



Australian Government  
Australian Accounting Standards Board



Australian Government  
Auditing and Assurance Standards Board

Australian Accounting Standards Board  
Auditing and Assurance Standards Board

# ANNUAL REPORTS

## 2022 - 2023



**Australian Accounting  
Standards Board**

**and**

**Auditing and Assurance  
Standards Board**

**2022-2023 Annual Reports**

Commonwealth of Australia 2023

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# LETTER OF TRANSMITTAL

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21 September 2023

The Hon Stephen Jones MP  
Minister for Financial Services and Assistant Treasurer  
Parliament House  
CANBERRA ACT 2600

Dear Minister,

We have pleasure in presenting the annual reports for the year ended 30 June 2023 of the:

- Australian Accounting Standards Board (AASB) and the Office of the Australian Accounting Standards Board, and
- Auditing and Assurance Standards Board (AUASB) and the Office of the Auditing and Assurance Standards Board.

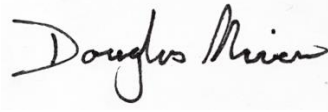
The reports have been prepared in accordance with the *Public Governance, Performance and Accountability Act 2013* (PGPA Act) and have been combined into one publication.

Section 46 of the PGPA Act requires the Chair of the AASB and the Chair of the AUASB to respectively prepare a report of the operations of the AASB and its Office, and the AUASB and its Office, during the year. The respective reports must be tabled in each House of the Parliament as soon as practicable.

Yours sincerely



Dr Keith Kendall  
Chair  
Australian Accounting Standards Board



Douglas Niven  
Chair  
Auditing and Assurance Standards Board

# CONTENTS

<b>ABBREVIATIONS.....</b>	<b>V</b>
<b>CONTACT DETAILS .....</b>	<b>VII</b>
<b>AASB AND AUASB PURPOSE, VISION AND MISSION .....</b>	<b>8</b>
<b>AASB CHAIR’S REVIEW .....</b>	<b>11</b>
<b>AASB ANNUAL PERFORMANCE STATEMENT 2022-23 .....</b>	<b>18</b>
<b>AUASB CHAIR’S REVIEW .....</b>	<b>38</b>
<b>AUASB ANNUAL PERFORMANCE STATEMENT 2022-23 .....</b>	<b>44</b>
<b>MANAGEMENT AND ACCOUNTABILITY .....</b>	<b>62</b>
<b>FINANCIAL REPORTS .....</b>	<b>81</b>
<b>STATEMENTS BY THE CHAIRS .....</b>	<b>86</b>
<b>APPENDICES.....</b>	<b>116</b>
Appendix A AASB and AUASB legislative requirements .....	117
Appendix B Attendance at AASB and AUASB meetings .....	119
Appendix C Other information.....	121
Appendix D List of Requirements.....	128
Appendix E Index .....	135

## ABBREVIATIONS

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The following abbreviations are used by the AASB and AUASB in this report:

AASB	Australian Accounting Standards Board
ACNC	Australian Charities and Not-for-profits Commission
ANAO	Australian National Audit Office
AOSSG	Asian-Oceanian Standard-Setters Group
APRA	Australian Prudential Regulation Authority
ASA	Australian Auditing Standard
ASAE	Australian Standard on Assurance Engagements
ASAF	Accounting Standards Advisory Forum
ASIC	Australian Securities and Investments Commission
ASIC Act	<i>Australian Securities and Investments Commission Act 2001</i>
ASRE	Australian Standard on Review Engagements
AUASB	Auditing and Assurance Standards Board
BRLF	Business Reporting Leaders Forum
CA ANZ	Chartered Accountants Australia and New Zealand
CER	Clean Energy Regulator
CPA	CPA Australia
EER	Extended External Reporting
FRC	Financial Reporting Council
GPFS	General Purpose Financial Statements
GST	Goods and Services Tax
IAASB	International Auditing and Assurance Standards Board
IAS	International Accounting Standards
IASB	International Accounting Standards Board
IFASS	International Forum of Accounting Standard Setters (formerly NSS)
IFRS	International Financial Reporting Standards
IFRS-IC	International Financial Reporting Standards Interpretation Committee
IIA	Institute of Internal Auditors
IIRC	International Integrated Reporting Council
IPSASB	International Public Sector Accounting Standards Board
ISA	International Standard on Auditing
ISSB	International Sustainability Standards Board
NFP	Not-for-Profit
NSS	National Standards Setters
NZASB	New Zealand Accounting Standards Board
NZAuASB	New Zealand Auditing and Assurance Standards Board
NZ XRB	New Zealand External Reporting Board
OHSC	Occupational Health and Safety Committee
PGPA Act	<i>Public Governance, Performance and Accountability Act 2013</i>
PSA	<i>Public Service Act 1999</i>
RDR	Reduced disclosure requirements
SME	Small and Medium Enterprises

SMSF	Self-Managed Superannuation Fund
SSAF	Sustainability Standards Advisory Forum
WSS	World Standard Setters



## CONTACT DETAILS

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### AUSTRALIAN ACCOUNTING STANDARDS BOARD

#### The Chair

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### AUDITING AND ASSURANCE STANDARDS BOARD

#### The Chair

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## AASB AND AUASB PURPOSE, VISION AND MISSION

AASB Purpose & Vision	AUASB Purpose & Vision
Contribute to stakeholder confidence in the Australian economy, including its capital markets, and trust in external reporting.	Contribute to stakeholder confidence in the Australian economy, including its capital markets, and trust in auditing and assurance.
AASB Mission	AUASB Mission
Develop, issue and maintain principles-based Australian accounting and external reporting standards that meet user needs and enhance external reporting consistency and quality.	Develop, issue and maintain in the public interest, best practice Australian auditing and assurance standards and guidance that meet user needs and enhance audit and assurance consistency and quality.
Contribute to the development of a single set of accounting and external reporting standards for world-wide use.	Contribute to the development of a single set of auditing and assurance standards for world-wide use.

## STRATEGY

AASB	AUASB
Develop, issue and maintain principles-based, Australian accounting and reporting standards and guidance that meet the needs of external report users (including financial reports) and are capable of being assured and enforced. For publicly accountable' entities maintain IFRS compliance; for others, use IFRS Standards (where they exist), and transaction neutrality (modified as necessary), or develop Australian-specific standards and guidance.	Develop and issue Australian Auditing and Assurance Standards that are in the public interest and meet the needs of stakeholders based on IAASB equivalents in accordance with AUASB functions and our direction from the Financial Reporting Council (FRC).
With the AUASB, play a leading role in reshaping the Australian external reporting framework by working with the regulators to develop objective criteria on: who prepares external reports (including financial reports), and the nature and extent of assurance required on these external reports.	Develop and maintain Australian-specific Standards and/or Guidance for topics not specifically addressed by IAASB Standards where required.
Actively influence IASB, IPSASB standards and other international accounting and external reporting standards and guidance, by demonstrating thought leadership and enhancing key international relationships.	Influence international standards and guidance to achieve public interest outcomes and serve as the most effective base possible for Australian auditing and assurance standards.

## AASB and AUASB Purpose, Vision and Mission

AASB	AUASB
<p>Attain significant levels of key stakeholder engagement, through collaboration, partnership and outreach.</p>	<p>In conjunction with the Financial Reporting Council, identify and implement initiatives designed to enhance Audit Quality in Australia.</p>
<p>Influence initiatives to develop standards and guidance that meet user needs for external reporting integral to financial reporting.</p>	<p>Demonstrate thought leadership through robust evidence-based research to inform strategic projects that address emerging areas of auditing and assurance.</p>
<p>Monitor and respond to, or lead on, emerging issues impacting the development of accounting and external reporting standards, including changing technologies.</p>	<p>Partner with the AASB and others to reform the Australian external reporting and assurance frameworks.</p>
<p>Develop guidance and education initiatives, or promote development by others, to enhance the consistent application of accounting and external reporting standards and guidance.</p>	<p>Monitor the Australian Assurance Environment and build strong stakeholder relationships to inform our AUASB priorities and facilitate consistent implementation of the AUASB's Standards.</p>

Australian Accounting Standards Board and Auditing and Assurance Standards Board Annual Reports 2022-23

AASB	AUASB
<p>Accounting standards should facilitate the provision of financial information that:</p> <ul style="list-style-type: none"> <li>allows users to make and evaluate decisions about allocating scarce resources</li> <li>assists directors to discharge their obligations in relation to financial reporting</li> <li>is relevant to assessing performance, financial position, financing and investment</li> <li>is relevant and reliable</li> <li>facilitates comparability and is readily understandable</li> </ul>	<p>Auditing and assurance standards should facilitate the provision of information that:</p> <ul style="list-style-type: none"> <li>provides Australian auditors with relevant and comprehensive guidance in forming an opinion about, and reporting on, whether financial reports comply with the requirements of the <i>Corporations Act 2001</i> (Corporations Act)</li> <li>requires the preparation of auditors' reports that are reliable and readily understandable by the users of the financial reports to which they relate</li> </ul>
<p>The Australian financial reporting system should:</p> <ol style="list-style-type: none"> <li>i. facilitate the Australian economy by reducing the cost of capital and enabling Australian entities to compete effectively domestically and internationally</li> <li>ii. facilitate the Australian economy by developing accounting and auditing and assurance standards that are clearly stated and easy to understand to maintain investor confidence in the Australian economy, including its capital markets</li> </ol>	

# AASB CHAIR'S REVIEW

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## OUR PERFORMANCE IN 2022-23

The Australian Accounting Standards Board (AASB) continued fulfilling its strategic purpose of contributing to stakeholder confidence in the Australian economy while also continuing to adapt to the ongoing challenges of the hybrid working environment. We have maintained our important relationships and, with the return of international travel, have made excellent progress in establishing and improving those international connections necessary for Australia to remain influential in the development of international financial reporting standards.

The most significant single activity that the AASB has undertaken this year has been supporting the Government's vision to implement mandatory climate-related financial disclosures. This has been a truly paradigm-shifting project that is necessarily dominating our work program over several years, with the first year marked by the development of the international standards dealing with climate-related disclosures and Australia's contribution to that development.

The AASB's involvement in developing climate-related financial disclosure standards has necessitated an expansion of the Board membership. This has resulted in an increased diversity in the range of skills and experience that individual Board members bring to the AASB's inclusive decision-making process. These efforts have improved the balance of an already well-functioning body, with a wide range of perspectives directly involved in the AASB's activities.

The post-Covid-19 resumption of in-person outreach has seen the AASB enhance its position as a collaborative organisation, engaging directly with Government departments, regulators, the profession, industry and academia, as well as extensive international engagement. The AASB Chair and staff have made frequent briefings and presentations not only at organised conferences and outreach events, but also as a result of individual invitations and specially organised events.

## KEY MILESTONES

During the 2022-23 financial year, amongst a large variety of achievements mentioned throughout this annual report, the AASB issued nine Amending Standards, compiled 41 Standards / Interpretations, issued one Discussion Paper and issued three Exposure Drafts.

A major achievement this year, supporting the AASB's commitment to the digital economy, was the release of the AASB pronouncements Web Portal. The Web Portal represents a significant leap forward in making standards more accessible to users and is now available for use for the 2022/23 financial year reporting requirements.

## STAKEHOLDER ENGAGEMENT AND COMMUNICATIONS

The AASB continued to make use of technology in order to continue to maintain and grow its engagement with stakeholders across the country and globally via virtual meetings, webinars, roundtables and speaking engagements during 2022-23.

## Australian Accounting Standards Board and Auditing and Assurance Standards Board Annual Reports 2022-23

We published one Staff Paper, six Research Reports, issued three Exposure Drafts, four Invitations to Comment, held eight roundtable sessions and four Dialogue Series sessions. Our stakeholder outreach activities have made use of available communication channels to maximise the reach of our messages and audience. Our newsletter continues to be published on a weekly basis and our LinkedIn page has more than 28,400 followers (and rising).

The AASB together with RMIT College of Business and Law, co-hosted the annual AASB Research Forum. This year we offered the opportunity to attend in Melbourne, at the University of Queensland in Brisbane as a satellite venue hosted by the AASB Chair receiving the presentations broadcast from the main venue, or virtually (from any other location worldwide). Over 260 attendees attended the event.

The User Advisory Committee which is comprised of 18 analysts, ratings agencies, fund managers and investor relations professionals from the for-profit sector met three times during the year and continues to provide input, recommendations and feedback to the AASB staff.

Our positive rapport with industry stakeholders has also allowed us to broaden our brand reach through timely and topical news placements in CA ANZ and CPA Australia's newsletter databases, as well as their social media channels and members-only platforms.

The AASB also maintained and enhanced its international engagement this year through various presentations and participating in international events. This included publishing a joint research report with the Malaysian Accounting Standards Board (MASB) on IFRS 16 *Leases*, as well as presenting at the International Forum of Accounting Standard Setters (IFASS), the Accounting Standards Advisory Forum (ASAF), the ASEAN Capital Markets Forum (ACMF), the IFRS Symposium and the Asian-Oceanian Standard-Setters Group (AOSSG) meetings, voicing the views of the AASB and Australian stakeholders.

## NOT-FOR-PROFIT SECTOR

The AASB continued to work on a number of projects affecting the not-for-profit (NFP) private and public sectors during the year.

The AASB has issued ITC 50 *Post-implementation Review – Income of Not-for-Profit Entities* and ITC51 *Post-implementation Review of Not-for-Profit Topics – Control, Structured Entities* for public consultation in November 2022. The Invitations to Comment are seeking feedback from stakeholders to assist with assessing whether certain requirements of Australian Accounting Standards that apply to not-for-profit public and private sector entities continue to meet their original objectives, including whether the requirements remain appropriate.

The AASB issued AASB 2022-8 *Amendments to Australian Accounting Standards – Insurance Contracts: Consequential Amendments* in December 2022, which amends all Australian Accounting Standards that refer to AASB 17 *Insurance Contracts* to permit public sector entities (both for-profit and not-for-profit entities) to continue to apply AASB 4 *Insurance Contracts* and AASB 1023 *General Insurance Contracts* until annual periods beginning on or after 1 July 2026, when they are required to apply AASB 17. It also repeals AASB 1038 *Life Insurance Contracts* and Interpretation 1047 *Professional Indemnity Claims Liabilities in Medical Defence Organisations* for annual periods beginning on or after 1 January 2023, on the basis that AASB

17 applies to those periods in respect of private sector entities and the pronouncements are not relevant to public sector entities.

From the NFP private sector perspective, significant progress has been made on the Tier 3 General Purpose Financial Statements Project, which is intended to develop a stand-alone accounting standard on the accounting requirements for smaller not-for-profit private sector entities. Discussion Paper – *Development of Simplified Accounting Requirements (Tier 3 Not-for-Profit Private Sector Entities)* was published in September 2022, being the first step in revising the not-for-profit private sector financial reporting framework. To support consultation on the Discussion Paper, AASB Staff updated Research Report 10 *Legislative and Regulatory Financial Reporting Requirements*. To support the development of the new reporting tier project, the AASB published Research Report 19 to identify common financial items recorded in the financial statements of charities in Australia.

From the NFP public sector perspective, the AASB has commenced the post-implementation review of AASB 1059 *Service Concession Arrangements: Grantors*. ITC 49 was issued for consultation in September 2022. In addition, the AASB continued its projects to address public-sector-specific issues regarding the application of AASB 13 *Fair Value Measurement* and AASB 17 *Insurance Contracts*. In December 2022, the AASB issued AASB 2022-9 *Amendments to Australian Accounting Standards – Insurance Contracts in the Public Sector*, and AASB 2022-10 *Amendments to Australian Accounting Standards – Fair Value Measurement of Non-Financial Assets of Not-for-Profit Public Sector Entities*. AASB 2022-9 makes public-sector-specific modifications to AASB 17 for application to annual periods beginning on or after 1 July 2026, whereas AASB 2022-10 amends AASB 13 for fair value measurements of non-financial assets of not-for-profit public sector entities not held primarily for their ability to generate net cash inflows.

Additionally, the AASB continues to engage actively with both the NFP private and public sectors on a number of other developments. These include providing guidance on emerging issues by updating numerous staff FAQs, holding educational webinars with stakeholders on income accounting and proceeding with the NFP Conceptual Framework project, which looks to enable the application of the *Conceptual Framework for Financial Reporting* for NFP entities.

## FOR-PROFIT SECTOR

During the year, the AASB published its 2022-2026 Agenda Consultation Feedback Statement, which summarises the feedback received and the Board's decisions on its 2022–2026 work program. In addition, we continued to revise Australian Accounting Standards to ensure consistency with International Financial Reporting Standards while reflecting any Australian-specific issues.

The AASB also continued to uphold our Evidence-Informed Standard-Setting approach by obtaining evidence for key projects that are currently underway. We published a joint Research Report with the MASB on IFRS 16 *Leases*, which investigates the use in Australia and Malaysia of transitional relief and ongoing practical expedients available to lessees under IFRS 16 *Leases*. Additionally, we published a Research Report on AASB 17 *Insurance Contracts*, which provides findings on how some insurers plan to apply AASB 17.

## SUSTAINABILITY

Reflecting the increased global and domestic focus on globalising and standardising sustainability-related financial reporting, the AASB has been proactive in taking preparatory steps to support the future implementation of Australian sustainability-related financial reporting. The following strategic initiatives have been completed during the year or are currently underway.

AASB Staff perform ongoing monitoring of all international sustainability reporting developments, including monitoring of jurisdictional progress towards sustainability reporting as well as monitoring the activities of international standard-setters such as the International Sustainability Standards Board (ISSB), Global Reporting Initiative (GRI) and International Public Sector Accounting Standards Board (IPSASB). Additionally, the AASB Chair and Staff frequently present on sustainability reporting topics at various conferences and meetings around the globe. The AASB will continue supporting the goal of establishing a global baseline for the disclosure of sustainability-related financial information.

In July 2022, the AASB and AUASB developed and submitted a joint comment letter to the ISSB on the ISSB's Exposure Drafts on [Draft] IFRS S1 *General Requirements for Disclosure of Sustainability-related Financial Information* and [Draft] IFRS S2 *Climate-related Disclosures*. As part of the submission, the AASB and AUASB raised several key issues for the ISSB to consider as it developed the final versions of the standards. Several of the AASB's key recommendations were subsequently incorporated into the final version of S1 and S2 as released by the ISSB in June 2023.

In August 2022, the AASB published its Feedback Statement on AASB *Agenda Consultation 2022-2026*, which summarises the feedback received and the Board's decisions on its 2022–2026 work program, including sustainability reporting.

In September 2022, the FRC, AASB and AUASB made a joint submission on IPSASB Consultation Paper *Advancing Public Sector Sustainability Reporting*.

In October 2022, AASB Staff, jointly with a number of sustainability reporting experts, published the article *Task Force on Climate-related Financial Disclosures (TCFD) Implementation: An Overview and Insights from the Australian Accounting Standards Board Dialogue Series* in the Australian Accounting Review Journal. This paper provided an overview of developments and the regulatory position on sustainability reporting in Australia at the time.

In December 2022, the AASB Board held a private education session on sustainability reporting. The session provided an overview of legal liability considerations for forward-looking statements, the National Greenhouse and Energy Reporting Act 2007, [Draft] IFRS S1 and [Draft] IFRS S2. In addition, the AASB and AUASB published a Joint Research Report, *Climate-related disclosures and assurance in the Annual Reports of ASX-listed companies*, which identifies climate-related disclosures and associated assurance practices in the annual reports of ASX-listed companies.

