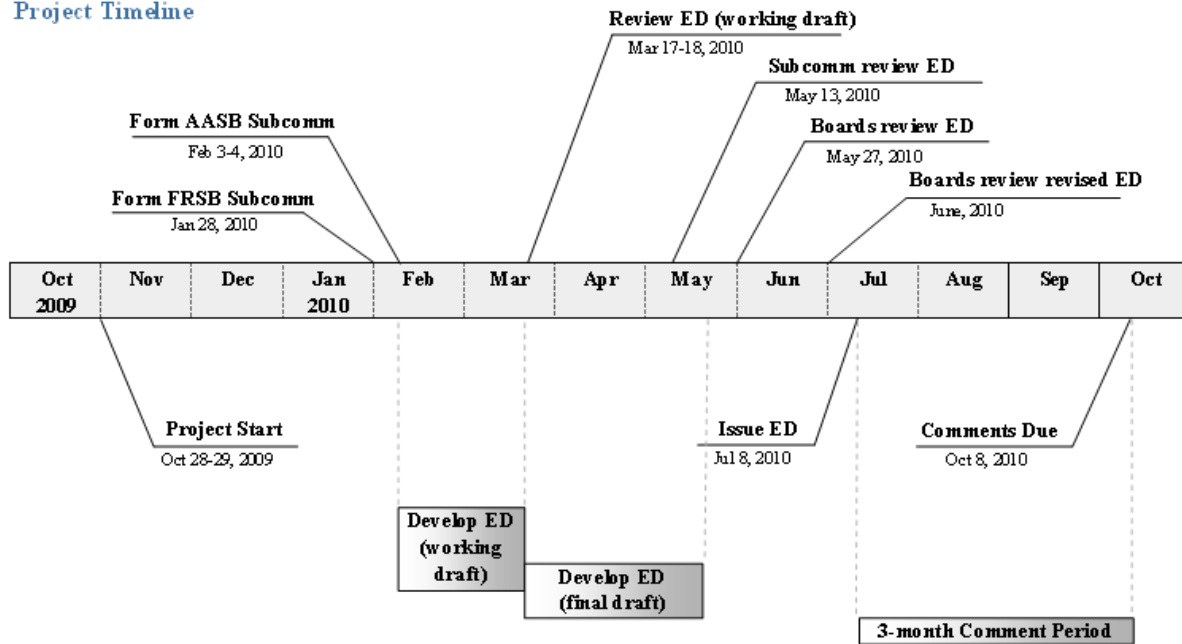


Australian/New Zealand Convergence (Phase 1) Project Update

Background

1. This paper provides an update on the completed parts of Phase 1 of the Australian/New Zealand Convergence project.
2. The most noteworthy project milestones are:
 - the initiation of the project at the October 2009 AASB/FRSB joint meeting;
 - the review of the working draft of the Exposure Draft at the March 2010 AASB/FRSB joint meeting; and
 - the publication of the Exposure Drafts in July 2010.
3. To provide an overview of the project progression so far, staff have developed a timeline (displayed below) and a table (displayed on the following page) which lists the project milestones and the corresponding timeline.

Project Timeline



Project Milestones	Date
1 Project Commencement	
Boards: <ul style="list-style-type: none"> ▪ considered the analyses of modifications from IFRS adopted in Australia and New Zealand (All Entities/For-Profit Entities and Not-For-Profit/Public Benefit Entities); and ▪ decided that as a priority, a joint Exposure Draft should be developed to include proposals to eliminate the modifications from IFRS for for-profit entities. 	28-29 Oct 2009 AASB/FRSB Joint Meeting
2 Form Subcommittee and Agree on Project Scope	
2.1 FRSB reviewed the joint project plan for Phase 1 and appointed subcommittee members – Joanna Perry, Kimberly Crook and Denise Hodgekins	28 Jan 2010 FRSB Meeting
2.2 AASB reviewed the joint project plan for Phase 1 and appointed subcommittee members – Kevin Stevenson, Kris Peach and Brett Rix	3-4 Feb 2010 AASB Meeting
3 Development of Exposure Draft (Working Draft)	
Staff: <ul style="list-style-type: none"> ▪ updated the catalogue of modifications from IFRSs and provide reasoning behind relevant modifications ▪ processed the Boards decisions made at October 2009 joint meeting on amendments to specific modifications from IFRSs ▪ developed a working draft of Exposure Draft 	Feb-Mar 2010
4 Boards – Review Exposure Draft (Working Draft)	
Boards conducted a page-by-page review of the working draft of Exposure Draft and provided staff with general and specific comments	17-18 Mar 2010 AASB/FRSB Joint Meeting
5 Development of Exposure Draft (Final Draft)	
5.1 Staff: <ul style="list-style-type: none"> ▪ processed Boards decisions made at the March 2010 joint meeting on amendments to proposals on specific modifications from IFRSs ▪ developed specific and general Basis for Conclusions ▪ processed subcommittee comments 	Mar-May 2010
5.2 Subcommittee considers proposals to: <ul style="list-style-type: none"> ▪ eliminate differences from IFRSs; or ▪ retain supplements to IFRSs (if retain, decide on the identical wording) 	Mar-May 2010
7 Finalisation of Exposure Draft (Final Draft)	
7.1 Subcommittee reviews first draft of ED (including Basis for Conclusions)	13 May 2010
7.2 Boards (AASB and FRSB members) review near-final draft of ED	27 May 2010
7.3 Boards (AASB Chairman and NZ FRSB members) review revised near-final draft of ED (fatal flaw review)	June 2010
7.4 Boards finalise ED out-of-session	July 2010
8 Issue of Exposure Draft	
8.1 Exposure Draft issued	8 July 2010 (3-month comment period)
8.2 Comments due	8 October 2010