

**DRAFT AASB Project Plan**  
**Post-implementation review of AASB 1049**

**Background**

The minutes of the 14-15 February 2007 AASB meeting record:

“The Board noted that AASB 1049 implementation experience has highlighted some possible areas where AASB 1049 could be improved. These possible improvements should be considered at a future meeting. ...” (see attachment A, item w).

Also, the minutes of the 24 September 2008 AASB meeting record:

“In early November the FRC will hold a public sector workshop to discuss a post-implementation review of the application of the Standards issued in relation the FRC directive regarding GAAP/GFS harmonisation. Members noted that the Chairman and senior technical staff have been invited to participate in the workshop.” (see agenda item 2(c))

“... The Board considered the responses to ED 163<sup>1</sup> and the staff analysis of those responses and decided that some of the issues raised by respondents (noted in Attachment B to these minutes) are outside the limited scope of ED 163 and should be considered as part of a separate post-implementation review of AASB 1049 *Whole of Government and General Government Sector Financial Reporting*.” (see agenda item 4)

“... consistent with staff view 2, issues raised by HoTARAC relating to budgetary reporting should be considered in the context of a post-implementation review of AASB 1049 and not in the context of this limited-scope project ...” (see agenda item 4, attachment B, item b)

“... consistent with staff view 5, the exemption from disclosing certain information that enables financial statement users to evaluate the entity’s objectives, policies and processes for managing capital as per paragraph Aus1.7 of AASB 101 should not be reviewed as part of this project. Instead, the issue should be considered as part of the post-implementation review of AASB 1049 ...” (see agenda item 4, attachment B, item g)

The 2008-09 financial year is the first year in which all jurisdictions in Australia have adopted AASB 1049 for their whole of government financial statements and GGS financial statements<sup>2</sup>. The following table shows when those financial statements were made available to the public:

Western Australia	22 September 2009
Victoria	14 October 2009
Queensland	28 October 2009
New South Wales	29 October 2009
Northern Territory	29 October 2009
Tasmania	29 October 2009
Australian Capital Territory	30 October 2009
Commonwealth (whole of government only)	11 December 2009
South Australia	16 December 2009

It is now timely to undertake a post-implementation review of AASB 1049 with a view to determining whether and, if so how, to amend the Standard and making it available for application to financial years ending on or after 30 June 2010.

<sup>1</sup> ED 163 *Proposed Amendments to AASB 1049 for Consistency with AASB 101* was issued in June 2008.

<sup>2</sup> The Australian Government has not yet prepared a GGS financial report for 2008-09 in accordance with the requirements of AASB 1049.

## **Detailed project plan**

### ***Approach***

The project should identify a comprehensive list of implementation issues. This will be done by:

- reviewing jurisdictions' whole of government and GGS financial statements for the 2008-09 financial year;
- reviewing the AASB staff's technical query database;
- reviewing e-mail correspondence with constituents since AASB 1049 was issued;
- reviewing the implementation issues explicitly identified at the AASB February 2007 and September 2008 meetings (see extracts from minutes above); and
- consulting constituents through a program of field visits/telephone calls to each jurisdiction (to ensure we understand the issues faced in each jurisdiction).

Once the issues have been identified, staff suggestions for addressing them will be developed having regard to the Board's policy of issuing principles-based Standards.

Considering the urgency of the project, an AASB sub-committee will be established to undertake a substantive amount of the review function and preliminary decision making out-of-session.

Relevant papers (including sub-committee papers) should be made publicly available to give constituents the opportunity to monitor the progress of the project, in case they want to be ready to early adopt any amendments that are made to AASB 1049.

### ***Timing***

The aim is to have amendments to AASB 1049, if any, available for application to the year ended 30 June 2010. Acknowledging the need for due process and noting the level of consultation planned throughout (including field visits) a comment period of 30 days is sufficient and would make it possible to issue amendments to the Standard by August 2010.

The estimated timing noted in the following table is subject to a range of factors that are beyond the control of the AASB staff. It would be achievable only if the Board agrees that most of the work will be done by the sub-committee and in the event that the Board substantively accepts the subcommittee's recommendations. The timetable is provided to give a broad sense of the sequence and an indication of the period of time the work might take.

### ***Resources (estimated)***

Assistant Project Manager:	90% for 6 months
Graduate Intern:	25% for 6 months
Deputy Technical Director:	20% for 6 months
Review by Technical director/Chairman:	2 reviews per issues paper/ED, key decisions questionnaire and Standard
Sub-committee members:	1 review per issues paper/ED, key decisions questionnaire and Standard

<b>ACTION</b>	<b>DATE</b>
<b>Identification of issues: DESKTOP REVIEW</b>	
Review of phone query database; correspondence from constituents; issues outstanding from latest amendments to AASB 1049 and other issues	8 – 12 February 2010
Staff review of annual reports for year ended 30/06/2009	15 February – 1 March 2010
NSW, SA, WA	15 – 18 February 2010
QLD, TAS, VIC	19 – 24 February 2010
ACT, Cth, NT	25 February – 1 March 2010
<b>Identification of issues: FIELD VISITS</b>	
Organise field visits to each jurisdiction – project staff & available Board members located in relevant city	3 – 8 March 2010
Telephone interview: NT (Treasury, and Auditor-General's office)	10 March 2010
Face-to-face interviews	
SA (Department of Treasury and Finance, and Auditor-General's Department)	11 March 2010
WA (Department of Treasury and Finance, and Office of the Auditor-General)	12 March 2010
AASB agree project plan and establish sub-committee	17 March 2010
Face-to-face interviews (cont'd)	
QLD (Treasury, and Audit Office)	22 March 2010
NSW (The Treasury, and Audit Office)	23 March 2010
Cth (Department of Finance and Deregulation, and Australian National Audit Office) ACT (Department of Treasury, and Auditor-General's Office)	24 March 2010
VIC (Department of Treasury and Finance, and Auditor-General's Office)	25 March 2010
TAS (Department of Treasury and Finance, and Audit Office)	26 March 2010
<b>EXPOSURE DRAFT</b>	
Develop issues paper and draft ED	29 March – 9 April 2010
Send draft ED to sub-committee (together with issues paper)	12 April 2010
Sub-committee comment on draft ED	16 April 2010
Amend draft ED	19 – 23 April 2010
Send draft ED to Board	23 April 2010
Board approve ED (in session)	28 – 29 April 2010
Issue ED for public comment	5 May 2010
30 days comment period	5 May – 5 June 2010
<b>STANDARD</b>	
Prepare a collation of comments on ED and key decisions questionnaire (KDQ)	7 – 11 June 2010
Send collation of comments and KDQ to sub-committee	15 June 2010
Sub-committee respond to KDQ	17 June 2010
Draft Standard based on sub-committee response on KDQ	18 – 29 June 2010
Send draft Standard to sub-committee	30 June 2010
Sub-committee comment on draft Standard	6 July 2010
Amend draft Standard	7 – 22 July 2010
Send draft Standard to Board	23 July 2010
Board approve Standard (in session)	28 – 29 July 2010
Issue Standard	3 August 2010