In the first quarter of 2023, the AASB developed a [Draft] Sustainability Reporting Standard-Setting Framework to test as part of developing climate-related financial disclosure requirements for Australia. To address the demand for climate-related financial disclosure requirements while



permitting the AASB sufficient time to redeliberate its approach to broader sustainability reporting in the long term, the Board supported a “climate first” approach and decided to add a separate project to the AASB’s work program to develop climate-related financial disclosure requirements for Australia that can, at least initially, be applied independently of broader sustainability reporting requirements.

In June 2023, the AASB decided to expand the scope of the Climate-related Financial Disclosure project, previously limited to the for-profit sector, to explore the development of sector-neutral Australian climate-related financial disclosure requirements. In addition, we reprioritised our work program to ensure the timely delivery of climate-related financial disclosure requirements.

## RESEARCH

The academic community is a significant contributor to the AASB’s work program through the high quality research produced, assisting the AASB in achieving our stated aim of employing an evidence-based framework in the standard setting process in Australia.

The AASB co-hosted the 2022 Research Forum with RMIT College of Business and Law. This year, we offered the opportunity to attend in Melbourne, virtually, or at the University of Queensland in Brisbane from the live viewing satellite broadcast venue. Academics and stakeholders from the for-profit and not-for-profit private and public sectors discussed three research projects: *Exploring the Horizons of Financial Reporting*, *Reporting and Assurance of Material Climate Change-Related Risk Disclosures: Evidence from Australia*, and *Improving the Visibility of Soil Health in Corporate Reporting*.

The AASB SSRN Working Papers Series disseminates current research or monographs relevant to AASB’s work on accounting and external reporting matters. During the year, the AASB accepted five working papers and published them at the AASB SSRN. The five papers have been published being *Sustainability and Service Performance Disclosure Beyond Institutional Requirements*, *Improving the Visibility of Soil Health in Corporate Reporting*, *Reporting and Assurance of Material Climate Risks: Evidence from Australia*, *Building Trust with Material and Immaterial CSR: Benefits and Consequences*, and *Accounting and Accountability for No Net Loss of Biodiversity*.

The AASB Dialogue Series provides an excellent opportunity to learn more about the latest accounting and reporting developments. The series features presentations from leading experts in the field, as well as panel discussions on key accounting and reporting issues. During the year, four sessions (Digital Financial Reporting, External Reporting for Not-for-profit Private Sector entities: Challenges and Opportunities, Digital Assets and Going Concern Disclosures) were held, with around 80 domestic and international stakeholders attending each session.

The AASB presented an update of AASB work at the 2022 Accounting and Finance Association of Australia and New Zealand (AFAANZ) annual conference to inform academics and researchers on research opportunities and research topics most relevant to the Australian economy.

## PEOPLE

We are pleased to announce that during 2022-23, we continued to operate effectively and efficiently through the challenging environment that the pandemic provided, both remote working and from the office when possible. A key aspect of this year was that we received a one year funding through NPP to support the climate-risk financial disclosures standard development process and recruited four new team members for this period. We are working with Treasury and Finance to secure further funding to enable work towards standard setting in this area of critical national and international importance. Staff are the core of our business; through their continued efforts have again ensured that we have been able to deliver to our stakeholders domestically and internationally. I would like to thank the staff for their commitment to standard setting.

## LOOKING TOWARD 2023-24

We will continue to further enhance our already prominent stakeholder engagement activities, both domestically and internationally.

The AASB will continue the post-implementation review (PIR) of several domestic Australian Accounting Standards over the 2022-25 period. A PIR is not intended to be a reconsideration of an entire underlying pronouncement. Instead, it acknowledges that consultation and due process during the development of a pronouncement are not a substitute for the practical application of new requirements and is intended to conclude on the overall effectiveness and efficiency of a pronouncement in meeting its original objectives, including whether a pronouncement remains appropriate.

The PIRs cover topics affecting the not-for-profit private sector and the public sector and include income of not-for-profit entities, control and consolidation in the not-for-profit sector, and service concession arrangements for grantors.

We will continue our involvement internationally through our strong relationship with the International Accounting Standards Board (IASB), the International Sustainability Standards Board (ISSB), the International Public Sector Accounting Standards Board (IPSASB) and other national standard setters and representative bodies. This will ensure that Australia's position continues to be incorporated into international standards.

The AASB will continue to work closely with the Auditing and Assurance Standards Board (AUASB) for issues common to the two organisations, particularly when considering whether any auditing or assurance challenges may arise from Australian Accounting Standards.

We have reprioritised our work program to support an increased focus on sustainability reporting projects. During 2023-2024, we will continue to work closely with the AUASB and engage with all members of the financial reporting eco-system as we consider the reporting, assurance and regulatory implications of sustainability information in the Australian market.

## FINANCIAL RESULTS

The AASB has recognised a Total Comprehensive deficit of \$758,071 (2022: deficit of \$108,930) as a result of increased employee and travel costs. Management fees, whilst an increase on 2022, are still down on years prior to that.

Management fees received from the AUASB were \$616,919 (2022: \$571,443) as provided for in our Memorandum of Understanding (MoU) (refer to Note 2A and 2B to the Financial Statements).

Note 8 to the Financial Statements provides further details of variances from the reported budget numbers.

## ACKNOWLEDGEMENTS

I would like to thank the staff for their continued support and commitment during these unique times, the team have embraced the flexible working arrangements and have held a number of face-to-face and virtual stakeholder sessions during the year resulting in a significant quantity of high-level output.

Sincerely

A handwritten signature in black ink, appearing to read 'Kendall', written in a cursive style.

Dr Keith Kendall  
Chair and CEO  
21 September 2023

# AASB ANNUAL PERFORMANCE STATEMENT 2022-23

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I, Keith Kendall, as the accountable authority of the Australian Accounting Standards Board, present the 2022-23 annual performance statement of the Australian Accounting Standards Board, as required under paragraph 39(1)(a) of the *Public Governance Performance and Accountability Act 2013* (PGPA Act). In my opinion, this annual performance statement is based on properly maintained records, accurately reflects the performance of the entity, and complies with subsection 39(2) of the PGPA Act Entity Purpose.



## ENTITY PURPOSE

As set out in the Treasury Portfolio Budget Statements for 2022-23, the AASB's single outcome is to formulate and make accounting standards that are used by Australian entities to prepare financial reports and enable users of these reports to make informed decisions. The AASB's vision is to contribute to stakeholder confidence in the Australian economy, (including its capital markets) and in external reporting integral to financial reporting. Its mission and single program are:

- developing, issuing and maintaining accounting standards and guidance that meet user needs and enhance external reporting consistency and quality.
- contributing to the development of a single set of accounting and external reporting standards for world-wide use.

Our purpose is to:

- make accounting standards under the *Corporations Act 2001* for the purposes of the corporations legislation and for other purposes.
- participate in and contribute to the development of a single set of accounting standards for world-wide use.
- in a financial reporting context, enabling Australian entities to compete effectively.
- maintain investor confidence in the Australian economy, including its capital markets.
- having regard to the interests of Australian corporations raising capital in major international financial centres.

The Chair's report sets out the contextual basis for progress made on achieving our strategies and purpose.

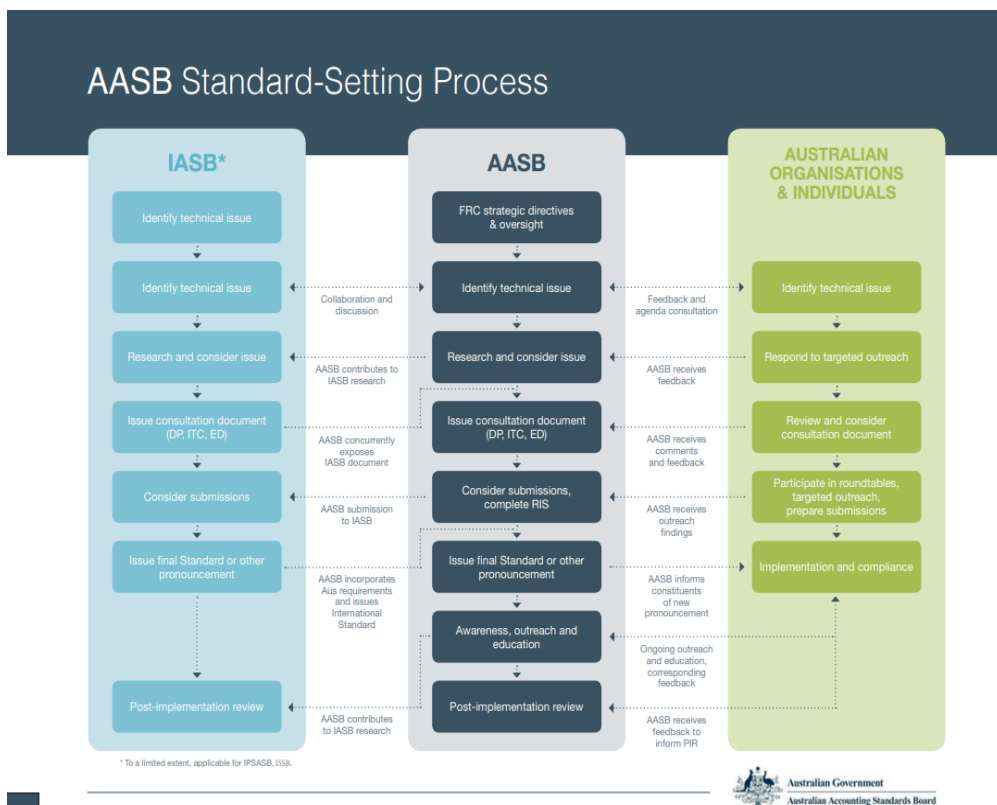
## THE AASB'S STANDARD SETTING PROCESS

### Developing issuing and maintaining principles-based accounting standards

The AASB, in accordance with the FRC direction issued in 2002, has adopted IFRS accounting and external reporting standards as part of our strategy to facilitate confidence in the Australian economy.

Maintaining IFRS compliance for publicly accountable for-profit entities and using IFRS as a baseline for other entities, means that overseas investors understand our financial reporting and consistency helps reduce the costs incurred by our companies seeking to raise funds. In addition, using IFRS as a basis for other entities promotes professional mobility across the three sectors and also meets our objectives for improving comparability and user confidence in financial reporting.

The following diagram identifies the high-level interaction undertaken by the AASB in developing, issuing and maintaining Australian Accounting Standards.



## AASB's STRATEGIES FOR ACHIEVING ITS PURPOSE

Strategy 1: Standard setting	Strategy 2: Australian external reporting framework	Strategy 3: International thought leadership	Strategy 4: Stakeholder engagement	Strategy 5: Influencing beyond financial reporting	Strategy 6: Emerging Issues	Strategy 7: Enhancing Consistency
Set accounting standards to meet needs of users, capable of being assured and enforced. 'Publicly accountable' entities IFRS compliant; for others, use transaction neutrality, modify IFRS, or develop Australian-specific standards and guidance.	Play a leading role in reshaping the Australian external reporting framework by working with other regulators to set Tier requirements proportionate to user needs and costs to prepares.	Actively influence internationally IASB, IPSASB, NZASB and AOSSG.	Attain significant levels of key stakeholder engagement through collaboration, partnership and outreach.	Influence initiatives to develop standards and guidance that meet user needs for external reporting integral to financial reporting.	Monitor and respond to, or lead on, emerging issues, including changing technologies.	Enhance consistent implementation, through stakeholder education initiatives.

## 2022-23 AASB ACTIVITIES AND RELATED KEY PERFORMANCE INDICATORS

The tables below identify the activities the AASB identified in its Corporate Plan and Parliamentary Budget Statement (PBS) as contributing to the seven strategies above, for the 2022-23 reporting period. These tables also indicate whether or not the activities were achieved and, if not, why not.

### 1 - PERFORMANCE ACTIVITY FOCUS: BRAND/REPUTATION

Current Priorities	Status	Key Activities / Highlights
Define appropriate reporting frameworks for each of the three sectors - for-profit (e.g., listed and large proprietary companies), not-for-profit (e.g. charities) and public sector	In progress / Partially completed	<p>For-profit –</p> <ul style="list-style-type: none"> <li>AASB submission to IASB Exposure Draft ED/2022/1 Third edition of the IFRS for SMEs Accounting Standard –IFRS for SMEs Accounting Standard made in Feb 2023</li> </ul> <p>NFP private sector –</p> <ul style="list-style-type: none"> <li>Discussion Paper – <i>Development of Simplified Accounting Requirements (Tier 3 Not-for-Profit Private Sector Entities)</i> issued in September 2022</li> </ul> <p>Public sector – participating in FRC public sector advisory group</p>
<p>Agree and deliver on 3-year program of work</p> <p>Maintain IFRS and New Zealand compliance for for-profit Private sector “publicly accountable” entities</p> <p>Tailor IFRS appropriately for other sectors, including developing Australian-specific guidance</p> <p>Develop guidance on external reporting integral to financial reporting</p>	Ongoing	<p>IFRS compliance maintained during this reporting period</p> <p>IASB-equivalent Standards issued within two months of release by the IASB:</p> <ul style="list-style-type: none"> <li>AASB 2022-5 <i>Amendments to Australian Accounting Standards – Lease Liability in a Sale and Leaseback</i></li> <li>AASB 2023-1 <i>Amendments to Australian Accounting Standards – Supplier Finance Arrangements</i></li> <li>AASB 2023-2 <i>Amendments to Australian Accounting Standards – International Tax Reform – Pillar Two Model Rules</i></li> </ul>

Current Priorities	Status	Key Activities / Highlights
Develop guidance on emerging issues related to financial reporting		
Enhance profile domestically and internationally		An IASB Board member participated in the AASB 2022 Virtual Research Forum
Maintain and enhance key international relationships with IASB, IPSASB, NZASB, AOSSG, ISSB and International Financial Reporting for NPOs		<p>AASB Chair chaired a break-out session on the ISSB's [draft] IFRS S1 and [draft] IFRS S2 at the IFRS Symposium February 2023</p> <p>IASB Chair and an IASB Board member visited Sydney and Melbourne to participate in a series of events with Australian stakeholders in June 2023</p> <p>AASB Chair and Staff presented on various topics at the AFAANZ Conference in July 2022</p> <ul style="list-style-type: none"> <li>• Plenary session (IASB and AASB update)</li> <li>• Plenary session (Purpose or perish: where is accounting researchers' real-world impact?)</li> <li>• NFP Special Interest Group (AASB NFP work program and research update)</li> <li>• Financial Reporting Special Interest Group (Current Challenges Facing Accounting Standard-Setters).</li> </ul> <p>Staff actively participated in IFR4NPO TAG meetings and other outreach activities</p> <p>AASB Staff Presented at the ACNC Regulators Day in July 2022 on NFP FRF project</p> <p>AASB staff presented at ACNC Adviser and Sector Forums in March 2023 on NFP projects</p> <p>AASB and GRI technical session on GRI Standards</p>



Current Priorities	Status	Key Activities / Highlights
		<p>AASB staff presented at CPA External Reporting CoE in May 2023 on sustainability reporting and connectivity between sustainability reporting and financial reporting</p> <p>AASB Chair was a panellist for the CPA Australia webinar: Annual Reports of Public Sector Organisations</p> <p>AASB Staff presented at the CA ANZ (Panel event) in September 2022 on ESG</p> <p>AASB staff presented at CA ANZ Accounting Conference in May 2023 on corporate reporting; and sustainability and climate-related disclosure reporting</p> <p>AASB staff presented and moderated a panel discussion at a CA ANZ sustainability reporting community event in June 2023 on the overview of the current and anticipated future regulatory landscape/developments from the AASB perspective</p> <p>AASB Chair was interviewed by CA ANZ at a member event in June 2023</p> <p>AASB Chair presented at CPA Indonesia in October 2022 on Sustainability Reporting</p> <p>AASB staff presented at multiple sessions in the NZXRB organised Asia Pacific Climate Conference held in Auckland May 2023</p> <p>AASB Chair presented at a meeting with CPA Australia (Indonesia) in October 2022 on <i>Sustainability reporting: The ISSB's work, stakeholder reactions, and future direction</i></p> <p>AASB Chair presented virtually at the ASEAN Capital Markets Forum International Conference on Sustainability Reporting in Cambodia</p> <p>AASB Chair was a panellist for the Malaysian Institute of Accountants International Accountants Conference in June 2023</p>

Current Priorities	Status	Key Activities / Highlights
		<p>AASB staff presented AOSSG views on Financial Instruments-related topics at IASB Accounting Standards Advisory Forum July, September, and December 2022 meetings</p> <p>AASB Chair and staff presented at the IFASS September 2022 meeting on the Australian perspective on sustainability reporting: climate-related risks and IFRS 9 PIR Classification &amp; Measurement and Impairment.</p> <p>AASB staff presented at IFASS February 2023 virtual meeting on the transition relief and ongoing practical expedients in IFRS 16 <i>Leases</i></p> <p>AASB Chair and Staff presented and moderated panel discussions at the IFASS April 2023 meeting on various topics:</p> <ul style="list-style-type: none"> <li>• Australia's roadmap to sustainability reporting: a climate-first approach;</li> <li>• Not-for-profit financial reporting framework;</li> <li>• Criteria for departing from, amending or adding to the ISSB baseline; and IASB-ISSB connectivity</li> </ul> <p>AASB staff presented at the AOSSG Interim meeting in September 2022 on the summary of initial outreach on IFRS 9 PIR – Impairment</p> <p>AASB Chair and Staff presented on various topics at the AOSSG annual meeting in November 2022:</p> <ul style="list-style-type: none"> <li>• Intangibles - where to go next</li> <li>• Not-for-profit financial reporting framework</li> <li>• IFRS S1 - General Sustainability-related Disclosures</li> <li>• Research on the use and usefulness of the transition relief and practical expedients in IFRS 16 <i>Leases</i> - evidence from Australia and Malaysia</li> </ul>

Current Priorities	Status	Key Activities / Highlights
<p>Due process followed to ensure the quality of standard-setting</p> <p>Evidence-informed approach to standard setting activities supports need for regulation and proposed solution</p> <p>Appropriate consultation in accordance with the due process framework</p> <p>Preparation of regulatory impact statement assessing costs and benefits</p>	<p>Completed / On track</p>	<p>AASB applied for the position of the Vice-Chair of Asian-Oceanian Standard-Setters Group (AOSSG) in April 2023 and formally nominated the AASB Chair to represent the AASB</p> <p>AASB staff participated in the inaugural meeting of the National Standard-Setters Sustainability Forum hosted by the UKEB in February 2023</p> <p>AASB staff presented at a FINSIA Webinar in March 2023 on the intangibles research project</p> <p>AASB staff presented at a FINSIA webinar in May 2023 on sustainability reporting</p> <p>AASB Chair attended the IESBA sustainability roundtable in March 2023</p> <p>No negative feedback in response to due process from FRC.</p> <p>On-going: staff completing compilation of standards.</p> <p>Events to educate and consult stakeholders:</p> <ul style="list-style-type: none"> <li>• Dialogue Series – four sessions held in 2022-2023, being Digital Financial Reporting (91 attendees), External Reporting for Not-for-profit Private Sector entities: Challenges and Opportunities (62 attendees), Digital Assets (60 attendees), and Going Concern Disclosures (118 attendees)</li> <li>• Virtual roundtable with NFP private sector entities on ITC 50 <i>Post-implementation Review – Income of Not-for-Profit Entities</i>, and ITC 51 <i>Post-implementation Review of Not-for-Profit Topics – Control, Structured Entities, Related Party Disclosures and Basis of Preparation of Special Purpose Financial Statements</i> (17 attendees)</li> </ul>

