



Project:	Other Business – Public	Meeting:	November 2022 (M191)
Topic:	Cover Memo	Agenda Item:	8.1
		Date of the Agenda Paper:	25 October 2022
Contact(s):	Kimberley Carney kcarney@asb.gov.au Clark Anstis canstis@asb.gov.au	Project Priority:	n/a
		Decision-Making:	Low
		Project Status:	n/a

Objective of this paper

- 1 The objective of this paper is to inform the Board about matters under Other Business – Public. Other than in respect of Agenda Papers 8.2 and 8.3, no action is required from the Board on any other items in this memo: they are included for noting only. Please refer to the tables below for details.

AASB SUBMISSIONS

Paper No.	Title	Staff comment	Board action
N/A	Submission on the Queensland not-for-profit subordinate legislation review discussion paper	<p>The AASB submitted its response to the Queensland Department of Justice and Attorney-General on proposed amendments to the <i>Associations Incorporation Regulation 1999</i> and the <i>Collections Regulation 2008</i>.</p> <p>The AASB highlighted the importance of harmonisation of financial reporting requirements and potential changes to the not-for-profit financial reporting framework, including the interactions between the framework and reporting thresholds set by the respective regulators.</p>	Included for noting only. No action required at this meeting.
N/A	Joint submission with the FRC and the AUASB on IPSASB Consultation Paper Advancing Public Sector	<p>The AASB submitted comments jointly with the FRC and the AUASB on IPSASB Consultation Paper Advancing Public Sector Sustainability Reporting.</p> <p>The FRC, the AASB and the AUASB agree that the IPSASB is well-placed to develop global public-sector-specific sustainability reporting guidance. However, to be successful in</p>	Included for noting only. No action required at this meeting.

Paper No.	Title	Staff comment	Board action
	Sustainability Reporting	developing such guidance, it would be essential for the IPSASB to have Board members and staff with experience and knowledge in sustainability reporting. Such guidance should address the wide range of accountability obligations of a government to its community, and how government policies would drive behavioural change in its community in addressing sustainability issues, rather than focussing only on the activities of a government or an entity.	
N/A	Help Shape the Future of Classification on Industries in Australia	Staff are preparing a survey response to the Australian Bureau of Statistics on the public consultation <i>Help Shape the Future of Classification on Industries in Australia</i> . The public consultation period was extended and now closes 25 November 2022.	Included for noting only. No action required at this meeting.

CORRESPONDENCE

Paper No.	Title	Staff comment	Board action
8.2 8.3	Letter from a stakeholder, dated 21 September 2022	<p>A respondent to ED 320 <i>Fair Value Measurement of Non-Financial Assets of Not-for-Profit Public Sector Entities</i> sent a letter to the Board (Agenda Paper 8.2) elaborating their concerns about some of the Board's proposals in its Fair Value Measurement for Not-for-Profit Public Sector Entities project. The letter is a Board-only paper because the stakeholder has requested that the letter not be made public.</p> <p>Agenda Paper 8.3 provides staff analysis of the concerns raised in the letter.</p>	<p>Consider the letter and provide feedback (if any) to staff at the meeting.</p> <p>Staff will consider any comments from Board members as part of addressing any comments on the Fatal-Flaw Review draft Standard.</p>

IASB AND IFRS IC UPDATES

Paper No.	Title	Staff comment	Board action
N/A	IASB and joint IASB-FASB Update September 2022	Staff do not consider there are any further matters to raise in relation to the IASB and the joint IASB-FASB September 2022 meeting.	Included for noting only. No action required at this meeting.
N/A	IFRS IC Update	Staff do not consider there are any further matters to raise in relation to the September 2022 IFRIC meeting.	Included for noting only. No action required at this meeting.

ISSB UPDATES

Paper No.	Title	Staff comment	Board action
N/A	ISSB Update September 2022	<p>The ISSB met to discuss:</p> <ul style="list-style-type: none"> Feedback on the Exposure Drafts on [Draft] IFRS S1 <i>General Requirements for Disclosure of Sustainability-related Financial Information</i> and [Draft] IFRS S2 <i>Climate-related Disclosures</i>; Its approach to considering the feedback on scalability of the proposals in [Draft] IFRS S1 and [Draft] IFRS S2. 	Included for noting only. No action required at this meeting (see also Agenda Paper 3.3 <i>Sustainability Reporting: Update on international and jurisdictional perspectives</i>).

IPSASB REPORT

Paper No.	Title	Staff comment	Board action
8.4	Report on September 2022 meeting and Forum	The report from Todd Beardsworth, New Zealand member of the IPSASB, summarises the decisions of the IPSASB at its September meeting, its work program and the discussions at the following Public Sector Standard Setters Forum.	Included for noting only. No action required at this meeting.

