questions to Board members:

- Q1 Does the Board agree with the staff recommendation to reissue existing AASB Standards and Interpretations (UIG and AASB) that incorporate IFRSs as new principal versions (except for AASB 9, 14 and 15)?
- Q2 Does the Board agree with the proposal for voting on the new versions by the end of June 2015?
- Q3 Does the Board agree with the proposed principles for drafting the new principal versions?