Current Priorities	Status	Key Activities / Highlights
		<ul style="list-style-type: none"> <li>• Virtual roundtable with NFP local government entities on ITC 49 <i>Post-implementation Review of AASB 1059 Service Concession Arrangements: Grantors</i>, ITC 50 Post-implementation Review – Income of Not-for-Profit Entities, and ITC 51 Post-implementation Review of Not-for-Profit Topics – Control, Structured <i>Entities, Related Party Disclosures and Basis of Preparation of Special Purpose Financial Statements</i> (53 attendees)</li> <li>• Virtual roundtable with NFP local government entities on ITC 49 <i>Post-implementation Review of AASB 1059 Service Concession Arrangements: Grantors</i>, ITC 50 Post-implementation Review – Income of Not-for-Profit Entities, and ITC 51 Post-implementation Review of Not-for-Profit Topics – Control, Structured <i>Entities, Related Party Disclosures and Basis of Preparation of Special Purpose Financial Statements</i> (40 attendees)</li> <li>• Delivered five virtual roundtables (81 Attendees) and several other meetings (117 Attendees) on the proposed Tier 3 accounting requirements on some of the key topics in the Discussion Paper</li> <li>• Was invited to three virtual roundtables to consult with stakeholders on the proposed Tier 3 accounting requirements on some of the key topics in the Discussion Paper (78 Attendees)</li> <li>• Presented the proposed Tier 3 accounting requirements to: <ul style="list-style-type: none"> <li>○ CPA NFP Committees VIC (7 Attendees)</li> <li>○ CPA NFP Committees NT (6 Attendees)</li> <li>○ CPA NFP Committees NSW (7 Attendees)</li> </ul> </li> </ul>

Current Priorities	Status	Key Activities / Highlights
		<ul style="list-style-type: none"> <li>○ CPA NFP Committees WA (14 Attendees)</li> <li>○ CPA NFP Committees QLD (8 Attendees)</li> <li>○ CA ANZ NFP Discussion Group (19 Attendees)</li> <li>○ CPA External Reporting Centre of Excellence (12 Attendees)</li> <li>○ the Associations Forum (12 Attendees)</li> <li>○ the Business Council of Co-operatives and Mutuals (11 Attendees).</li> <li>○ NFP CA Discussion Group at RACV (13 Attendees)</li> <li>• Recorded education session: <i>Development of Simplified Accounting Requirements - Tier 3 NFP Entities</i></li> <li>• Recorded webcast: <i>Modifications to AASB 13 Fair Value Measurement applicable to not-for-profit public sector entities</i></li> <li>• AASB Staff Papers and Research Reports issued: <ul style="list-style-type: none"> <li>○ Research Report 10: <i>Legislative and Regulatory Financial Reporting Requirements (Updated)</i></li> <li>○ AASB and the Malaysian Accounting Standards Board (MASB) Joint research report: <i>Transition Relief and Ongoing Practical Expedients in IFRS 16 Leases</i></li> <li>○ Research Report 18: <i>AASB 17 Insurance Contracts Presentation, Disclosure, Transition and Other Accounting Policy Decisions: A Survey on Australian Insurance Entities</i></li> <li>○ Research Report 19: <i>Common Financial Statement Items: Charities with \$0.5–\$3 million in revenue published in April 2023</i></li> </ul> </li> </ul>

Current Priorities	Status	Key Activities / Highlights
		<ul style="list-style-type: none"> <li>○ Joint Staff Article: <i>Task Force on Climate-related Financial Disclosures (TCFD) Implementation: An Overview and Insights from the Australian Accounting Standards Board Dialogue Series</i></li> <li>○ AASB-AUSB Joint Research Report: <i>Climate-Related Disclosure and Assurance in the Annual Reports of ASX Listed Companies</i></li> <li>○ AASB-AUASB Joint Research Report: <i>Australian Listed Entities: Recognised Intangible Assets and Key Audit Matters</i></li> <li>○ The AASB-AUASB reissued the joint publication: <i>Going Concern and Related Assessments</i></li> </ul>
Post-implementation reviews conducted (PIR) for all significant projects to assess quality of standard-setting.	Completed / On track	<p>No indication of non-contribution to confidence in the economy</p> <p>Commenced PIR of specific accounting pronouncements for not-for-profit public and private sector entities, including: control, structured entities, related party disclosures and basis of preparation of special purpose financial statements, income of not-for-profit entities, and AASB 1059 <i>Service Concession Arrangements: Grantors</i></p> <p>Commenced PIR on IASB request for IFRS 9 <i>Financial Instruments–Impairment</i></p>
<p>Improve consistency of implementation:</p> <p>Educate stakeholders on the AASB standards, support materials available, including why standards introduced</p> <p>Support and encourage high quality teaching of the Australian financial</p>	Completed / On track	<p>Research Report 10: <i>Legislative and Regulatory Financial Reporting Requirements</i> was updated in September 2022 to support the consultation on the Discussion Paper – <i>Development of Simplified Accounting Requirements (Tier 3 Not-for-Profit Private Sector Entities)</i></p> <p>Recorded education session: <i>Development of Simplified Accounting Requirements -Tier 3 NFP Entities</i> was released in September, which covers the aim of the Discussion Paper, an overview of the Board's</p>

Current Priorities	Status	Key Activities / Highlights
reporting framework and standards at Australian educational institution		<p>preliminary Tier 3 accounting and disclosure requirements, and the entities that may be affected by these proposals</p> <p>Research Report 19: <i>Common Financial Statement Items: Charities with \$0.5–\$3 million in revenue</i> was issued in April 2023, which provides input for the AASB’s development of a new reporting tier project, Tier 3 general purpose financial statements</p> <p>Joint Staff Article: <i>Task Force on Climate-related Financial Disclosures (TCFD) Implementation: An Overview and Insights from the Australian Accounting Standards Board Dialogue Series</i> was issued in October 2022, which provides an overview of recent developments and the regulatory position on sustainability reporting in Australia</p> <p>AASB-MASB Joint Research Report: <i>Transition Relief and Ongoing Practical Expedients in IFRS 16 Leases</i> was issued in October 2022, which investigates the use in Australia and Malaysia of transitional relief and ongoing practical expedients available to lessees under IFRS 16 Leases</p> <p>AASB-AUSB Joint Research Report: <i>Climate-Related Disclosure and Assurance in the Annual Reports of ASX Listed Companies</i> was issued in December 2022, which identifies climate-related disclosures and associated assurance practices in the Annual Reports of ASX-listed entities</p> <p>Research Report 18: <i>AASB 17 Insurance Contracts Presentation, Disclosure, Transition and Other Accounting Policy Decisions: A Survey on Australian Insurance Entities</i> was issued in March 2023, which provides findings on how some insurers plan to apply AASB 17 Insurance Contracts</p> <p>Recorded webcast: <i>Modifications to AASB 13 Fair Value Measurement applicable to not-for-profit public sector entities</i> was released in March 2023, which provides a high-level overview of the modifications to</p>

Current Priorities	Status	Key Activities / Highlights
		<p>AASB 13 Fair Value Measurement applicable to not-for-profit public sector entities</p> <p>AASB-AUASB Joint Research Report: <i>Australian Listed Entities: Recognised Intangible Assets and Key Audit Matters</i> was issued in May 2023, which aims to understand the significance of recognised intangible assets on the balance sheets of Australian listed entities</p> <p>The AASB-AUASB reissued the joint publication <i>Going Concern and Related Assessments</i> previously published in 2020 and removed the focus on COVID-19 in June 2023, which offers a comprehensive overview of the responsibilities of directors and management in assessing solvency and going concern and how it impacts the preparation of financial statement disclosures, as well as the auditor's responsibilities.</p>



## 2 - PERFORMANCE ACTIVITY FOCUS: STAKEHOLDER ENGAGEMENT

Current Priorities	Status	Key Activities / Highlights
Enhance stakeholder engagement	Completed / On track	<p>LinkedIn main page followers increased by 24.04% over the twelve months to June 2023</p> <p>The AASB co-hosted the 2022 Research Forum with RMIT College of Business and Law. This year we offered the opportunity to attend in Melbourne, virtually, or at the University of Queensland in Brisbane from the live viewing satellite broadcast venue (60 In-Person Attendees; 200 Virtual Attendees)</p>
Conduct Agenda consultations to determine projects and priorities	Completed / On track	Issued a Feedback Statement on the AASB Agenda Consultation 2022–2026

### 3 - PERFORMANCE ACTIVITY FOCUS: PEOPLE & CULTURE

Current Priorities	Status	Key Activities / Highlights
Develop and implement People and Culture strategy	Completed / On track	<p>Ongoing process</p> <p>High morale of the team supported by virtual team meetings and events, such as virtual drinks and team lunches</p> <p>Staff are encouraged to register for work-related training of their choice as part of employee growth</p> <p>A new flexible working environment was implemented in October 2022, which expected staff to work at least 50% of their hours in the office.</p>
New starter processes improved to support flexible subject matter expert involvement	Completed / On track	<p>Onboarding manual is continuously being updated. The onboarding manual is a working document which has insights and information regarding processes that take place at the AASB</p>
Understand current capability (talent mapping)	Completed / On track	<p>Ongoing process – promotions during the year based on performance</p> <p>External experts used for specific projects</p>
Resource planning to develop skills and allocate them appropriately	Completed / On track	<p>Additional resources engaged as contractors to assist with workplan delivery</p> <p>Utilisation of employees regularly monitored</p> <p>Regular resource planning meetings in place to identify the need for project prioritisation or for external resources.</p>

## 4 - PERFORMANCE ACTIVITY FOCUS: TECHNOLOGY

Current Priorities	Status	Key Activities / Highlights
Develop and implement an IT strategy that enables flexible, seamless working via cloud	Completed / On track	All AASB staff are capable of working remotely - no significant issues. External webinars hosted via ZOOM and TEAMS
Website refreshed to improve stakeholder experience and engagement	Completed / On track	Corporate website content continually updated Released the AASB pronouncements Web Portal. The portal versions are now suitable for use for the financial year 2022/23 reporting requirements

## 5 - PERFORMANCE ACTIVITY FOCUS: OPERATIONAL & BUSINESS EXCELLENCE

Current Priorities	Status	Key Activities / Highlights
Develop strategy supporting operational excellence and regulatory compliance	Completed / On track	Continuous Compliance tasks completed by appropriate deadline date No breaches of regulatory obligations identified
Key processes and standards documented	Completed / On track	FP and NFP standard setting frameworks, Due process document, Annual Report and Corporate Plan published on AASB website (and Transparency Portal as appropriate) All Finance procedures and policies are documented and updated according to the update schedule
Knowledge and information sharing support flexible subject matter expert involvement	Completed / On track	Staff participate in monthly lunch and learn sessions to share knowledge from subject matter expert

Current Priorities	Status	Key Activities / Highlights
Continuous improvement of operational processes to achieve planned outcomes	Completed / On track	Working from home has focused AASB on ensuring critical operational tasks and processes can be sustained remotely. Core operational tasks being monitored and continuously improved to minimise slippage in internal and external service delivery

## 6 - PERFORMANCE ACTIVITY FOCUS: PROGRAM & PROJECT MANAGEMENT

Current Priorities	Status	Key Activities / Highlights
Develop a strategy to improve program and project management	Completed / On track	Utilisation of employees regularly monitored Regular resource planning meetings in place to identify the need for project prioritisation for external resources
Identify and establish frameworks and processes to allocate resources appropriately, establish and monitor accountabilities	Completed / On track	Continuous review process implemented to assess completion of projects (on target, off-target) as well as reviewing effort required to complete. Timesheet process being used to refine new project plans (work effort required) as well as ensuring work-life balance is maintained
Allocate resources efficiently and effectively	Completed / On track	

## OUTPUTS

The AASB's standards, exposure drafts and other research reports are listed in the tables below.

Standards	
AASB 2022-5	<i>Amendments to Australian Accounting Standards – Lease Liability in a Sale and Leaseback</i> (November 2022)
AASB 2022-6	<i>Amendments to Australian Accounting Standards – Non-current Liabilities with Covenants</i> (December 2022)
AASB 2022-7	<i>Editorial Corrections to Australian Accounting Standards and Repeal of Superseded and Redundant Standards</i> (December 2022)
AASB 2022-8	<i>Amendments to Australian Accounting Standards – Insurance Contracts: Consequential Amendments</i> (December 2022)
AASB 2022-9	<i>Amendments to Australian Accounting Standards – Insurance Contracts in the Public Sector</i> (December 2022)
AASB 2022-10	<i>Amendments to Australian Accounting Standards – Fair Value Measurement of Non-Financial Assets of Not-for-Profit Public Sector Entities</i> (December 2022)
AASB 2023-1	<i>Amendments to Australian Accounting Standards – Supplier Finance Arrangements</i> (June 2023)
AASB 2023-2	<i>Amendments to Australian Accounting Standards – International Tax Reform – Pillar Two Model Rules</i> (June 2023)
AASB 2023-3	<i>Amendments to Australian Accounting Standards – Disclosure of Non-current Liabilities with Covenants: Tier 2</i> (June 2023)
Exposure Drafts	
ED 322	<i>International Tax Reform - Pillar Two Model Rules</i> (January 2023)
ED 323	<i>Disclosure of Non-current Liabilities with Covenants – Proposed Amendments to Tier 2</i> (March 2023)
ED 324	<i>Amendments to the Classification and Measurement of Financial Instruments</i> (March 2023)
Invitations to Comment	
ITC 49	<i>Post-implementation Review of AASB 1059 Service Concession Arrangements: Grantors</i> (September 2022)
ITC 50	<i>Post-implementation Review – Income of Not-for-Profit Entities</i> (November 2022)
ITC 51	<i>Post-implementation Review of Not-for-Profit Topics – Control, Structured Entities, Related Party Disclosures and Basis of Preparation of Special Purpose Financial Statements</i> (November 2022)

**Invitations to Comment continued.**

ITC 52	<i>Request for Comment on IASB Request for Information on Post-implementation Review of IFRS 9 Financial Instruments – Impairment (June 2023)</i>
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**Research Papers**

No. 17	<i>Transition Relief and Ongoing Practical Expedients in IFRS 16 Leases A joint AASB-MASB Project (October 2022)</i>
No. 18	<i>AASB 17 Insurance Contracts Presentation, Disclosure, Transition and Other Accounting Policy Decisions: A Survey on Australian Insurance Entities (March 2023)</i>
No.19	<i>Common Financial Statement Items: Charities with \$0.5-\$3 million in revenue (April 2023)</i>

AASB Authoritative Pronouncements can be accessed via [www.aasb.gov.au/Pronouncements.aspx](http://www.aasb.gov.au/Pronouncements.aspx).

The Standard-setting and Research Centre Work Programs can be accessed via [www.aasb.gov.au/current-projects/work-program](http://www.aasb.gov.au/current-projects/work-program)

# AUASB CHAIR'S REVIEW

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## OUR PERFORMANCE IN 2022-23

I would like to begin by thanking former AUASB Chair Mr Bill Edge for his leadership and effort as Chair from 1 January 2021 to 30 June 2023.

As the new Chair of the AUASB, I look forward to working with the Board and the staff on developing sustainability assurance standards and continuing to improve standards for the audit of financial reports.

## PRIORITIES

During 2022-23, the AUASB focused on the following key priorities:

- Influencing the development of International Auditing and Assurance Standards and guidance, particularly sustainability assurance standards;
- Consulting on proposed revisions to auditing standards on going concern and audit evidence, and on proposals for audits of less complex entities, as well as revising certain other standards and guidance;
- Developing guidance to support public sector and not-for-profit entity audits; and
- Other initiatives on audit quality, including providing resources to support the Financial Reporting Council's (FRC's) work on audit quality.

Further details on these and other matters appear below.

## INTERNATIONAL INFLUENCE

The AUASB's legislative mandate includes participating and contributing to the development of a single set of auditing standards for worldwide use. We are required to use auditing standards issued by the International Auditing and Assurance Standards Board (IAASB) as a base from which to develop local standards. We continue to influence the direction of international standards through submissions and direct engagement with the IAASB in the public interest and to make sure they serve as the most effective foundation for our Australian standards.

The former AUASB Chair's term on the IAASB continues to 31 December 2024. As an IAASB Technical Advisor, AUASB Deputy Technical Director, Ms Rene Herman, provides the former Chair with AUASB perspectives on matters being considered by the IAASB.

The AUASB also actively engages with and monitors the activities of other national auditing and assurance standard setters. In particular, Australia and New Zealand continue to work closely together to coordinate our respective responses to Trans-Tasman auditing standards.



## SUSTAINABILITY

The demand for the reporting and assurance of climate and sustainability information has gained momentum in recent years. The AUASB welcomes the progress of the IAASB towards a global sustainability assurance standard based on pre-existing IAASB pronouncements and guidance. The AUASB took the following steps to support the future implementation of an equivalent Australian standard:

- Summarising sustainability assurance developments in meetings of the Sustainability Reporting Project Advisory Panel and in separate meetings with the Chief Accountant of the Australian Securities and Investments Commission (ASIC) and representatives of Chartered Accountants Australia and New Zealand and CPA Australia. for the Australian jurisdiction.
- The former AUASB Chair contributing to the development of an IAASB exposure draft as a member of the IAASB Sustainability Working Group.
- The AUASB and the AASB issuing a joint research report on *Climate-related Disclosures and Assurance in the Annual Reports of ASX Listed Companies* which showed that entities are increasingly recognising climate impacts in their annual report and to a lesser extent in financial reports.
- Issuing three updates on domestic and international developments in sustainability assurance.
- The former Chair attending an International Ethical Standards Board for Accountants roundtable in Sydney on the development of new ethics and independence standards for sustainability reporting and assurance. He was also a panel member at a Sustainability and Reporting Discussion Forum hosted by the Accounting Professional Ethical Standards Board and CPA Australia.
- The former AUASB Chair providing an update on the IAASB's progress in developing a sustainability assurance standard and suggested areas for future research at the 27<sup>th</sup> *Annual International Symposium on Audit Research* hosted by UNSW Sydney.
- Welcomed the announcement by the International Organization of Securities Commissions of its support and encouragement for the IAASB's work.
- The AUASB, the AASB and the FRC making a joint submission to the International Public Sector Accounting Standards Board on its Consultation Paper on *Advancing Public Sector Sustainability Reporting*. The submission supported the need for public-sector-specific sustainability reporting guidance.
- Engaged with non-accountant sustainability experts who may apply frameworks other than AUASB standards. These other standards may be considered when the AUASB develops standards and guidance.

## GOING CONCERN

The IAASB is revising International Standard on Auditing (ISA) 570 *Going Concern* to enhance the auditor's work effort in relation to going concern and provide additional information in the auditor's report. The AUASB has held a webinar to raise awareness of the proposed changes

Australian Accounting Standards Board and Auditing and Assurance Standards Board Annual Reports 2022-23

and will hold consultative roundtable events in Melbourne, Sydney and online during July and August 2023.

## AUDIT EVIDENCE

The AUASB exposed the IAASB's Proposed ISA 500 (Revised), *Audit Evidence* and *Proposed Conforming and Consequential Amendments to Other ISAs*. An educational webinar was held to raise awareness.

## LESS COMPLEX ENTITIES

In February 2023, the AUASB released a Consultation Paper to expose the IAASB's proposed Part 10, *Audits of Group Financial Statements*. In May 2023, the AUASB made a submission to the IAASB.

The AUASB continues to engage with regulators and stakeholders on whether to adopt the proposed LCE standard in Australia. The IAASB intends to vote on a proposed standard at its September 2023 meeting.

## OTHER STANDARDS AND GUIDANCE

The AUASB has issued the following Consultation Papers:

- Exposure of the IAASB's Proposed Narrow Scope Amendments to: ISA 700 (Revised), *Forming and Opinion and Reporting on Financial Statements*; and ISA 260 (Revised), *Communication with Those Charged with Governance*, as a result of the revisions to the IESBA Code that require an auditor to publicly disclose when the auditor has applied the independence requirements for Public Interest Entities.
- In December 2022, the AUASB issued a Discussion Paper titled "*Expanding Key Audit Matters beyond listed entities*". After considering the feedback received, the AUASB decided not to extend the requirement to disclose Key Audit Matters in audit reports beyond listed entities.

