



Project:	Research Update	Meeting	AASB October 2015 (M148)
Topic:	Cover memo	Agenda Item:	19.0
Contact(s):	Clark Anstis canstis@asb.gov.au (03) 9617 7616	Project Priority:	High
		Decision-Making:	High
		Project Status:	Strategy Development

Introduction and objective of the meeting

- 1 The objective of this meeting is to obtain Board decisions in relation to:
 - (a) the scope of the AASB's activities in respect of projects outside what might be regarded as 'conventional' financial reporting; and
 - (b) the project plan and timeline of the post-implementation review of the adoption of International Financial Reporting Standards (IFRS) in Australia.

Attachments

Agenda Paper 19.1 Staff Paper – Scope of the AASB's Activities [**Board Only**]

Agenda Paper 19.2 Staff Paper – Post-Implementation Review of IFRS Adoption in Australia – Project Plan

Overview of agenda papers

- 2 Paper 19.1 analyses the involvement of the AASB in projects outside 'conventional' financial reporting, in terms of both projects on the current standard-setting and Research Centre work programs and whether the AASB should address such projects. The paper sets out potential factors to consider in assessing external reporting projects for inclusion on the work program.
- 3 Paper 19.2 presents a project plan and timeline for the post-implementation review of the adoption of IFRSs in Australia. The review aims to explore the major costs and benefits of IFRS adoption to each main constituent group with a view to informing the AASB's process for adopting IFRS, which ultimately could result in amendments of the AASB's process for modifying IFRSs for not-for-profit entities.

Summary of staff recommendations

Scope of the AASB's activities

- 4 The staff recommend the following:

- (a) the AASB should be contemplating projects that have relevance to external reporting and will satisfy unmet user needs for information beyond conventional financial reporting, provided that the AASB's role would be clear;
- (b) there is little to be gained from launching a research project aimed at identifying the scope of financial reporting; and
- (c) the following factors should be considered in weighing-up projects that the AASB might address:
 - (i) areas that appear to be gaps in external reporting and require leadership before progress can be made, when it is clear there are user needs that are not being met;
 - (ii) the expertise/attributes that the AASB has in standard setting and research;
 - (iii) the topics addressed, or being addressed, by counterpart standard-setters in other jurisdictions; and
 - (iv) a definable solution can be envisaged that is achievable in a reasonable timeframe.

IFRS post-implementation review

5 The staff recommend that the AASB support the proposed project plan and timeline.

Next steps

6 The next steps for each agenda item will depend on the decisions of the Board in response to the agenda papers – addressing projects beyond conventional financial reporting, and carrying out the IFRS adoption post-implementation review.