



To:	AASB members	Date: 13 October 2010
From:	Latif Oylan & Robert Keys	Agenda Item: 7.1
Subject:	Post-implementation review of AASB 1049	File:

Action

- Note progress to date on developing an Exposure Draft arising from the post-implementation review of AASB 1049 *Whole of Government and General Government Sector Financial Reporting*.
- Review the attached issues paper with a view to deciding whether, and if so how to address the following issue as part of this project. The issue is whether to retain the exemption provided by paragraph Aus1.7 of AASB 101 *Presentation of Financial Statements* for whole of governments and GGSs from presenting certain capital management disclosures required by paragraphs 134-136 of AASB 101.

Background

Progress to date

A draft Exposure Draft arising from the post-implementation review of AASB 1049 reflecting the Board's decisions to date has been sent to sub-committee members for comment. As of the date of this memorandum, there have been no substantive issues raised by the members. If issues are brought to our attention prior to the Board meeting, we will raise them verbally at the meeting. Assuming the sub-committee does not raise any substantive issues with the draft Exposure Draft, we intend using it as the basis for a pre-ballot draft to be sent to all Board members for out of session comment, once the issues to be discussed at this meeting are resolved.

Outstanding issues to be resolved at this meeting

There are two outstanding issues on which staff need the Board's direction, to enable us to finalise the pre-ballot draft:

- (a) The first issue is on facilitating orderly adoption of future amendments to the ABS GFS Manual. This issue is explained and dealt with in agenda paper 4.4, as part of the project on GAAP/GFS harmonisation for entities within the GGS. The decisions the Board makes in relation to that agenda paper would have equal applicability to the post-implementation review of AASB 1049.
- (b) The second issue relates to the exemption provided by paragraph Aus1.7 of AASB 101, and is the subject of agenda paper 7.2. The issue dates back to the Board's 24 September 2008 meeting at which the Board decided that 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 amending AASB 1049 for consistency with AASB 101. Instead, the Board decided that this issue should be considered as part of the post-implementation review of AASB 1049. Further background to this issue is outlined in section 1 of agenda paper 7.2 and is therefore not repeated in this memorandum. Staff recommendations are also provided, in section 7 of agenda paper 7.2.

Attachments

Agenda Paper 7.2: Issues paper: Exemption for whole of governments and GGSs from disclosing the information required by paragraphs 134-136 of AASB 101