The AUASB also issued:

- *ASA 2023-1 Amendments to Australian Auditing Standards*, which amends 11 auditing standards for minor amendments to AASB 101 *Presentation of Financial Statements* and changes to ASA 102 *Compliance with Ethical Requirements when Performing Audits, Reviews and Other Assurance Engagements*.
- Revised Guidance Statement 003 *Assurance Relating to Financial Service Licenses issued under the Corporations Act 2001* to reflect changes to the reporting framework under ASIC Form FS 70 *Australian financial services licensees: profit and loss statement and balance sheet*.

## PUBLIC SECTOR

The AUASB's Public Sector Project Advisory Group (PAG) consisting of assurance practitioners from all State, Territory and Commonwealth Auditor-Generals' Offices in Australia:

- Updated Guidance Statement 023 *Special Considerations – Public Sector Engagements* to include additional explanatory and application material to support auditors in applying auditing standard ASA 220 *Quality Management for an Audit of a Financial Report and Other Historical Financial Information* to public sector engagements. This included how to apply the ASA 220 concept of 'Engagement Partner' when the individual leading the audit engagement does not sign the audit report.
- Conducted a Post Implementation Review of ASAE 3500 *Performance Engagements*. In June 2023, the AUASB issued a Feedback Statement and committed to make some narrow scope amendments to the standard.

## NOT-FOR-PROFIT ENTITIES

The AUASB issued the following guidance to assist auditors of Not-for-profit (NFP) entities:

- Bulletin *Auditing Fundraising Revenue of Not-for-profit Entities in a Digital Age* which replaced Guidance Statement 019 *Auditing Fundraising Revenue of Not-for-Profit Entities* was withdrawn.
- Bulletin *What not-for-profit entities need to know about the differences between an audit and review*.

## TECHNOLOGY

- The AUASB's Technology PAG, consisting of representatives from the largest accounting firms, the public sector and the professional accounting bodies, helped develop AUASB Bulletin *Evaluating the Reliability of Data obtained for Use in Audit Technology Tools*. This Bulletin is designed to assist auditors in evaluating the reliability of data when using technology and builds on AUASB Bulletin *Integrity of Data Obtained for the Purpose of an Audit of a Financial Report*.
- In February 2023, the AUASB released a Technology Update which summarises and directs stakeholders to existing technology related guidance issued by the AUASB, the IAASB Technology Working Group, other National Standard Setters and Professional Accounting Bodies.
- The AUASB enhanced its Digital Standards Portal ("the Portal") by adding AUASB guidance statements, allowing standards to be filtered by reporting date, and allowing standards to be searched by category, reporting period and status of standards. Moving reference windows were introduced which allow users to 'float' multiple paragraph references and footnotes within a single standard.

## OTHER AUDIT QUALITY INITIATIVES

Actions taken by the AUASB in supporting the FRC's initiatives to enhance audit quality include:

- Continuing to progress Recommendation 8 of the Parliamentary Joint Committee on Corporations and Financial Services Inquiry into Regulation of Auditing on the adequacy of fraud prevention and going concern reporting requirements.
- Issuing *Periodic Comprehensive Review of the External Auditor* jointly with the Australian Institute of Company Directors (AICD) to supplement ASIC Information Sheet 196 *Audit Quality – The role of directors and audit committees* on process matters when audit committees review audit quality of an incumbent auditor.
- Working on amendments to standards and guidance identified by ASIC. In December 2022, the AUASB updated Bulletin titled *Supporting Auditors in Enhancing Audit Quality*.
- Commissioning independent academic research with the FRC on audit quality from interviews of a sample of Audit Committee Chairs. The findings were published in AUASB Research Report 9 *Perceptions of Audit Quality by Audit Committee Chairs in Australia*.
- Hosting a Workshop with the Australian National Centre for Audit and Assurance Research (ANCAAR) to explore research that is relevant to the AUASB's standard setting agenda. A summary of the matters raised by stakeholders, research presentations and their implications for the AUASB are detailed in AUASB Research Report 8 *ANCAAR- AUASB Research and Regulation Workshop*.

## STAKEHOLDER ENGAGEMENT AND COMMUNICATION

In the last year, the AUASB has engaged with stakeholders across the country at speaking engagements and at national, regional and international meetings. The AUASB has continued to use virtual meetings and webinars, while also re-engaging face-to-face with stakeholders.

The AUASB held educational webinars on IAASB proposals on audit evidence and going concern to assist stakeholders in understanding proposed changes and their consequences. The AUASB also sought feedback from stakeholders on its Agenda Consultation Process for 2022-23 and issued a Feedback Statement summarising the feedback received and implications for the AUASB.

## LOOKING TOWARD 2023-24

During 2023-24 we will continue to work closely with the AASB and engage with all members of the financial reporting eco-system as we consider the requirements and guidance for sustainability assurance. We will conduct outreach to inform our submission to the IAASB on its proposed framework neutral sustainability assurance standard and consider the need for guidance on assurance under the reporting framework in Australia. We will also contribute to decisions on what types of assurance should be provided and when.

We will review our work plan to also prioritise important areas in the context of financial report assurance and other types of assurance.

We will continue to actively contribute to the International Standard-Setting process in the areas of sustainability, going concern, fraud, less complex entity audits and audit evidence, and further develop our collaborations with other National Standard Setters and our research initiatives.

## FINANCIAL RESULTS

The AUASB has recognised a total Comprehensive deficit of \$33,316 (2022: deficit of \$114,702). There were increased costs of operating the standards portal and travel costs, whilst employee costs were down on 2022 partly due to employees taking an increased amount of annual leave.

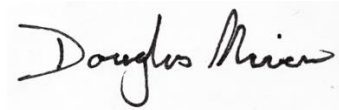
The management fee paid to the AASB was \$616,919 (2022: \$571,443) (refer to Notes 2A and 2B to the Financial Statements). The AASB pays for shared costs such as rent, electricity and recharges the AUASB for its proportion through the management fee.

## ACKNOWLEDGEMENTS

I thank the members of the AUASB for their considerable contributions over the past year. I also express my appreciation to the AUASB staff for their continuing effective and efficient support of the AUASB.

I thank the AASB Chair, Dr Keith Kendall, and AASB staff for the continued close co-operation between the AASB and AUASB. I look forward to working with the Chair of the FRC, Mr Andrew Mills, and other FRC members on a range of matters impacting the Australian reporting and assurance landscape in the future.

Sincerely

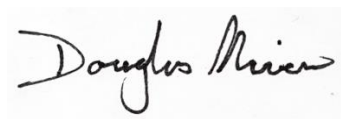
A handwritten signature in black ink that reads "Douglas Niven". The signature is written in a cursive style and is positioned above the typed name and title.

Douglas Niven  
Chair and CEO  
21 September 2023

# AUASB ANNUAL PERFORMANCE STATEMENT 2022-23

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I, Douglas Niven, as the accountable authority of the Auditing and Assurance Standards Board, present the 2022-23 annual performance statement of the Auditing and Assurance Standards Board, (AUASB) as required under paragraph 39(1)(a) of the *Public Governance Performance and Accountability Act 2013* (PGPA Act). In my opinion, this annual performance statement is based on properly maintained records, accurately reflects the performance of the entity, and complies with subsection 39(2) of the PGPA Act.



## ENTITY PURPOSE

The functions of the AUASB are to:

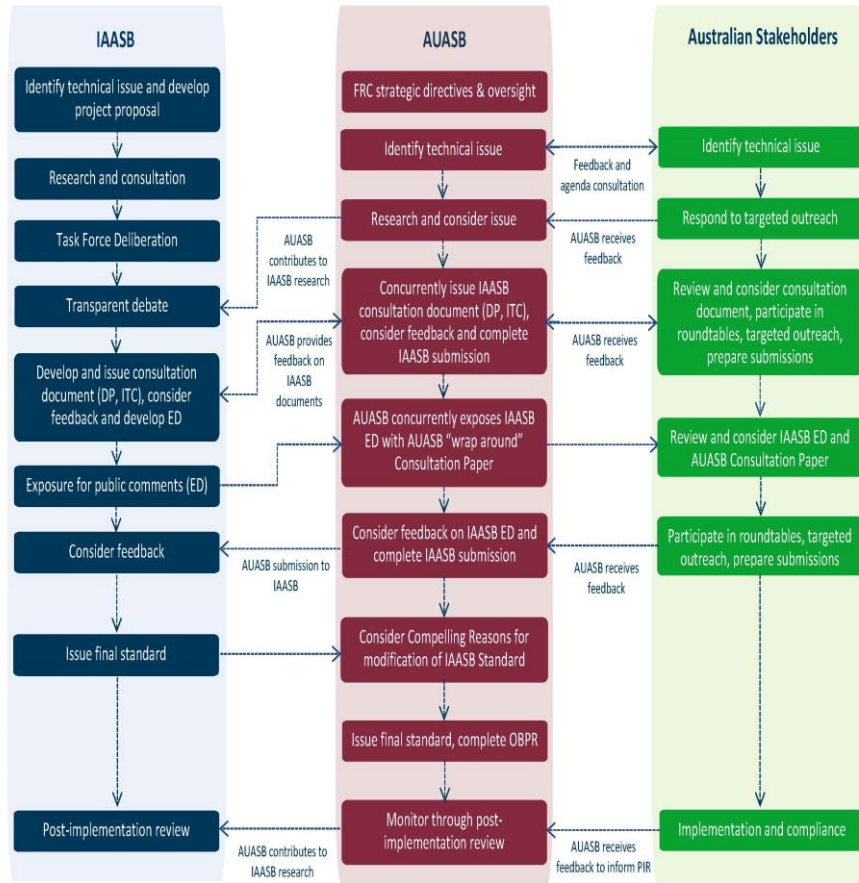
- make auditing standards under section 336 of the *Corporations Act 2001* for the purposes of the Corporations' Legislation
- formulate auditing and assurance standards for other purposes
- formulate guidance on auditing and assurance matters
- participate in and contribute to the development of a single set of auditing standards for world-wide use
- advance and promote the main objectives of part 12 of the *Australian Securities and Investments Commission Act 2001*.

## THE AUASB STANDARD SETTING PROCESS

The AUASB issues IAASB Exposure Drafts (EDs) in Australia concurrently with their release internationally. The ED may be accompanied by a 'wrap around' with Australian specific questions.

The AUASB's full Standard-Setting process is set out below.

# AUASB Standard-Setting Process



## AUASB’s STRATEGIES FOR ACHIEVING ITS PURPOSE

Strategy 1: Standards and Guidance		Strategy 2: International Influence	Strategy 3: Audit Quality	Strategy 4: Thought Leadership	Strategy 5: Frameworks	Strategy 6: Stakeholder Engagement
Develop and issue Australian Auditing and Assurance Standards that are in the public interest and meet the needs of stakeholders based on IAASB equivalents in accordance with AUASB functions and our direction from the Financial Reporting Council (FRC).	Develop and maintain Australian-specific Standards and/or Guidance for topics not specifically addressed by IAASB Standards where required.	Influence international standards and guidance to achieve public interest outcomes and serve as the most effective base possible for Australian auditing and assurance standards.	In conjunction with the Financial Reporting Council, identify and implement initiatives designed to enhance Audit Quality in Australia.	Demonstrate thought leadership through robust evidence-based research to inform strategic projects that address emerging areas of auditing and assurance.	Partner with the AASB and others to reform the Australian external reporting and assurance frameworks.	Monitor the Australian Assurance Environment and build strong stakeholder relationships to inform our AUASB priorities and facilitate consistent implementation of the AUASB’s Standards.



## **2022-23 AUASB ACTIVITIES AND RELATED KEY PERFORMANCE INDICATORS**

The tables below identify the activities the AUASB outlined in its Corporate Plan and Parliamentary Budget Statement (PBS) as contributing to its strategies above, for the 2022-23 reporting period. The tables also indicate, for each priority, whether or not the activities were achieved and if not, why not.

**Priority One:** *Develop and issue Australian Auditing and Assurance Standards that are in the public interest and meet the needs of stakeholders based on IAASB equivalents in accordance with AUASB functions and our direction from the Financial Reporting Council (FRC).*

Current Priorities & KPIs	Achieved/Not Achieved	Comments
Issue all IAASB-based AUASB standards and guidance in a timely manner with accompanying implementation materials and communications that are tailored for Australian stakeholders	Achieved	<ul style="list-style-type: none"> <li>• No new or revised international standards were issued in the 2022-23 year. All international exposure drafts issued in the 2022-23 year have been tailored exposed in Australia by the AUASB with any additional Australian specific questions. This includes:               <ul style="list-style-type: none"> <li>○ Proposed narrow scope amendments to ISA 700 <i>Forming and Opinion and Reporting on Financial Statements</i> and ISA 260 <i>Communication with Those Charged with Governance</i></li> <li>○ Proposed revised ISA 500 <i>Audit Evidence</i></li> <li>○ Part 10, Audits of Group Financial Statements of the Proposed International Standard on <i>Audits of Financial Statements of Less Complex Entities</i> (Audits of LCEs)</li> <li>○ Proposed revised ISA 570 <i>Going Concern</i>.</li> </ul> </li> <li>• The IAASB is developing an overarching standard for assurance on sustainability reporting. The former AUASB Chair is a member of the IAASB's Sustainability Working Group which drafted the proposed standard. The IAASB issued the draft standard for public exposure in early August 2023.</li> <li>• The AUASB has developed and/or rolled out implementation support materials and other publications on</li> </ul>

Current Priorities & KPIs	Achieved/Not Achieved	Comments
<p>Seek feedback on relevance, effectiveness and public interest of these standards through stakeholder feedback, outreach programs and post-implementation reviews</p>	<p>Achieved</p>	<p>its website to assist auditors apply all new or recently released Auditing Standards, including various IAASB Implementation Guides and ISA 600 <i>Audits of a Group Financial Report (Including the Work of Component Auditors)</i> FAQs.</p> <ul style="list-style-type: none"> <li>• The AUASB also conducted numerous outreach and awareness sessions with key stakeholder groups to promote the application of all new or revised standards.</li> <li>• The AUASB has hosted engagement activities to capture local stakeholder feedback on all IAASB exposure drafts and other proposals issued. In particular: <ul style="list-style-type: none"> <li>○ The former AUASB Chair was a panel member at a Sustainability and Reporting Discussion Forum hosted by the APESB and CPA Australia where he outlined the status of a developing international sustainability assurance standard;</li> <li>○ The AUASB undertook Outreach and provided feedback to the IAASB on a Proposed Standard on the <i>Audits of Less Complex Entities</i> and the Proposed revised ISA 500 <i>Audit Evidence</i>; and</li> <li>○ Interviewed various stakeholders on IAASB proposals on ISA 570 <i>Going Concern</i> and ISA 240 <i>Fraud</i>.</li> </ul> </li> </ul>

**Priority Two: *Develop and maintain Australian-specific Standards and/or Guidance for topics not specifically addressed by IAASB Standards where required.***

Current Priorities & KPIs	Achieved/Not Achieved	Comments
Issue Australian-specific AUASB standards and guidance in a timely manner with accompanying implementation materials and communications that are tailored for Australian stakeholders	Achieved	<ul style="list-style-type: none"> <li>• The AUASB issued two updated guidance statements:               <ul style="list-style-type: none"> <li>○ A revised GS 003 to reflect the changes to the reporting framework under ASIC Form FS 70 <i>Australian financial services licensees: profit and loss statement and balance sheet</i>, and</li> <li>○ A revised Guidance Statement GS 023 which contains specific guidance on the role and responsibilities of public sector audit Engagement Leaders under ASA 220.</li> </ul> </li> <li>• The AUASB issued a new AUASB Bulletin to assist auditors to address key audit considerations in a digital age when auditing fundraising revenue of not-for-profit entities. This Bulletin replaced Guidance Statement GS 019 <i>Auditing Fundraising Revenue of Not-for-Profit Entities</i>.</li> <li>• The accessibility and functionality of AUASB standards has been improved with enhancements to our AUASB Digital Standards Portal, which has also been updated to provide access to the suite of AUASB Guidance Statements (GS).</li> </ul>
Seek feedback on relevance, effectiveness and public interest of Australian-specific standards and guidance through stakeholder feedback, outreach programs and post-implementation reviews	Achieved	<ul style="list-style-type: none"> <li>• The AUASB consulted on which projects it should address over the next few years. The AUASB issued a Feedback Statement summarising the results of the consultation process and the implications for AUASB's work program.</li> <li>• The AUASB issued a discussion paper seeking feedback on whether the communication of Key Audit Matters should be</li> </ul>

Current Priorities & KPIs	Achieved/Not Achieved	Comments
Identify gaps in the AUASB Framework where guidance is required and issue Guidance Statements or Bulletins to address these	Achieved	<p>expanded beyond listed entities. The AUASB considered the feedback received and decided not to expand the communication of Key Audit Matters beyond listed entities at this time. A Feedback Statement was issued in June 2023.</p> <ul style="list-style-type: none"> <li>• A post implementation review of ASAE 3500 was completed and a Feedback Statement was issued in June 2023. Outcomes included narrow scope amendments to ASAE 3500.</li> <li>• The AUASB has produced a significant number of publications this year that provide assurance practitioners with guidance on topical and challenging auditing and assurance issues. A full list of the AUASB Bulletins and Staff Papers released in 2022-23 is contained in the Output Structure on pages 59-60 of this document. Highlights include publications on: <ul style="list-style-type: none"> <li>○ Evaluating the reliability of data obtained for use in audit technology tools;</li> <li>○ Enhancing Audit Quality using Technology;</li> <li>○ Audit Quality considerations, including an analysis of audit inspection findings and ASIC’s Focus Areas for December 2022; and</li> <li>○ Auditing fundraising revenue of not-for-profit entities in a digital age.</li> </ul> </li> </ul>

**Priority Three:** *Influence international standards and guidance to achieve public interest outcomes and serve as the most effective base possible for Australian auditing and assurance standards.*

Current Priorities & KPIs	Achieved/Not Achieved	Comments
Build and maintain strong international relationships with the IAASB and like-minded Global and National Auditing Standard Setters, particularly New Zealand and Canada.	Achieved	<ul style="list-style-type: none"> <li>The AUASB Chair and Technical Director are members of the IAASB's National Standards Setters group, which meets annually and participates in other IAASB forums to review IAASB activities and share knowledge between standard setters in each major global territory.</li> <li>The AUASB works closely with other National Auditing and Assurance Standards Setters on projects of common interest. There is a regular dialogue with the Canada and New Zealand standard setters. Over 2022-23 we have discussed matters such as the use of technology on audits, local implementation of new IAASB standards and sustainability assurance challenges.</li> </ul>
Demonstrate the AUASB's influence on major international auditing and assurance developments by implementing the AUASB's International Strategy	Achieved	<ul style="list-style-type: none"> <li>The former AUASB Chair is a member of the IAASB and has been supported in this role by an AUASB Deputy Technical Director to ensure AUASB feedback is captured and considered at each IAASB meeting.</li> <li>The former AUASB Chair is also a member of the IAASB's Sustainability and Fraud Working Groups and ensured the AUASB influenced the development of standards in these areas.</li> <li>The AUASB provided submissions on the IAASB's proposed revised ISA 500 <i>Audit Evidence</i>, proposed standard on <i>Audits of Less Complex Entities</i>, proposals to revise ISA 240 <i>Fraud</i>,</li> </ul>

