**Australian Government**
**Australian Accounting Standards Board**

# Memorandum

| To: | **AASB members** | Date: | 2 July 2015 |
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| From: | **Clark Anstis and Shaun Steenkamp** | Agenda Item: | 10.2 |
| Subject: | **Australian Financial Reporting Framework – Benchmarking Report** | **Project Priority** | High |
| Project Status: | **Research** | **Decision-Making:** | Low |

## Action for this meeting

To consider the comparative jurisdictions proposed to be addressed in the benchmarking report.

## Background

The objective of the Australian financial reporting framework project is to work with government policymakers and regulators to clarify and simplify the Australian financial reporting framework. The project aims to develop objective criteria to determine which entities would be required to prepare general purpose financial statements and the level of the reporting requirements, without individual entities having to apply the reporting entity concept.

The first phase of the project, per the project work plan considered at the May 2015 meeting of the Board, is to research financial reporting criteria. This includes benchmarking reporting requirements (Tier 1, Tier 2, other) and thresholds to other jurisdictions.

## Jurisdictions for benchmarking

Staff propose that the following jurisdictions be addressed in the benchmarking report in order to provide a useful comparison with Australian requirements:

Asia/Oceania – Hong Kong, Japan, Korea, Malaysia, New Zealand, Singapore

Other – Canada, South Africa, United Kingdom, United States of America.

These jurisdictions are mainly ones that we have conventionally considered in relation to financial reporting issues and that are relatively comparable in terms of regulatory rigour. The benchmarking report is intended to cover for-profit entities, not-for-profit private sector entities and not-for-profit public sector entities. However, only some of these sectors might be addressed for some of the jurisdictions noted, depending on the availability of information.

**Question to Board members:**

Q1    Do members have suggestions regarding the jurisdictions for the comparison?

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