



To:	AASB Members	Date:	19 October 2010
From:	Siva Sivanantham and Clark Anstis	Agenda Item:	6.9
Subject:	Corrections to Standards	File:	P 166

Action

Review the draft Amending Standard for the purposes of considering IASB and domestic editorial corrections and approval to proceed with out-of-session voting.

Background

From time to time, the IASB issues editorial corrections amending the text of IFRSs. These corrections are then reviewed by the AASB staff to see if they are relevant to Australian pronouncements. Where relevant, the staff prepare an Amending Standard incorporating those corrections for the Board's approval. The most recent Standards incorporating IASB editorial correction lists were AASB 2009-6 and AASB 2009-7, which were approved in June 2009.

The attached draft Amending Standard therefore covers the IASB corrections lists issued between July 2009 and now (the latest is dated 25 August 2010). It also incorporates other editorial changes made by the IASB when issuing the IFRS Bound Volume 2010 that are noted in the "Changes in this edition" section of the Bound Volume, as well as some Australian-specific changes (i.e. other changes not covered by these IASB changes).

Providing a copy of the draft Amending Standard to the Board is the most effective way to highlight the changes being proposed. Staff intend to circulate this draft for out-of-session voting after the Board meeting, subject to the Board's decisions at the meeting.

IASB Correction Lists

Agenda paper 6.11 identifies all of the IASB editorial correction lists checked for amendments that need to be made to Australian pronouncements. Copies of these lists have not been provided as part of the Board papers, consistent with the Board's decision at its May 2009 meeting that it did not require the source documents for IASB corrections. Staff can provide these lists to members if they wish to see them.

IASB Bound Volume Changes

The changes identified in the front of the IFRS Bound Volume 2010 comprise the renaming of non-mandatory appendices as illustrative examples or implementation guidance, and the amendment of related cross-references, as the IASB had decided to use the term 'Appendix' only for material that is formally part of an IFRS pronouncement, rather than merely accompanying it.

Australian-specific Changes

The following Australian-specific changes are included in the draft Amending Standard. These are additional to the IASB's changes. They are identified with shading in the draft Standard, only to facilitate Board members' review. This shading would not be included in the approved version of the Standard.

Para 17 re AASB 4 – para's Aus4.1 and Aus4.2 are strangely placed within para 4. To make para 4 the same as para 4 in IFRS 4, the two Aus para's are deleted. They are replaced by a new para Aus3.1, which specifies the same exclusions for general insurance and life insurance contracts, and keeps that up-front rather than after the long list of exclusions in para 4.

Para 19 re AASB 5 – such amendments were previously included in AASB 2009-12, but we missed this one at the time (our word search of the pronouncements apparently excluded the footnotes). Results now in the same wording as the IASB's footnote.

Para 21 re AASB 101 – when a new principal version of AASB 101 was issued in September 2007, the former paragraph Aus126.2 was renumbered as Aus138.2. However, some cross-references within the paragraph were not updated.

Para 38 re AASB 121 – our error identified when checking the correction set out in para 39.

Para 61, 62 re AASB 1023 – the financial instrument-related definitions have not been updated for recent changes due to omission. Best approach is to replace the specific definitions with a cross-reference to the Standards containing the original definitions. This is the same approach as in Appendix A of AASB 9 *Financial Instruments*.

Para 63 re AASB 1023 – erroneous cross-reference.

Para 64 re AASB 1038 – cross-reference to AASB 118 Appendix updated.

Para 65, 66 re AASB 1038 – same as for AASB 1023 definitions above.

Para 83 re Interpretation 1042 – cross-reference to AASB 118 Appendix updated.

Application Date

The draft Standard AASB 2010-X has been drafted to apply to annual reporting periods beginning on or after 1 January 2011, with early application permitted. The IASB's editorial corrections do not have explicit operative dates. Staff propose this application date for AASB 2010-X so that the corrections can be added to existing compilations of pronouncements that apply to periods beginning on or after 1 January 2011. Some entirely new 1 January 2011 compilations also would be required, however specifying that date avoids the proliferation of compilations that would occur if an odd date was selected instead.

Corrections related to IFRS 9/AASB 9 are not included in the draft Standard as they would apply only to annual reporting periods beginning on or after 1 January 2013. They will be included in a future Amending Standard for consequential amendments arising from further additions to IFRS 9. This is expected in the near future.

Attachments

- 6.10 Draft Amending Standard 2010-X *Amendments to Australian Accounting Standards*; and
- 6.11 List of IASB correction lists.