Current Priorities & KPIs	Achieved/Not Achieved	Comments
Provide input to the international standard setting process through responding to international pronouncements using input from Australian stakeholders	Achieved	<p>proposed revised ISA 570 <i>Going Concern</i> and project on sustainability assurance.</p> <ul style="list-style-type: none"> <li>The AUASB issued the IAASB's Proposed Strategy and Work Plan for 2024-27 Consultation Paper inviting feedback from Australian stakeholders and provided a formal submission to the IAASB in April 2023.</li> <li>The AUASB has provided formal submissions on all IAASB exposure drafts and other proposals issued in the 2022-23 year. In particular the AUASB performed outreach and provided feedback to the IAASB on a proposed standard on the <i>Audits of Less Complex Entities</i> and proposed revised ISA 500 <i>Audit Evidence</i>.</li> <li>The AUASB issued a Consultation Paper on the IAASB's Exposure Draft on ISA 570 <i>Going Concern</i> which proposes amendments to increase the robustness of the auditor's procedures and increase transparency in the auditor's report.</li> </ul>
Maintain harmonisation of auditing and assurance standards in Australia and New Zealand in accordance with relevant agreements and protocols	Achieved	<ul style="list-style-type: none"> <li>The AUASB Chair is also a member of the New Zealand Auditing and Assurance Standards Board (NZAuASB) and provides direct input into in New Zealand standard setting developments.</li> <li>The standard setting activities of both the AUASB and NZAuASB are coordinated to ensure harmonisation of standards in accordance with relevant policies and protocols. There has been close collaboration on the NZAuASB's proposed assurance standard on Fundraisings.</li> </ul>

**Priority Four:** *In conjunction with the Financial Reporting Council, identify and implement initiatives designed to enhance Audit Quality in Australia.*

Current Priorities & KPIs	Achieved/Not Achieved	Comments
With the FRC, devise and complete activities to implement the FRC's Audit Quality Action Plan and contribute to improved audit quality outcomes in the Australian auditing environment	Achieved	<ul style="list-style-type: none"> <li>• The AUASB Chair and an AUASB Deputy Technical Director provide resources to develop and action the FRC's Audit Quality Action Plan, including:               <ul style="list-style-type: none"> <li>○ Issuing <i>Supporting Auditors in Enhancing Audit Quality</i> which communicates the actions taken by the AUASB to assist auditors to enhance audit quality.</li> <li>○ Monitoring the adequacy of auditor disciplinary processes; and</li> <li>○ Engaging academics to interview some Audit Committee Chairs on their perspectives on Audit Quality. As a result, a Research Report Perceptions of Audit Quality by Audit Committee Chairs in Australia was released.</li> </ul> </li> <li>• The Australian Institute of Company Directors (AICD) and the AUASB issued <i>Periodic Comprehensive Review of External Auditor</i> to supplement ASIC Information Sheet 196 <i>Audit Quality – The role of directors and audit committees</i> on process matters when audit committees review audit quality of an incumbent auditor.</li> </ul>
Work with ASIC, the AASB, practitioners and other stakeholders to identify and address significant inspection findings associated with accounting and auditing standards	Achieved	<ul style="list-style-type: none"> <li>• The AUASB worked closely with ASIC's Chief Accountant, the accounting professional bodies and a range of auditing practitioners to address findings from the ASIC Audit Inspection process. In December 2022 the AUASB produced</li> </ul>



Current Priorities & KPIs	Achieved/Not Achieved	Comments
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a Bulletin “*Supporting Auditors in Enhancing Audit Quality*” which communicates the actions taken by the AUASB to assist auditors to enhance audit quality.

**Priority Five: *Demonstrate thought leadership through robust evidence-based research to inform strategic projects that address emerging areas of auditing and assurance.***

Current Priorities & KPIs	Achieved/Not Achieved	Comments
<p>Develop thought leadership and implement strategic projects to improve auditing and assurance practice in priority areas such as Extended External Reporting (EER), Audits of Less Complex Entities (LCEs) and the use of Technology in the Audit</p>	<p>Achieved</p>	<ul style="list-style-type: none"> <li>• The AUASB has established Project Advisory Groups (PAGs) comprising industry experts to develop specific guidance that assist auditors on Audit Technology and Public Sector Audit Issues.                             <ul style="list-style-type: none"> <li>○ The Technology PAG has contributed to the development of AUASB Bulletin Evaluating the Reliability of Data obtained for Use in Audit Technology Tools and other guidance materials relating to IT associated with the implementation of the new quality management standards.</li> <li>○ The Public Sector PAG has contributed to the revised GS 023, which contains specific guidance on the role and responsibilities of public sector Engagement Leaders under ASA 220.</li> </ul> </li> <li>• The AUASB issued three staff papers on sustainability assurance developments both internationally and in Australia.</li> </ul>
<p>Support the development and publishing of relevant and high-quality auditing and assurance evidence-based research in accordance with the AUASB Evidence Informed Standard Setting (EISS) Strategy</p>	<p>Achieved</p>	<ul style="list-style-type: none"> <li>• The AUASB has continued to engage with academics, the accounting professional bodies and other stakeholders to obtain evidence that supports its standard setting activities.</li> <li>• The AUASB and Australian National University hosted the <i>Auditing Research and Regulation Workshop</i> in September 2022 to explore research that is relevant to the AUASB's standard setting agenda. The AUASB released AUASB Research Report</li> </ul>

Current Priorities & KPIs	Achieved/Not Achieved	Comments
		No. 8 ANCAAR-AASB <i>Research and Regulation Workshop</i> on the research opportunities discussed at the workshop.

**Priority Six: Partner with the AASB and others to reform the Australian external reporting and assurance frameworks.**

Current Priorities & KPIs	Achieved/Not Achieved	Comments
Seek feedback on proposed changes to assurance requirements to ensure they are fit for the intended purpose and support changes to the external reporting framework	Achieved	<ul style="list-style-type: none"> <li>The AUASB have worked with other standard setters and regulators to ensure AUASB Standards remain fit for purpose and are updated for legislative or regulatory changes.</li> <li>The AUASB continues to consider how relevant recommendations from the Parliamentary Joint Committee on Corporations and Financial Services <i>Inquiry into Regulation of Auditing in Australia</i> should be addressed, specifically in relation to going concern and fraud.</li> <li>The AUASB has supported the AASB's work on sustainability reporting. The AUASB has, both directly and through the joint AASB-AUASB Sustainability Reporting Project Advisory Panel, supported the AASB's outreach on this topic and fed into any related audit or assurance related considerations arising from the proposed ISSB standards.</li> </ul>
Support initiatives that promote consistency and understanding of the nature and extent of assurance required for external reporting requirements in Australia	Achieved	<ul style="list-style-type: none"> <li>In 2021, the AUASB released <i>Prescribing Assurance and Related Services</i> to assist legislators, grantors, regulators and others that mandate assurance engagements to draft assurance requirements which are clear and effective. The AUASB is working with the Office of Parliamentary Counsel to improve the quality and accuracy of prescribed assurance reports. This project will take several years and may be extended to state and territory jurisdictions.</li> </ul>

**Priority Seven: *Monitor the Australian Assurance Environment and build strong stakeholder relationships to inform our AUASB priorities and facilitate consistent implementation of the AUASB's Standards.***

Current Priorities & KPIs	Achieved/Not Achieved	Comments
Increase engagement with stakeholders through new and existing AUASB communications activities and events	Achieved	<ul style="list-style-type: none"> <li>• The AUASB enhanced its Digital Standards Portal by adding AUASB guidance statements, allowing standards to be filtered by reporting date, and allowing standards to be searched by category, reporting period and status of standards. Moving reference windows were introduced which allow users to 'float' multiple paragraph references and footnotes within a single standard.</li> <li>• The AUASB publishes regular News Alerts on its website and produces a regular Newsletter at least quarterly on AUASB activities and publications.</li> <li>• The AUASB regularly presents and engages in a range of industry forums, including webinars and conferences of the accounting professional bodies and academic groups. In 2022-23 the AUASB presented at a range of external events hosted by the CA ANZ and CPA Australia.</li> <li>• The former AUASB Chair was a panel member at a <i>Sustainability and Reporting Discussion Forum</i> hosted by the APESB and CPA Australia.</li> </ul>

## OUTPUTS

The pronouncements, exposure drafts, consultation papers and other publications issued by the AUASB in 2022-23 are listed in the table below.

Standards and Guidance Statements	
GS 003	<i>Assurance Relating to Australian Financial Services Licences issued under the Corporations Act 2001</i> (September 2022)
GS 023	<i>Special Considerations – Public Sector Engagements</i> (March 2023)
ASA 2023-1	<i>Amendments to Australian Auditing Standards</i> (March 2023)
Exposure Drafts and Consultation Papers	
Consultation Paper	Exposure of the IAASB's <i>Proposed Narrow Scope Amendments to: ISA 700 (Revised), Forming and Opinion and Reporting on Financial Statements; and ISA 260 (Revised), Communication with Those Charged with Governance, as a Result of the Revisions to the IESBA Code that Require a Firm to Publicly Disclose When a Firm Has Applied the Independence Requirements for Public Interest Entities (PIEs)</i> (July 2022)
Consultation Paper	Exposure of the IAASB's <i>Proposed ISA 500 (Revised), Audit Evidence and Proposed Conforming and Consequential Amendments to Other ISAs</i> (November 2022)
Discussion Paper	<i>Expanding Key Audit Matters beyond listed entities</i> (December 2022)
Consultation Paper	Exposure of the IAASB's <i>Proposed Part 10, Audits of Group Financial Statements of the Proposed International Standard on Auditing for Audits of Financial Statements of Less Complex Entities</i> (February 2023)
Consultation Paper	Exposure of the IAASB's <i>Proposed ISA 570 (Revised), Going Concern and Proposed Conforming and Consequential Amendments to Other ISAs</i> (May 2023)

### Other AUASB Publications

AICD and AUASB Joint Publication on Periodic Comprehensive Review of the External Auditor (September 2022)

AUASB Sustainability Assurance Update (October 2022)

AUASB Research Report 8: ANCAAR – AUASB Research and Regulation Workshop (October 2022)

AUASB Bulletin on Evaluating the Reliability of Data obtained for Use in Audit Technology Tools (November 2022)

AUASB Feedback Statement for 2022-2023 Agenda Consultation (December 2022)

AASB-AUASB Research Report: Climate-related disclosures and assurance in the Annual Reports of ASX-listed companies (December 2022)

AUASB Bulletin on Supporting Auditors in Enhancing Audit Quality (December 2022)

AUASB Research Report 9: Perceptions of Audit Quality by Audit Committee Chairs in Australia (December 2022)

AUASB Sustainability Assurance Update (February 2023)

AUASB Technology Update: Enhancing Audit Quality using Technology (February 2023)

AUASB Bulletin on Auditing Fundraising Revenue of Not-for-Profit Entities in a Digital Age (April 2023)

AUASB Sustainability Assurance Update (April 2023)

AASB-AUASB Research Report: Australian Listed Entities: Recognised intangible assets and key audit matters (May 2023)

AUASB Feedback Statement for Post Implementation Review of ASAE 3500 *Performance Engagements* (June 2023)

AUASB Feedback Statement for Expanding Key Audit Matters Beyond Listed Entities (June 2023)

AUASB Authoritative Pronouncements can be accessed via

[www.auasb.gov.au/standards-guidance/auasb-standards/australian-auditing-standards](http://www.auasb.gov.au/standards-guidance/auasb-standards/australian-auditing-standards)

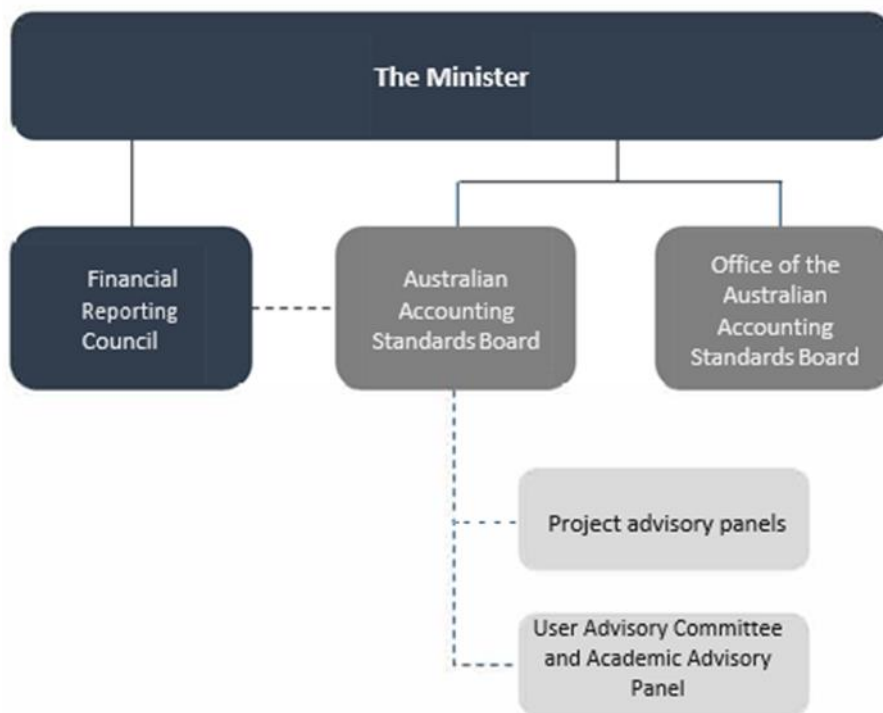
The AUASB's Work Programs can be accessed via

[www.auasb.gov.au/about-auasb/corporate-plan-strategy](http://www.auasb.gov.au/about-auasb/corporate-plan-strategy)

## MANAGEMENT AND ACCOUNTABILITY

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### How the AASB works



### The Minister

The Minister appoints the Chair of the AASB. The Chair of the AASB is accountable to the Minister regarding the operations of the AASB and the Office of the AASB.

### Financial Reporting Council

Responsible to the Minister, the FRC provides broad strategic direction and advice to the AASB and has oversight of the process for setting accounting standards in Australia. The FRC appoints Board members to the AASB.

### AASB

The AASB is an Australian non-corporate Government Entity responsible for developing, issuing and maintaining accounting standards under section 334 of the *Corporations Act 2001* for the purposes of the corporations legislation. The AASB also formulates accounting standards and or guidance for other purposes and participates in, and contributes to, the development of a single



set of international accounting standards for worldwide use. The AASB's vision and strategies are set out on page 8. Further detail on the AASB's functions are set out in Appendix A.

To be eligible for appointment as a member of the AASB, a person must have knowledge of, or experience in, business, accounting, law or government. Initial appointment is for a maximum of three years with possible extensions for a further two terms.

The members of the AASB during 2022-23 are listed below. The AASB met five times via video conference and three times as a hybrid meeting during 2022-23 for a total of 11 meeting days. Attendance of members at these meetings is set out in Appendix B.

## Office of the AASB

The Office of the AASB provides technical and administrative services, information and advice to the AASB. The Chair of the AASB is also the Chief Executive Officer of the Office of the AASB, however the CEO responsibilities have been delegated (to the maximum extent permitted) to the Managing Director.

## Membership

### Chair

Keith Kendall was appointed as Chair of the AASB and CEO of the Office of the AASB for a five-year term from 3 May 2020 to 2 May 2025. The duties of the Chair and CEO of the AASB are outlined in sections 235D to 235J of the *Australian Securities and Investments Commission Act 2001*.

As Chair of the AASB, Keith Kendall is also a member of the FRC and a member of the NZASB.

The AASB comprised an independent Chair (appointed by the Minister) and 13 part-time members (appointed by the FRC).

The members of the AASB holding office during the year ended 30 June 2023 were:

Board Member	Qualification	Appointment end date
Carolyn Cordery	NZASB Chair	Reciprocal member from February 2021
James Grant	Westpac	December 2024 (2 <sup>nd</sup> term)
Dean Hanlon	Monash University	December 2023
David Holland	Sapphire Professional Services	December 2022
Adrian King	KPMG	December 2025
Toby Langley	Xero	December 2023
Liza Maimone	PwC	December 2025
Mathew Nelson	EY	December 2025
Sean Osbourne	NSW Treasury	December 2024
Paul Rogers	KPMG	December 2024 (2 <sup>nd</sup> term)

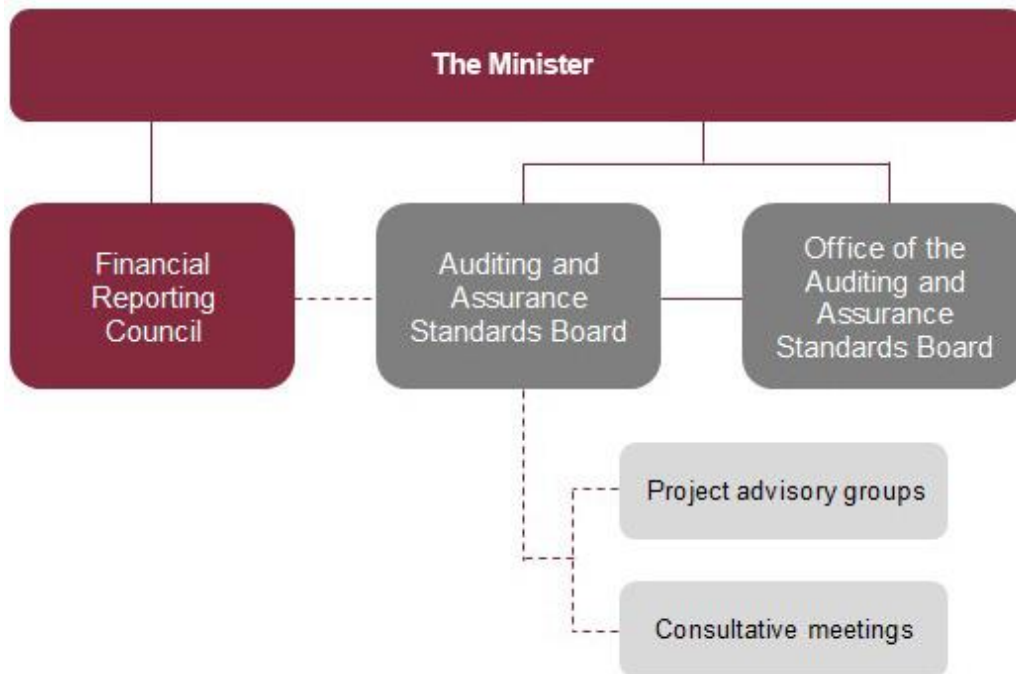
Australian Accounting Standards Board and Auditing and Assurance Standards Board Annual Reports 2022-23

Board Member	Qualification	Appointment end date
Caroline Spencer	Auditor General of Western Australian Office of Auditor General	December 2023
Stephen Taylor	University of Technology Sydney	December 2022 (2 <sup>nd</sup> term)
Alison White	Deloitte	December 2023 (2 <sup>nd</sup> term)

## Observers

There was no one with observer status during the year.

## How the AUASB works



### The Minister

The Minister appoints the Chair of the AUASB. The Chair of the AUASB is accountable to the Minister regarding the operations of the AUASB and the Office of the AUASB.

### Financial Reporting Council

Responsible to the Minister, the FRC provides broad strategic direction and advice to the AUASB and has oversight of the process for setting auditing and assurance standards in Australia. The FRC appoints Board members to the AUASB for various terms.

### AUASB

The AUASB an Australian non-corporate Government Entity responsible for making auditing standards under section 336 of the *Corporations Act 2001* for the purposes of the corporations legislation. The AUASB also formulates auditing and assurance standards for other purposes and participates in and contributes to the development of a single set of international auditing standards for worldwide use. The AUASB's vision and strategies are set out on page 8. Further detail on the AUASB's functions are set out in Appendix A.

Board appointments may be made for a period of up to three years and retiring members are eligible for reappointment for a maximum of three terms.