ARTICLES AND NEWS

Paper No.	Title	Content of item	Board action
N/A	APRA aligns capital and	The Australian Prudential Regulation Authority (APRA) has finalised changes to the capital and	Included for noting only. No

Paper No.	Title	Content of item	Board action
	reporting frameworks for insurance with AASB 17	<p>reporting frameworks for insurance in response to the forthcoming introduction of AASB 17 <i>Insurance Contracts</i></p> <p>The changes aim to minimise any regulatory burden caused by a misalignment between APRA's frameworks and AASB 17, while ensuring sound prudential outcomes.</p> <p>The changes include:</p> <ul style="list-style-type: none"> • clarifications of the regulatory capital calculation given the introduction of AASB 17; • clarifications to enable insurers to use the AASB 17 accounting policies and principles to report financial statement information to APRA; • additional data reporting requirements to ensure APRA continues to have adequate data for capital assessments and profitability monitoring; and • updates and clarifications to the Life and General Insurance Capital (LAGIC) framework in order keep it fit for purpose, given the change in industry practices and the operating environment over time. <p>The revised prudential and reporting standards will come into effect from 1 July 2023.</p>	<p>action required at this meeting.</p>
N/A	Global agreement on corporate taxation: addressing the tax challenges arising from the digitalisation of the economy	<p>On 8 October 2021 Australia and over 130 other countries endorsed proposed international corporate tax reforms to address the challenges arising from the digitalisation of the economy. These reforms were developed by the OECD Inclusive Framework on Base Erosion and Profit Shifting and presented as a two-pillar solution that would help ensure that multinationals pay their fair share of tax in the jurisdictions in which they operate. The topic was also noted at the September 2022 IASB's Accounting Standards Advisory Forum by one of the members to consider for future agenda planning.</p>	<p>Included for noting only. No action required at this meeting.</p>
N/A	Investor confidence in 2022 falls fast	<p>CA ANZ's fourth investor survey shows that confidence has dropped sharply from 2021.</p> <ul style="list-style-type: none"> • Investor confidence levels are lower than during the height of the pandemic. • Auditors remain the most trusted group in advancing investor protection 	<p>Included for noting only. No action required at this meeting.</p>

Paper No.	Title	Content of item	Board action
		<ul style="list-style-type: none"> Investors believe financial reports are too complex and digital reporting would help their understanding. 	
N/A	IFRS Foundation call for nominations for Trustee positions commencing on 1 January 2024	<p>The IFRS Foundation is seeking Trustees from the Asia-Oceania region, the Americas, Europe and the At Large category. The appointments would commence on 1 January 2024.</p>	Included for noting only. No action required at this meeting.
N/A	Statement of progress on harmonization of fundraising laws	<p>The Government is working with charities and supporting State and Territory governments to harmonise fundraising laws.</p> <p>On 9 September 2022, State and Territory Consumer Ministers met in Adelaide and reaffirmed their support for the reform of outdated and inconsistent conduct obligations across state and territory fundraising laws.</p> <p>A Working Group of jurisdictions is finalising a framework of nationally-consistent fundraising conduct requirements for the Council on Federal and Financial Relations to agree and release in late 2022 (subject to the agreement of all participating jurisdictions).</p>	Included for noting only. No action required at this meeting.
N/A	‘Out of touch’ skills report takes accountants off shortage list	<p>Professional bodies urge government to ignore NSC findings in finalising migrant program.</p>	Included for noting only. No action required at this meeting.
N/A	Proposed new reporting tier to support small NFPs	<p>The article highlights the AASB’s proposals in the NFP Tier 3 Discussion Paper.</p>	Included for noting only. No action required at this meeting.
N/A	Push to streamline not-for-profit financial paperwork	<p>Australian not-for-profits could boost their funding, reduce costs, and slash red tape by contributing to a plan to simplify accounting standards.</p> <p>The AASB wants feedback on a discussion paper that aims to remove some of the administrative pain and uncertainty for medium to large not-for-profits.</p>	Included for noting only. No action required at this meeting.

DOMESTIC PROPOSAL DOCUMENTS ISSUED BY THE AASB

Paper No.	Title	Staff comment	Board action
N/A	Development of Simplified Accounting Requirements (Tier 3 Not-for-Profit Private Sector Entities)	The AASB has published its Discussion Paper, being the first step in revising the not-for-profit private sector financial reporting framework. Open for comment until 31 March 2023.	Included for noting only. No action required at this meeting.
N/A	ITC 49 Post-implementation Review of AASB 1059 Service Concession Arrangements: Grantors	The AASB issued ITC 49 in late September and is seeking feedback from stakeholders on whether AASB 1059 continues to meet its objectives and could be improved through amendment. ITC 49 is open for comment until 28 February 2023.	Included for noting only. No action required at this meeting.
N/A	Fatal-Flaw Review Draft AASB 2022-X Amendments to Australian Accounting Standards – Fair Value Measurement of Non-Financial Assets of Not-for-Profit Public Sector Entities	The AASB has issued a Fatal-Flaw Review Draft version of a proposed Standard that would amend AASB 13 <i>Fair Value Measurement</i> for application by not-for-profit public sector entities. The Fatal-Flaw Review Draft Standard is open for comment until 11 November 2022.	Included for noting only. No action required at this meeting.
N/A	Fatal-Flaw Review Draft AASB 2022-Y Amendments to Australian Accounting Standards – Insurance Contracts in the Public Sector	The AASB has issued a Fatal-Flaw Review Draft version of a proposed Standard that would amend AASB 17 <i>Insurance Contracts</i> for application by public sector entities. The Fatal-Flaw Review Draft Standard is open for comment until 11 November 2022.	Included for noting only. No action required at this meeting.