## Australian Accounting Standards Board and Auditing and Assurance Standards Board Annual Reports 2022-23

The AUASB held five (one video conferences and four hybrid) meetings during 2022-23 for a total of eight meeting days. Attendance of members at these meetings is set out in Appendix B.

### Office of the AUASB.

The Office of the AUASB provides technical support and information and advice to the AUASB. The Chair of the AUASB is also the Chief Executive Officer of the Office of the AUASB, however the CEO responsibilities have been delegated (to the maximum extent permitted) to the Managing Director.

### Membership

#### Chair

Mr William (Bill) Edge was initially appointed as the Chair and CEO of the AUASB on 1 January 2021, with his most recent term ending on 30 June 2023.

Mr Douglas (Doug) Niven was appointed as Acting Chair of the AUASB and CEO of the Office of the AUASB on 31 July 2023, and his appointment as full-time Chair of the AUASB and CEO of the Office of the AUASB, for a five-year period, was announced on 20 September 2023.

The duties of the Chair and CEO of the AUASB are outlined in sections 235D to 235J of the *Australian Securities and Investments Commission Act 2001*.

As the AUASB Chair, Mr Niven has also been appointed as a member of the Financial Reporting Council and will also be appointed as a member of the New Zealand Auditing and Assurance Standards Board.

The AUASB comprised an independent Chair (appointed by the Minister) and 11 part-time members (appointed by the FRC).

The members of the AUASB holding office during the year ended 30 June 2023 were:

Board Member	Qualification	Appointment end date
Julie Crisp (Deputy Chair)	Northern Territory Auditor-General's Office	December 2023 (2 <sup>nd</sup> term)
Tracey Barker	KPMG	December 2024
Klynton Hankin	PwC	December 2024 (2 <sup>nd</sup> term)
Noel Harding	UNSW Sydney	December 2023 (2 <sup>nd</sup> term)
Terence Jeyaretnam	EY	December 2025
Joanne Lonergan	EY	December 2024
Andrew Porter	CFO - Australian Foundation Investment Company	December 2022
Marje Russ	NZAuASB Chair	Reciprocal member from July 2022
Michelle Shafizadeh	Moore Australia	December 2023

<b>Board Member</b>	<b>Qualification</b>	<b>Appointment end date</b>
Jason Thorne	Deloitte	June 2025
Chi Mun Woo	Deloitte	December 2025

## **Observers**

There was no one with observer status during the year.

## AASB AND AUASB'S CORPORATE GOVERNANCE

The corporate governance practices of the AASB, AUASB and the Offices of the AASB and the AUASB comply with statutory and other external requirements and aim to achieve sound administrative and financial management practice. They are designed to ensure the efficient, effective and ethical use of resources.

As part of its ongoing focus on effective governance arrangements, the Offices of the AASB and AUASB periodically consider a range of issues, including:

- Clear accountability mechanisms;
- Leadership, culture and communication;
- Appropriate governance and committee structures;
- Effectiveness of work with stakeholders;
- Comprehensive risk management, compliance and assurance systems and
- Strategic planning, performance monitoring and evaluation.

## AUDIT COMMITTEE

The AASB and AUASB Audit and Risk Committee's (ARC) role is to provide independent assurance and assistance to the Chairs on their financial and performance reporting responsibilities, risk oversight and management, and system of internal control. The Committee is not responsible for the executive management of these functions. The Committee engages with management in discharging its advisory responsibilities and formulating its advice to the Chairs.

The Audit and Risk Committee follows the recommended practice guidelines issued by the Department of Finance for non-corporate Commonwealth entities. The Audit and Risk Committee comprises an independent external Chair, and four external members. The Australian National Audit Office (ANAO) also attends Audit and Risk Committee meetings as an observer, as do other AASB and AUASB management representatives.

Audit and Risk Committee members are:

<b>Member</b>	<b>Qualifications, knowledge, skills or experience</b>	<b>Number of meetings attended/total number of meetings</b>	<b>Total annual remuneration</b>
Mark Stretton	BCom (Acc & Fin), BEc, Grad Dip App F in & Inv, FFln, CA, CPA. Partner with Deloitte Touche Tohmatsu where he has 28 years experience providing audit and assurance services in Australia and internationally.	4/4	n/a

Member	Qualifications, knowledge, skills or experience	Number of meetings attended/total number of meetings	Total annual remuneration
Kylie Maher	Graduate, Australian Institute of Company Directors, Certified Practising Accountant (CPA), Bachelor of Business (Accounting) and Member, Institute of Internal Auditors. Kylie has 26 years experience in providing Finance, Risk and Governance advisory services as a Partner/Director at Moore Australia and KPMG.	3/4	\$4,000
Ric De Santi	BBus (Accounting), FCPA, GAICD. Ric is a non-executive director with extensive board and audit committee experience. Before retiring from full time work, Ric was Deputy Auditor-General in Tasmania with over 35 years' experience in public sector audit.	3/3	\$6,292
Dale Pinto	John Curtin Distinguished Professor Dale Pinto FCPA PhD (Law) (Melb) MTax (Hons) (Syd) PGradDipBus (Dist) (Curtin) BBus (Dist) (Curtin) FCPA FTMA FAAL CA CTA-Life AFAIM MAICD. Dale is a John Curtin Distinguished Professor at Curtin University and Deputy President of CPA Australia..	2/2	\$4,195
Greg Rimmer-Hollyman	CPA (Australia), Chartered Public Finance Accountant (CPFA), Graduate of the Australian Institute of Company Directors (GAICD), Chartered Internal Auditor (CFIIA), Qualification in Internal Audit Leadership (QIAL), Certified Internal Auditor and Certified Information Systems Auditor (CISA).	2/2	\$4,195
<b>Retirements</b>			
Stuart Alford	BEcon (Hons), FCA, MAICD. is the Independent Chair of our Audit and Risk Committee. Stuart is a Non-Executive Director with considerable board and audit committee experience. He is a retired EY partner and a former member and Chair of the Auditing and Assurance Standards Board.	4/4	\$11,180
Michael Alexander	Honours Economics, Research Doctorate, Labor and Industrial Relations, Deputy Director, Corporate Services at Australian Institute of Family Studies	3/4	n/a

The Audit and Risk Committee charter can be sourced at: [www.aasb.gov.au/about-the-aasb/government-reports/audit-and-risk-committee/](http://www.aasb.gov.au/about-the-aasb/government-reports/audit-and-risk-committee/)

## RISK MANAGEMENT

The Office of the AASB and AUASB risk management framework aligns with the Commonwealth Risk Management Policy and enables risk to be managed in line with our low-risk appetite. We

monitor and report on risks via a series of risk registers. The Executive and the Audit and Risk Committee regularly review the risk-management framework, including the strategic risk register and other risk registers as appropriate

## **FRAUD PREVENTION AND CONTROLS**

Fraud control is regarded by the AASB and AUASB as a continuous process, and AASB and AUASB officers and employees maintain an awareness of fraud risk generally, and their responsibility to take any reasonable action to reduce the possibility and impact of losses through fraud.

The AASB and AUASB has in place a fraud risk assessment and fraud control plan. It has adequate fraud prevention, detection, investigation and reporting mechanisms that meet its specific needs.

I, Keith Kendall as the AASB accountable authority, certify that the AASB meets the obligations arising from section 10 of the *Public Governance, Performance and Accountability Rule 2014*. This legislation requires appropriate fraud risk, fraud assessment, fraud detection and subsequent reporting mechanisms to be in place.

I, Douglas Niven, as the AUASB accountable authority, certify that the AUASB meets the obligations arising from section 10 of the *Public Governance, Performance and Accountability Rule 2014*. This legislation requires appropriate fraud risk, fraud assessment, fraud detection and subsequent reporting mechanisms to be in place.

## **ETHICS**

The Offices of the AASB and AUASB employees are required to adhere to the Australian Public Service values and code of conduct under the *Public Service Act 1999*.

Australian Public Service values include performing functions impartially and professionally, the highest ethical standards, open accountability, providing frank, honest, comprehensive, accurate and timely advice to government and promoting communication, consultation, cooperation and input from employees.

The requirements of the code of conduct include honesty, care and diligence, courtesy, compliance with the law, avoiding conflicts of interest and proper use of Commonwealth resources and information.

## **PUBLIC INTEREST DISCLOSURE**

The *Public Interest Disclosure Act 2013* (PID Act) promotes integrity and accountability in the Commonwealth public sector by encouraging the disclosure of information about suspected wrongdoing. It also protects people who make disclosures and requires agencies to investigate or take other appropriate actions.



In accordance with the PID Act, the Office of the AASB and AUASB has a PID policy/procedure which is made available on their websites. During the reporting period, no public interest disclosures were received.

## **INFORMATION PUBLICATION SCHEME STATEMENT**

In accordance with the Freedom of Information (FOI) Act and the Information Publication Scheme (IPS), AASB and AUASB publish a range of information on its websites, such as its organisational structure, appointments, annual reports, gift register, Audit and Risk Committee & Board Charters, Code of Conduct, legal expenditure, and details of the freedom of information officer. The Statements of Expectations and Intent are also available on the websites

## AASB PERSONNEL MANAGEMENT

**Table 1a: AASB Ongoing employees at 30 June 2023**

	Male			Female			Indeterminate			Total
	F/T	P/T	Total Male	F/T	P/T	Total Female	F/T	P/T	Total Indeterminate	
NSW	0	0	0	2	0	2	0	0	0	2
QLD	0	0	0	0	0	0	0	0	0	0
SA	0	0	0	0	0	0	0	0	0	0
Tas	0	0	0	1	0	1	0	0	0	1
VIC	7	0	7	7	3	10	0	0	0	17
WA	0	0	0	1	0	1	0	0	0	1
ACT	0	0	0	0	0	0	0	0	0	0
NT	0	0	0	0	0	0	0	0	0	0
External Territories	0	0	0	0	0	0	0	0	0	0
Overseas	0	0	0	0	0	0	0	0	0	0
<b>Total</b>	<b>7</b>	<b>0</b>	<b>7</b>	<b>11</b>	<b>3</b>	<b>14</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>21</b>

**Table 1b: AASB Ongoing employees at 30 June 2022**

	Male			Female			Indeterminate			Total
	F/T	P/T	Total Male	F/T	P/T	Total Female	F/T	P/T	Total Indeterminate	
NSW	0	0	0	1	0	1	0	0	0	1
QLD	0	0	0	0	0	0	0	0	0	0
SA	0	0	0	0	0	0	0	0	0	0
Tas	0	0	0	0	0	0	0	0	0	0
VIC	5	1	6	5	4	9	0	0	0	15
WA	0	0	0	1	0	1	0	0	0	1
ACT	0	0	0	0	0	0	0	0	0	0
NT	0	0	0	0	0	0	0	0	0	0
External Territories	0	0	0	0	0	0	0	0	0	0
Overseas	0	0	0	0	0	0	0	0	0	0
<b>Total</b>	<b>5</b>	<b>1</b>	<b>6</b>	<b>7</b>	<b>4</b>	<b>11</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>17</b>

**Table 1c: AASB Non-ongoing employees at 30 June 2023**

	Male			Female			Indeterminate			Total
	F/T	P/T	Total Male	F/T	P/T	Total Female	F/T	P/T	Total Indeterminate	
NSW	0	0	0	0	0	0	0	0	0	0
QLD	0	0	0	0	0	0	0	0	0	0
SA	0	0	0	0	0	0	0	0	0	0
Tas	0	0	0	0	0	0	0	0	0	0
VIC	2	0	2	2	0	2	0	0	0	4
WA	0	0	0	0	0	0	0	0	0	0
ACT	0	0	0	0	0	0	0	0	0	0
NT	0	0	0	0	0	0	0	0	0	0
External Territories	0	0	0	0	0	0	0	0	0	0
Overseas	0	0	0	0	0	0	0	0	0	0
<b>Total</b>	<b>2</b>	<b>0</b>	<b>2</b>	<b>2</b>	<b>0</b>	<b>2</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>4</b>

**Table 1d: AASB Non-ongoing employees at 30 June 2022**

	Male			Female			Indeterminate			Total
	F/T	P/T	Total Male	F/T	P/T	Total Female	F/T	P/T	Total Indeterminate	
NSW	0	1	1	0	0	0	0	0	0	1
QLD	0	0	0	0	1	1	0	0	0	1
SA	0	0	0	0	0	0	0	0	0	0
Tas	0	0	0	0	0	0	0	0	0	0
VIC	0	4	4	0	1	1	0	0	0	5
WA	0	0	0	0	0	0	0	0	0	0
ACT	0	0	0	0	0	0	0	0	0	0
NT	0	0	0	0	0	0	0	0	0	0
External Territories	0	0	0	0	0	0	0	0	0	0
Overseas	0	0	0	0	0	0	0	0	0	0
<b>Total</b>	<b>0</b>	<b>5</b>	<b>5</b>	<b>0</b>	<b>2</b>	<b>2</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>7</b>

As at 30 June 2023 no employees identified as Indigenous (2022: zero).

**Table 2: AASB Other highly paid staff as at 30 June 2023**

Total remuneration bands	Short term benefits			Average other benefit and allowances	Post-employment benefits	Other long-term benefits		Termination benefits	Total remuneration
	Number of other highly paid staff	Average base salary	Average bonuses		Average superannuation contributions	Average long service leave term benefits	Average other long-term	Average termination benefits	Average total remuneration
\$0 - \$220,000	2	\$168,978	0	\$895	\$17,742	\$4,224	0	0	\$191,840

**Table 3: AASB Salary ranges as at 30 June 2023**

Salary Bands	Senior executive full time	Senior executive part time	Technical & non-technical full time	Technical & non-technical part time
\$ 15,000 to \$104,999	0	0	4	1
\$105,000 to \$194,999	0	0	8	1
\$195,000 to \$284,999	2	1	2	0
\$285,000 to \$374,999	1	0	0	0
\$375,000 to \$464,999	1	0	0	0

## AUASB PERSONNEL MANAGEMENT

**Table 4a: AUASB Ongoing employees at 30 June 2023**

	Male			Female			Indeterminate			Total
	F/T	P/T	Total Male	F/T	P/T	Total Female	F/T	P/T	Total Indeterminate	
NSW	0	0	0	0	0	0	0	0	0	0
QLD	0	0	0	0	0	0	0	0	0	0
SA	0	0	0	0	0	0	0	0	0	0
Tas	0	0	0	0	0	0	0	0	0	0
VIC	1	0	1	3	3	6	0	0	0	7
WA	0	0	0	0	0	0	0	0	0	0
ACT	0	0	0	0	0	0	0	0	0	0
NT	0	0	0	0	0	0	0	0	0	0
External Territories	0	0	0	0	0	0	0	0	0	0
Overseas	0	0	0	0	0	0	0	0	0	0
<b>Total</b>	<b>1</b>	<b>0</b>	<b>1</b>	<b>3</b>	<b>3</b>	<b>6</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>7</b>

**Table 4b: AUASB Ongoing employees at 30 June 2022**

	Male			Female			Indeterminate			Total
	F/T	P/T	Total Male	F/T	P/T	Total Female	F/T	P/T	Total Indeterminate	
NSW	0	0	0	0	0	0	0	0	0	0
QLD	0	0	0	0	0	0	0	0	0	0
SA	0	0	0	0	0	0	0	0	0	0
Tas	0	0	0	0	0	0	0	0	0	0
VIC	3	0	3	2	3	5	0	0	0	8
WA	0	0	0	0	0	0	0	0	0	0
ACT	0	0	0	0	0	0	0	0	0	0
NT	0	0	0	0	0	0	0	0	0	0
External Territories	0	0	0	0	0	0	0	0	0	0
Overseas	0	0	0	0	0	0	0	0	0	0
<b>Total</b>	<b>3</b>	<b>0</b>	<b>3</b>	<b>2</b>	<b>3</b>	<b>5</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>8</b>

**Table 4c: AUASB Non-ongoing employees at 30 June 2023**

	Male			Female			Indeterminate			Total
	F/T	P/T	Total Male	F/T	P/T	Total Female	F/T	P/T	Total Indeterminate	
NSW	0	0	0	0	0	0	0	0	0	0
QLD	0	0	0	0	0	0	0	0	0	0
SA	0	0	0	0	0	0	0	0	0	0
Tas	0	0	0	0	0	0	0	0	0	0
VIC	2	0	2	0	0	0	0	0	0	2
WA	0	0	0	0	0	0	0	0	0	0
ACT	0	0	0	0	0	0	0	0	0	0
NT	0	0	0	0	0	0	0	0	0	0
External Territories	0	0	0	0	0	0	0	0	0	0
Overseas	0	0	0	0	0	0	0	0	0	0
<b>Total</b>	<b>2</b>	<b>0</b>	<b>2</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>2</b>

**Table 4d: AUASB Non-ongoing employees at 30 June 2022**

	Male			Female			Indeterminate			Total
	F/T	P/T	Total Male	F/T	P/T	Total Female	F/T	P/T	Total Indeterminate	
NSW	0	0	0	0	0	0	0	0	0	0
QLD	0	0	0	0	0	0	0	0	0	0
SA	0	0	0	0	0	0	0	0	0	0
Tas	0	0	0	0	0	0	0	0	0	0
VIC	1	0	1	0	0	0	0	0	0	1
WA	0	0	0	0	0	0	0	0	0	0
ACT	0	0	0	0	0	0	0	0	0	0
NT	0	0	0	0	0	0	0	0	0	0
External Territories	0	0	0	0	0	0	0	0	0	0
Overseas	0	0	0	0	0	0	0	0	0	0
<b>Total</b>	<b>1</b>	<b>0</b>	<b>1</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>1</b>

As at 30 June 2023 no employees identified as Indigenous (2022: zero).

**Table 5: AUASB Other highly paid staff as at 30 June 2023**

Total remuneration bands	Number of other highly paid staff	Short term benefits			Post-employment benefits	Other long-term benefits		Termination benefits	Total remuneration
		Average base salary	Average bonuses	Average other benefit and allowances	Average superannuation contributions	Average long service leave	Average other long-term benefits	Average termination benefits	Average total remuneration
\$0 - \$220,000	2	\$150,203	0	\$895	\$15,771	\$3,375	0	0	\$170,624

**Table 6: AUASB Salary ranges as at 30 June 2023**

Salary Bands	Senior executive full time	Senior executive part time	Technical & non-technical full time	Technical & non-technical part time
\$ 15,000 to \$104,999	0	0	1	0
\$105,000 to \$194,999	0	0	2	1
\$195,000 to \$284,999	1	2	0	0
\$285,000 to \$374,999	0	0	0	0
\$375,000 to \$464,999	1	0	0	0

## **NON-SALARY BENEFITS**

The AASB and AUASB offers employees a number of non-salary benefits which include:

- Annual influenza immunisation;
- Vaccination incentive;
- Mentoring and coaching programs;
- In-house capability development programs;
- Confidential employee assistance program for employees and their immediate families;
- Study assistance to eligible employees;
- Access to flexible working arrangements;
- Access to equipment to work from home; and
- Contributions to relevant professional memberships.

The AASB and AUASB provides the Senior Executive Service (SES) employees and where there is a business need some employees with a mobile phone, tablet, laptop and/or airline lounge membership. Employees can also make use of a range of salary sacrifice benefits, including additional superannuation and leased motor vehicles.

## **BRINGING IT ALL TOGETHER**

The AASB and AUASB are each supported by an Office providing technical and administrative services to the Boards. Each Office is a non-corporate Australian Government entity under the ASIC Act. The Offices are the financial entities governed by the *Public Governance, Performance and Accountability Act 2013* (PGPA Act).

The AASB and AUASB are effectively operating to the extent permitted by legislation, as a single Office supporting both Boards. The Chairs are Chief Executive Officers and the Accountable Authority under the PGPA Act and are responsible for the preparation of the financial reports for each entity, however, have delegated to the maximum extent permitted the CEO responsibilities to the Managing Director.

The Managing Director is responsible for the operation of the Office of AASB. The Offices of the AASB and AUASB have implemented a shared service model, in that the AASB provides all administrative services for the AUASB and their respective Boards.

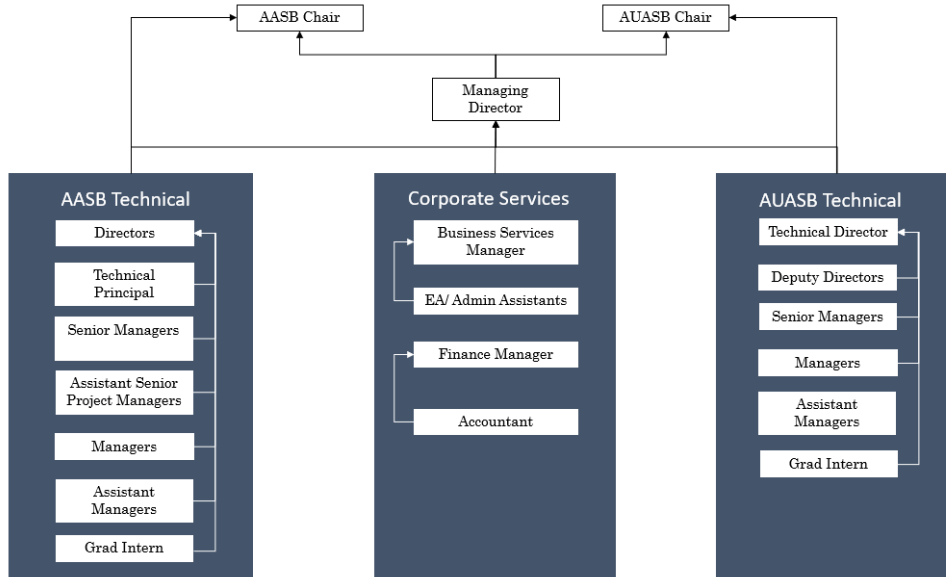
(The diagram on the following page outlines the operational structure of the AASB, AUASB and the Office of both AASB and AUASB.)

In order to ensure appropriate governance and accountability, the operating model is governed by a memorandum of understanding (MOU) which is signed by the Chairs.

To transparently reflect this operating model and organisation structure, the AASB and AUASB have provided additional disclosures (refer to Note 2A and Note 2B) that aims to provide some further understanding of the financial arrangements in relation to the costs of the services delivered in accordance with the MOU.



## ORGANISATION CHART



## OUR PEOPLE

Both Chairs are appointed by the Minister, pursuant to a contract for services with the respective Office of the Board. Salary and other entitlements of the Chairs are determined by the Commonwealth Remuneration Tribunal.

Members of the respective Boards are appointed for three-year terms. The FRC, via the Nominations Committee, is responsible for the selection process of AASB and AUASB Board members. Recommendations are tabled with the FRC for confirmation of appointment. Entitlements are determined by the Commonwealth Remuneration Tribunal.

The AASB and AUASB have the capacity to employ under the ASIC Act, as well as the *Public Service Act 1999* (PSA). As at 30 June 2023, all employees were employed under the *ASIC Act*.

Salaries and other entitlements of the technical and non-technical employees are linked to comparable industry and market levels of remuneration.

The performance management process is based on informal frequent performance discussions that build to formal meetings for review and forward planning of goals and objectives for the year.

Our employees undertake a range of training and professional development experiences which include attendance at seminars, conferences and training programs as appropriate on topics related to technical and personal development, policy and the administrative work of the AASB and AUASB.

It is a policy of the AASB and AUASB that employees do not receive performance bonuses. The AASB and the AUASB comply with the Workplace Bargaining Policy 2020 of the Australian Public Service Commission, as it applies to non-government entities, including the approach to

annual wage adjustments which are linked to the private sector Wage Price Index annual percentage change for the immediately preceding June quarter.

Recruitment and retention of employees will always prove to be challenging – particularly in the specialist fields associated with standards setting. These challenges are being overcome by working to establish a core group of experienced technical people and complementing their skills through secondments from other government departments, the accounting and auditing firms, our graduate intern program and short-term appointments from academia and corporates for specialist skills.

Using these strategies, the Chairs are confident that they have well-qualified employees and are continuously developing appropriate policies and procedures to enable them to achieve the AASB's and AUASB's strategies.

## FINANCIAL REPORTS

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Independent Auditors Report .....	82
Statements of Comprehensive Income .....	87
Statements of Financial Position .....	88
Statements of Changes in Equity .....	89
Cash Flow Statements .....	90
Note 1: Summary of Significant Accounting Policies .....	91
Note 2: Analysis of Shared Operational Activities .....	93
Note 3: Expenses .....	95
Note 4: Appropriations .....	97
Note 5: Related parties .....	99
Note 6: Property, Plant and Equipment .....	104
Note 7: Other Information .....	106
Note 8: Budgetary Reports and Explanations of Major Variances .....	108



## INDEPENDENT AUDITOR'S REPORT

### To the Assistant Treasurer and Minister for Financial Services

#### Opinion

In my opinion, the financial statements of the Office of the Australian Accounting Standards Board (the Entity) for the year ended 30 June 2023:

- (a) comply with Australian Accounting Standards – Simplified Disclosures and the *Public Governance, Performance and Accountability (Financial Reporting) Rule 2015*; and
- (b) present fairly the financial position of the Entity as at 30 June 2023 and its financial performance and cash flows for the year then ended.

The financial statements of the Entity, which I have audited, comprise the following as at 30 June 2023 and for the year then ended:

- Statement by Chairs;
- Statement of Comprehensive Income;
- Statement of Financial Position;
- Statement of Changes in Equity;
- Cash Flow Statement; and
- Notes to the financial statements, comprising a summary of significant accounting policies and other explanatory information.

#### Basis for opinion

I conducted my audit in accordance with the Australian National Audit Office Auditing Standards, which incorporate the Australian Auditing Standards. My responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Statements* section of my report. I am independent of the Entity in accordance with the relevant ethical requirements for financial statement audits conducted by the Auditor-General and his delegates. These include the relevant independence requirements of the Accounting Professional and Ethical Standards Board's APES 110 *Code of Ethics for Professional Accountants (including Independence Standards)* (the Code) to the extent that they are not in conflict with the *Auditor-General Act 1997*. I have also fulfilled my other responsibilities in accordance with the Code. I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my opinion.

#### Accountable Authority's responsibility for the financial statements

As the Accountable Authority of the Entity, the Chair is responsible under the *Public Governance, Performance and Accountability Act 2013* (the Act) for the preparation and fair presentation of annual financial statements that comply with Australian Accounting Standards – Simplified Disclosures and the rules made under the Act. The Chair is also responsible for such internal control as the Chair determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the Chair is responsible for assessing the ability of the Entity to continue as a going concern, taking into account whether the Entity's operations will cease as a result of an administrative restructure or for any other reason. The Chair is also responsible for disclosing, as applicable, matters related to going concern and using the going concern basis of accounting, unless the assessment indicates that it is not appropriate.

#### Auditor's responsibilities for the audit of the financial statements

My objective is to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes my opinion.

GPO Box 707, Canberra ACT 2601  
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Phone (02) 6203 7300

Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with the Australian National Audit Office Auditing Standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of the financial statements.

As part of an audit in accordance with the Australian National Audit Office Auditing Standards, I exercise professional judgement and maintain professional scepticism throughout the audit. I also:

- identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for my opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control;
- obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Entity's internal control;
- evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Accountable Authority;
- conclude on the appropriateness of the Accountable Authority's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Entity's ability to continue as a going concern. If I conclude that a material uncertainty exists, I am required to draw attention in my auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify my opinion. My conclusions are based on the audit evidence obtained up to the date of my auditor's report. However, future events or conditions may cause the Entity to cease to continue as a going concern; and
- evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

I communicate with the Accountable Authority regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that I identify during my audit.

Australian National Audit Office



Mark Vial  
Executive Director  
Delegate of the Auditor-General  
Canberra  
21 September 2023



## INDEPENDENT AUDITOR'S REPORT

### To the Assistant Treasurer and Minister for Financial Services

#### Opinion

In my opinion, the financial statements of the Office of the Auditing and Assurance Standards Board (the Entity) for the year ended 30 June 2023:

- (a) comply with Australian Accounting Standards – Simplified Disclosures and the *Public Governance, Performance and Accountability (Financial Reporting) Rule 2015*; and
- (b) present fairly the financial position of the Entity as at 30 June 2023 and its financial performance and cash flows for the year then ended.

The financial statements of the Entity, which I have audited, comprise the following as at 30 June 2023 and for the year then ended:

- Statement by Chairs;
- Statement of Comprehensive Income;
- Statement of Financial Position;
- Statement of Changes in Equity;
- Cash Flow Statement; and
- Notes to the financial statements, comprising a summary of significant accounting policies and other explanatory information.

#### Basis for opinion

I conducted my audit in accordance with the Australian National Audit Office Auditing Standards, which incorporate the Australian Auditing Standards. My responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Statements* section of my report. I am independent of the Entity in accordance with the relevant ethical requirements for financial statement audits conducted by the Auditor-General and his delegates. These include the relevant independence requirements of the Accounting Professional and Ethical Standards Board's APES 110 *Code of Ethics for Professional Accountants (including Independence Standards)* (the Code) to the extent that they are not in conflict with the *Auditor-General Act 1997*. I have also fulfilled my other responsibilities in accordance with the Code. I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my opinion.

#### Accountable Authority's responsibility for the financial statements

As the Accountable Authority of the Entity, the Chair is responsible under the *Public Governance, Performance and Accountability Act 2013* (the Act) for the preparation and fair presentation of annual financial statements that comply with Australian Accounting Standards – Simplified Disclosures and the rules made under the Act. The Chair is also responsible for such internal control as the Chair determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the Chair is responsible for assessing the ability of the Entity to continue as a going concern, taking into account whether the Entity's operations will cease as a result of an administrative restructure or for any other reason. The Chair is also responsible for disclosing, as applicable, matters related to going concern and using the going concern basis of accounting, unless the assessment indicates that it is not appropriate.

**Auditor's responsibilities for the audit of the financial statements**

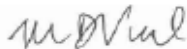
My objective is to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes my opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with the Australian National Audit Office Auditing Standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of the financial statements.

As part of an audit in accordance with the Australian National Audit Office Auditing Standards, I exercise professional judgement and maintain professional scepticism throughout the audit. I also:

- identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for my opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control;
- obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Entity's internal control;
- evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Accountable Authority;
- conclude on the appropriateness of the Accountable Authority's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Entity's ability to continue as a going concern. If I conclude that a material uncertainty exists, I am required to draw attention in my auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify my opinion. My conclusions are based on the audit evidence obtained up to the date of my auditor's report. However, future events or conditions may cause the Entity to cease to continue as a going concern; and
- evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

I communicate with the Accountable Authority regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that I identify during my audit.

Australian National Audit Office



Mark Vial  
Executive Director

Delegate of the Auditor-General

Canberra

21 September 2023



## STATEMENTS BY THE CHAIRS

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### AASB

In my opinion, the attached Financial Statements for the Office of the Australian Accounting Standards Board for the year ended 30 June 2023 comply with subsection 42(2) of the *Public Governance, Performance and Accountability Act 2013* (PGPA Act), and are based on properly maintained financial records as per subsection 41(2) of the PGPA Act.

In my opinion, at the date of this statement, there are reasonable grounds to believe that the Office of the Australian Accounting Standards Board will be able to pay its debts as and when they fall due.




Dr Keith Kendall  
Chair, CEO and CFO – AASB

21 September 2023

### AUASB

In my opinion, the attached Financial Statements for the Office of the Auditing and Assurance Standards Board for the year ended 30 June 2023 comply with subsection 42(2) of the *Public Governance, Performance and Accountability Act 2013* (PGPA Act), and are based on properly maintained financial records as per subsection 41(2) of the PGPA Act.

In my opinion, at the date of this statement, there are reasonable grounds to believe that the Office of the Auditing and Assurance Standards Board will be able to pay its debts as and when they fall due.



Douglas Niven  
Chair, CEO and CFO – AUASB

21 September 2023



**Statements of Comprehensive Income**  
for the period ended 30 June 2023

	Notes	AASB		AUASB	
		2023 \$	2022 \$	2023 \$	2022 \$
<b>EXPENSES</b>					
Employee and contractor costs	3A	4,285,237	3,497,082	1,551,044	1,640,859
Supplier expenses	3B	1,699,564	978,469	432,736	319,224
Occupancy expenses	2B	82,428	93,583	0	0
Depreciation and amortisation	3C	395,279	307,135	67,180	51,506
Finance costs		4,440	2,631	0	0
Management fee paid to AASB	2	0	0	616,919	571,443
Write-down and impairment of assets & losses on sale		0	6,559	0	0
<b>Total expenses</b>		<b>6,466,948</b>	<b>4,885,459</b>	<b>2,667,879</b>	<b>2,583,032</b>
<b>LESS:</b>					
<b>OWN-SOURCE INCOME</b>					
<b>Own-source revenue</b>					
Sale of goods and rendering of services		15,962	25,910	0	0
Management fee received from AUASB	2	616,919	571,443	0	0
Resources received free of charge		73,856	65,026	48,563	47,330
Audit fees received free of charge		46,140	46,150	33,000	33,000
Contributions from states and territories		500,000	500,000	0	0
<b>Total own-source revenue</b>		<b>1,252,877</b>	<b>1,208,529</b>	<b>81,563</b>	<b>80,330</b>
<b>Net cost of services</b>		<b>(5,214,071)</b>	<b>(3,676,930)</b>	<b>(2,586,316)</b>	<b>(2,502,702)</b>
Revenue from Government	4	4,456,000	3,568,000	2,553,000	2,388,000
<b>Surplus/(Deficit) attributable to the Australian Government</b>		<b>(758,071)</b>	<b>(108,930)</b>	<b>(33,316)</b>	<b>(114,702)</b>
<b>Total comprehensive surplus/(deficit) attributable to the Australian Government</b>		<b>(758,071)</b>	<b>(108,930)</b>	<b>(33,316)</b>	<b>(114,702)</b>

The above statements should be read in conjunction with the accompanying notes.

## Statements of Financial Position

as at 30 June 2023

	Notes	AASB		AUASB	
		2023	2022	2023	2022
		\$	\$	\$	\$
<b>ASSETS</b>					
<b>Financial Assets</b>					
Cash and cash equivalents		148,153	67,576	69,222	49,553
Trade and other receivables		266,007	381,405	0	0
Appropriation receivable	4	1,693,000	2,313,000	939,000	1,068,000
<b>Total financial assets</b>		<b>2,107,160</b>	<b>2,761,981</b>	<b>1,008,222</b>	<b>1,117,553</b>
<b>Non-Financial Assets</b>					
Buildings right of use - at cost	6B	982,379	1,263,059	0	0
Plant & equipment - fair value	6B	117,560	161,853	0	0
Computer software – at cost	6B	176,946	58,404	89,714	114,013
Prepaid expenses		268,733	160,669	111,121	43,396
<b>Total non-financial assets</b>		<b>1,545,618</b>	<b>1,643,985</b>	<b>200,835</b>	<b>157,409</b>
<b>Total assets</b>		<b>3,652,778</b>	<b>4,405,966</b>	<b>1,209,057</b>	<b>1,274,962</b>
<b>LIABILITIES</b>					
<b>Payables</b>					
Suppliers		172,660	154,142	7,763	25,959
Management fee payable to AASB	5B	0	0	233,040	332,842
Other payables		151,513	90,757	13,248	0
<b>Total payables</b>		<b>324,173</b>	<b>244,899</b>	<b>254,051</b>	<b>358,801</b>
<b>Interest-bearing liabilities</b>					
Leases	7A	1,031,035	1,296,884	0	0
<b>Total Interest-bearing liabilities</b>		<b>1,031,035</b>	<b>1,296,884</b>	<b>0</b>	<b>0</b>
<b>Provisions</b>					
Employee provisions		603,599	463,141	321,171	273,010
<b>Total provisions</b>		<b>603,599</b>	<b>463,141</b>	<b>321,171</b>	<b>273,010</b>
<b>Total liabilities</b>		<b>1,958,807</b>	<b>2,004,924</b>	<b>575,222</b>	<b>631,811</b>
<b>Net assets</b>		<b>1,693,971</b>	<b>2,401,042</b>	<b>633,835</b>	<b>643,151</b>
<b>EQUITY</b>					
Contributed equity		804,000	753,000	349,300	325,300
Retained earnings		889,971	1,648,042	284,535	317,851
<b>Total equity</b>		<b>1,693,971</b>	<b>2,401,042</b>	<b>633,835</b>	<b>643,151</b>

The above statements should be read in conjunction with the accompanying notes.

## Statements of Changes in Equity

for the period ended 30 June 2023

### Australian Accounting Standards Board

	Retained earnings		Contributed equity/capital		Total equity	
	2023 \$	2022 \$	2023 \$	2022 \$	2023 \$	2022 \$
<b>Opening balance as at 1 July</b>	<b>1,648,042</b>	<b>1,756,972</b>	<b>753,000</b>	<b>702,000</b>	<b>2,401,042</b>	<b>2,458,972</b>
<b>Balance carried forward from previous period</b>						
<b>Comprehensive income</b>						
Surplus/(Deficit) for the period	(758,071)	(108,930)	0	0	(758,071)	(108,930)
<b>Comprehensive income attributable to the Australian Government</b>	<b>(758,071)</b>	<b>(108,930)</b>	<b>0</b>	<b>0</b>	<b>(758,071)</b>	<b>(108,930)</b>
<b>Transactions with owners</b>						
Departmental capital budget	0	0	51,000	51,000	51,000	51,000
<b>Closing balance as at 30 June</b>	<b>889,971</b>	<b>1,648,042</b>	<b>804,000</b>	<b>753,000</b>	<b>1,693,971</b>	<b>2,401,042</b>

The above statements should be read in conjunction with the accompanying notes.

### Auditing and Assurance Standards Board

	Retained earnings		Contributed equity/capital		Total equity	
	2023 \$	2022 \$	2023 \$	2022 \$	2023 \$	2022 \$
<b>Opening balance as at 1 July</b>	<b>317,851</b>	<b>432,553</b>	<b>325,300</b>	<b>301,300</b>	<b>643,151</b>	<b>733,853</b>
<b>Balance carried forward from previous period</b>						
<b>Comprehensive income</b>						
Surplus/(Deficit) for the period	(33,316)	(114,702)	0	0	(33,316)	(114,702)
<b>Comprehensive income attributable to the Australian Government</b>	<b>(33,316)</b>	<b>(114,702)</b>	<b>0</b>	<b>0</b>	<b>(33,316)</b>	<b>(114,702)</b>
<b>Transactions with owners</b>						
Departmental capital budget	0	0	24,000	24,000	24,000	24,000
<b>Closing balance as at 30 June</b>	<b>284,535</b>	<b>317,851</b>	<b>349,300</b>	<b>325,300</b>	<b>633,835</b>	<b>643,151</b>

The above statement should be read in conjunction with the accompanying notes.

## Cash Flow Statements

for the period ended 30 June 2023

	Notes	AASB		AUASB	
		2023	2022	2023	2022
		\$	\$	\$	\$
<b>OPERATING ACTIVITIES</b>					
<b>Cash received</b>					
Appropriations		5,076,000	3,660,000	2,682,000	2,412,000
Goods and services		732,683	585,878	0	0
Net GST received		202,053	112,291	0	0
Contributions received		494,998	542,275	0	0
<b>Total cash received</b>		<b>6,505,734</b>	<b>4,900,444</b>	<b>2,682,000</b>	<b>2,412,000</b>
<b>Cash used</b>					
Employees and contractors		4,010,167	3,351,012	1,454,320	1,591,816
Suppliers		2,006,853	1,162,735	1,189,130	811,431
Interest payments on lease liabilities		4,440	2,631	0	0
<b>Total cash used</b>		<b>6,021,460</b>	<b>4,516,378</b>	<b>2,643,450</b>	<b>2,403,247</b>
<b>Net cash from / (used by) operating activities</b>		<b>484,274</b>	<b>384,066</b>	<b>38,550</b>	<b>8,753</b>
<b>INVESTING ACTIVITIES</b>					
<b>Cash received / (used)</b>					
Purchase of property, plant and equipment		(188,848)	(195,691)	(42,881)	(24,403)
<b>Net cash used by investing activities</b>		<b>(188,848)</b>	<b>(195,691)</b>	<b>(42,881)</b>	<b>(24,403)</b>
<b>FINANCING ACTIVITIES</b>					
<b>Cash received/used</b>					
Contributed equity		51,000	51,000	24,000	24,000
Principal payments of lease liabilities		(265,849)	(228,817)	0	0
<b>Net cash from/used by financing activities</b>		<b>(214,849)</b>	<b>(177,817)</b>	<b>24,000</b>	<b>24,000</b>
<b>Net increase / (decrease) in cash held</b>		<b>80,577</b>	<b>10,558</b>	<b>19,669</b>	<b>8,350</b>
Cash and cash equivalents at the beginning of the reporting period		67,576	57,018	49,553	41,203
<b>Cash and cash equivalents at the end of the reporting period</b>		<b>148,153</b>	<b>67,576</b>	<b>69,222</b>	<b>49,553</b>

## NOTES TO AND FORMING PART OF THE FINANCIAL REPORTS

### Objectives of AASB and AUASB

The Australian Accounting Standards Board (AASB) and Auditing and Assurance Standards Board (AUASB) are each supported by an Office providing technical and administrative services to the Boards. Each Office is formed under the *Australian Securities and Investments Commission Act 2001* (ASIC Act). The Offices are the financial entities governed by the *Public Governance, Performance and Accountability Act 2013* (PGPA Act) and are non-corporate Commonwealth Government Entities.

The Office of the AASB is structured to meet one outcome: the formulation and making of external reporting standards that are used by Australian entities to prepare financial reports and enable users of the reports to make informed decisions.

The Office of the AUASB is structured to meet one outcome: the formulation and making of auditing and assurance standards and guidance that are used by auditors of Australian entity financial reports or for other auditing and assurance engagements.

### Financial Reporting and Organisation Structure

The AASB and AUASB are effectively operating to the extent permitted by legislation, as a single Office supporting both Boards. The Chairs are Chief Executive Officers and the Accountable Authority under the PGPA and are responsible for the preparation of the financial reports for each entity. The Chairs have delegated to the maximum extent possible the CEO responsibilities to the Managing Director. The Managing Director supports the Chairs and manages the AASB technical and administrative staff of the AASB and supports the AUASB staff. The AASB and AUASB have implemented a shared service model, in that the AASB provides specified administrative services for the AUASB. The AUASB does not employ any administrative support staff.

Given the common objectives of the AASB and AUASB and the interlinked financial relationships, their individual financial reports are presented jointly with a column for each entity, supplemented with a detailed note outlining the appropriations received, and the direct costs incurred by each of the AASB and AUASB, together with the common expenses.

The accounting policies applied by each Office are the same.

### Events After the Statement of Financial Position Date

There are no major events post 30 June 2023 to report for the AASB or AUASB.

## Note 1: Summary of Significant Accounting Policies

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### 1.1 Basis of Preparation of the Financial Statements

The financial statements of the Offices of the AASB and the AUASB are required by Section 42 of the PGPA Act.

The financial reports have been prepared in accordance with:

- *Public Governance, Performance and Accountability (Financial Reporting) Rule 2015.*

- *Australian Accounting Standards and Interpretations - including simplified disclosures for Tier 2 Entities under AASB 1060 issued by the AASB.*

The financial statements have been prepared on an accrual basis and in accordance with the historical cost convention, except for certain assets and liabilities at fair value. Except where stated, no allowance is made for the effect of changing prices on the results or the financial position.

The financial statements are presented in Australian dollars.

## **1.2 Significant Accounting Judgements and Estimates**

There are no accounting assumptions or estimates at reporting date that have a significant risk of causing a material adjustment to carrying amounts of assets and liabilities within the next reporting period.

## **1.3 Changes in Australian Accounting Standards**

### **(a) Revised Standards effective for years commencing after 30 June 2023**

New standards, amendments to standards and interpretations that are applicable to future periods have been issued by the AASB. None of these are expected to have a material impact on future reporting periods, either because the AASB and AUASB do not conduct the types of transactions addressed by the pronouncements or because of the extent to which they may impact the AASB and AUASB is not expected to be material.

## **1.4 Taxation**

The Offices of the AASB and AUASB are exempt from all forms of taxation, except Fringe Benefits Tax (FBT) and the Goods and Services Tax (GST).

## **1.5 Financial Instruments**

AASB and AUASB have the following financial assets: cash and cash equivalents, management fee receivable and trade receivables. Management fee receivable and trade receivables are measured at amortised cost. The contractual terms of the financial assets give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

Financial assets at amortised cost are subsequently measured using the effective interest (EIR) method and are subject to impairment.

The net fair values of cash and cash equivalents, management fee receivable and trade receivables of the AASB and AUASB approximates their carrying amounts.

Financial assets are assessed for impairment at the end of each reporting period based on the simplified Expected Credit Losses (ECL) approach. The ECL are calculated using the provision matrix that is based on historical credit loss experience adjusted for forward looking factors specific to the debtors and the economic environment. The calculation reflects the probability-weighted outcome, the time value of money and reasonable and supportable information that is available at the reporting date about past events, current conditions and forecasts of future economic conditions.

The Offices of the AASB and AUASB are exposed to minimal credit risk due to the nature of the trade receivables, as they represent funding from State and Territories or Commonwealth Government. As there is no history of credit losses in the past and no forward-looking factors indicated differently, no allowance for ECL has been recognised.

The majority of trade receivables relates to a funding agreement between the Office of the AASB and the States and Territories. The current agreement runs from 1 July 2022 to 30 June 2025. Income is received in equal quarterly instalments and is recognised when controlled. All receivables are due in the next 12 months.

### **Financial instrument liabilities**

The net fair value of trade creditors and management fee payable of the AASB and AUASB approximate their carrying amount.

## **Note 2: Analysis of Shared Operational Activities**

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### **Note 2A: Operational activities for AASB and AUASB**

To transparently reflect the shared support model and organisation structure, the AASB and AUASB provide additional disclosure on a combined basis for their operational activities.

The AASB and AUASB shared support model effectively enables, to the extent permitted by legislation, the Offices of the AASB and AUASB to operate as a single Office supporting both Boards. Under the Memorandum of Understanding (MoU) between the AASB and the AUASB, the AASB incurs all costs of the AUASB.

The AASB recoups AUASB direct costs with no mark-up and accordingly does not recognise the reimbursement of these direct costs paid for by the AASB. The AASB recognises a receivable from the AUASB at the time the AASB pays for these expenses on behalf of the AUASB. AUASB direct costs are recognised as expenses of the AUASB. The AUASB recognises a payable to the AASB when charged by the AASB.

In addition, the AASB charges the AUASB a management fee to recover an appropriate portion of the total professional services expenses ('common expenses'). As the AASB solely bears legal obligations arising from the contracts for common employees, leases and other expenses, the AASB recognises the full amount of common expenses as incurred and recognises the management fee charged to the AUASB as revenue. The AUASB recognises the management fee as an expense. The common expense management fee for 2023 amounted to \$616,919 (2022: \$571,443).

Australian Accounting Standards Board and Auditing and Assurance Standards Board Annual Reports 2022-23

	AASB 2023 \$	AUASB 2023 \$	Shared 2023 \$	Total 2023 \$	Total 2022 \$
<b>Note 2B: Operational activities</b>					
Appropriations	4,456,000	2,553,000	0	7,009,000	5,956,000
Other income	635,958	81,563	0	717,521	717,416
<b>Total income before common expense recharge</b>	<b>5,091,958</b>	<b>2,634,563</b>	<b>0</b>	<b>7,726,521</b>	<b>6,673,416</b>
Common expense recharge <sup>1</sup>	616,919	0	0	616,919	571,443
<b>Total income</b>	<b>5,708,877</b>	<b>2,634,563</b>	<b>0</b>	<b>8,343,440</b>	<b>7,244,859</b>
Employee and contractor costs	3,756,618	1,551,044	528,619	5,836,281	5,137,941
Direct supplier expenses (refer to Note 3B)	1,121,407	432,736	0	1,554,143	754,941
Common occupancy expenses	0	0	82,428	82,428	93,583
Common depreciation and amortisation expense	48,341	67,180	346,938	462,459	358,641
Common finance costs	0	0	4,440	4,440	9,190
Common supplier expenses (refer to Note 3B)	0	0	578,157	578,157	542,752
	<b>4,926,366</b>	<b>2,050,960</b>	<b>1,540,582</b>	<b>8,517,908</b>	<b>6,897,048</b>
Common expense recharge <sup>1</sup>	0	616,919	0	616,919	571,443
	<b>4,926,366</b>	<b>2,667,879</b>	<b>1,540,582</b>	<b>9,134,827</b>	<b>7,468,491</b>
				(791,387)	(223,632)
				(758,071)	(108,930)
				(33,316)	(114,702)
				<b>Combined Surplus/(Deficit)</b>	
				<b>Made up of AASB Surplus/(Deficit)</b>	
				<b>AUASB Surplus/(Deficit)</b>	

1 The common expense recharge includes recharges for common employee costs (refer to Note 3A), operating lease expenses, depreciation and amortisation expenses (refer to Note 3C), finance costs and common supplier expenses (refer to Note 3C).



**Note 3: Expenses**

	AASB		AUASB	
	2023 \$	2022 \$	2023 \$	2022 \$
<b>Note 3A: Employee and contractor costs</b>				
Employee wages and salaries	3,612,909	2,894,130	1,376,987	1,423,009
Defined contribution superannuation plans	355,468	275,715	125,895	132,443
Leave and other entitlements	140,458	198,659	48,162	83,661
<b>Total employee benefits</b>	<b>4,108,835</b>	<b>3,368,504</b>	<b>1,551,044</b>	<b>1,639,103</b>
Contractor costs	176,402	128,578	0	1,756
<b>Total employee and contractor costs</b>	<b>4,285,237</b>	<b>3,497,082</b>	<b>1,551,044</b>	<b>1,640,859</b>

**Note 3B: Supplier expenses**

	AASB		AUASB	
	2023 \$	2022 \$	2023 \$	2022 \$
<b>Direct expenses</b>				
Board members' services	67,924	22,024	48,675	27,313
Travel	496,452	64,942	154,740	39,132
Publications/subscriptions	143,265	114,231	42,614	36,652
Conference & professional development	191,787	64,051	33,010	21,079
Audit fees (received free of charge)	46,140	46,150	33,000	33,000
Compensation and related FBT expenses	20,047	19,283	10,890	10,699
Legal expenses	21,814	24,345	0	15,667
HR – Employee recruitment, training and support	3,396	2,912	1,618	3,975
Consultants	100,596	51,999	95,426	117,319
Other	29,986	25,780	12,763	14,388
<b>Total direct expenses</b>	<b>1,121,407</b>	<b>435,717</b>	<b>432,736</b>	<b>319,224</b>
<b>Common expenses</b>				
Consultant costs – Other	3,009	45,580	0	0
Consultant costs – IT	27,209	30,924	0	0
Consultant costs – HR	45,596	31,390	0	0
HR – Employee recruitment, training and support	14,082	595	0	0
Administration costs	441,102	365,251	0	0
Legal expenses	0	3,553	0	0
Other	47,159	65,459	0	0
<b>Total common expenses</b>	<b>578,157</b>	<b>542,752</b>	<b>0</b>	<b>0</b>
<b>Total supplier expenses</b>	<b>1,699,564</b>	<b>978,469</b>	<b>432,736</b>	<b>319,224</b>

Refer to Note 2 for further details on all Direct and Common expenses.

	AASB		AUASB	
	2023	2022	2023	2022
	\$	\$	\$	\$
<b>Note 3C: Depreciation and amortisation</b>				
Buildings right of use asset	280,680	255,854	0	0
Plant & equipment	66,258	49,728	0	0
Computer software	48,341	1,553	67,180	51,506
<b>Total Depreciation</b>	<b>395,279</b>	<b>307,135</b>	<b>67,180</b>	<b>51,506</b>

Refer to Note 2 for further details on all Direct and Common expenses.

**Note 3D: Volunteer Services (Resources received free of charge)**

Volunteer services received by the AASB and AUASB of board member sitting fees, secondee arrangements and audit fees can all be reliably measured at fair value and would have been obtained under a commercial arrangement therefore have been recognised as revenue and an expense in the statements. The use of free of charge meeting rooms has been determined as not meeting the recognition requirements but their use is recorded on AASB and AUASB Gift Registers.

#### **Note 4: Appropriations**

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(i) Revenue from Government

Amounts appropriated for departmental output for the year (adjusted for any formal additions and reductions) are recognised as revenue when the Offices of the AASB and AUASB gain control of the appropriation, except for certain amounts that relate to activities that are reciprocal in nature, in which case revenue is recognised only when it has been earned.

Appropriations receivables are recognised at their nominal amounts.

(ii) Equity Injections and distributions to Government

Equity Injections and distributions to Government Appropriation amounts that are designated as 'equity injections,' including Departmental Capital Budget amounts, are recognised directly in contributed equity/capital for the year. Amounts transferred to the Australian Government as redemptions of the Government's ownership interest in the Office of the AASB or the AUASB are recognised as distributions to owners that reduce the contributed equity/capital. Contributions and distributions are also made in accordance with Public Governance, Performance Accountability (Financial Reporting) Rule 2015 (FRR), clauses 40 - Formal additions and reductions and 43 - Annual Appropriations.

Note 4: Appropriations continued

Table A: Annual Appropriations ('Recoverable GST exclusive')

	AASB		AUASB	
	2023 \$	2022 \$	2023 \$	2022 \$
<b>Ordinary annual services</b>				
<b>Annual appropriation - Revenue from Government</b>				
Departmental Appropriations <sup>1</sup>	4,512,000	3,568,000	2,553,000	2,388,000
<b>Total Appropriation Act</b>	<b>4,512,000</b>	<b>3,568,000</b>	<b>2,553,000</b>	<b>2,388,000</b>
Departmental capital budget <sup>2</sup>	51,000	51,000	24,000	24,000
<b>Total appropriations</b>	<b>4,563,000</b>	<b>3,619,000</b>	<b>2,577,000</b>	<b>2,412,000</b>
<b>PGPA Act – Section 74</b>				
Own source income - not transferred to the Official Public Account	1,227,681	1,128,153	0	0
<b>Total appropriation</b>	<b>5,790,681</b>	<b>4,747,153</b>	<b>2,577,000</b>	<b>2,412,000</b>
<b>Total appropriation applied (current and prior years)</b>	<b>6,274,104</b>	<b>4,828,595</b>	<b>2,686,331</b>	<b>2,427,650</b>
<b>Variance</b>	<b>(483,423)</b>	<b>(81,442)</b>	<b>(109,331)</b>	<b>(15,650)</b>

1 Unspent funds of \$56,000 for Sustainability Standards development withheld under section 51 of the PGPA Act

2 Departmental Capital Budgets are appropriated through Appropriation Acts (No.1, 3, 5). They form part of ordinary annual services and are not separately identified in the Appropriation Acts.

Table B: Unspent Annual Appropriations ('Recoverable GST exclusive')

Authority	AASB		AUASB	
	2023 \$	2022 \$	2023 \$	2022 \$
Appropriation Act (No. 1) – 2021/22	0	2,313,000	0	1,068,000
Supply Act (No. 3) – 2022/23 <sup>1</sup>	1,749,000	0	939,000	0
Cash	148,153	67,576	69,222	49,553
<b>Total</b>	<b>1,897,153</b>	<b>2,380,576</b>	<b>1,008,222</b>	<b>1,117,553</b>

## Note 5: Related parties

The AASB and AUASB are Australian Government controlled non-corporate entities. Related parties are:

- Key Management Personnel of the AASB and AUASB, their close family members, and entities controlled or jointed controlled by either: (Note 5A)
- all other Australian government entities (Note 5B).

Key management personnel are determined as persons having authority and responsibility for planning, directing and controlling the activities of the entity. Based on a review of employee titles, analysis of the roles and job descriptions, the PGPA requirements for accountable authorities, the delegations made under the PGPA, the composition of the leadership meetings and communications to employees regarding the leadership team, the following positions have been included within key management personnel: the Chair and CEOs of each Board, the Managing Director and the Technical Directors of each Board.

### Note 5A: Transactions with key management personnel

	AASB		AUASB	
	2023	2022	2023	2022
	\$	\$	\$	\$
<b>Short-term employee benefits:</b>				
Salary	852,677	802,138	579,794	602,215
<b>Post-employment benefits:</b>				
Superannuation	73,657	63,811	48,040	44,496
<b>Other short-term benefits:</b>				
Termination benefits - Separation and redundancies	0	0	0	0
<b>Other long-term benefits:</b>				
Long Service Leave <sup>1</sup>	15,773	20,348	9,186	14,297
<b>Total other long-term benefits</b>	<b>15,773</b>	<b>20,348</b>	<b>9,186</b>	<b>14,297</b>
<b>Total</b>	<b>942,107</b>	<b>886,297</b>	<b>637,020</b>	<b>661,008</b>

During the reporting period ended 30 June 2023, AASB had three executives (2022: three) who meet the definition of key management personnel.

Name	Position	Term as KMP
Keith Kendall	Chair	Full year
Justin Williams	Managing Director	Full year (4 days a week to 31st January & full time for the rest of the year)
Nikole Gyles	Technical Director	Full year (4 days a week to 30th November & full time for the rest of the year)

<sup>1</sup> Long Service Leave calculation amended in 2022/23 to include the employee's probability of entitlement

During the reporting period ended 30 June 2023, AUASB had two (2022: two) executives who met the definition of key management personnel.

<b>Name</b>	<b>Position</b>	<b>Term as KMP</b>
William Edge	Chair	Full year – Term completed 30 June 2023
Matthew Zappulla	Technical Director	Full year

### **Governance Arrangements**

The remuneration of the AASB and AUASB Chair is set by the Commonwealth Remuneration Tribunal Determination (Remuneration and Allowances for Holders of Full-time Public Office) Determination 2022. The remuneration of other KMP is set by the Chair's benchmarking against relevant published external remuneration portions. The individual's performance during the year in assisting to achieve the AASB or AUASB strategy is taken into account in determining the level of increase in base salary each year. The AASB and AUASB do not have bonus or financial incentive schemes in place.

Other non-salary benefits provided to KMP include annual influenza immunisation, vaccination incentive, mentoring and coaching programs, confidential employee assistance program, mobile phone allowance, provision of tablet and/or laptop, airline lounge membership and internet allowance to facilitate remote working.

<b>AASB</b>		<b>Short-term benefits \$</b>	<b>Post-employment benefits \$</b>	<b>Other long-term benefits \$</b>	<b>Termination Benefits \$</b>	<b>Total remuneration \$</b>
<b>Name</b>	<b>Position</b>	<b>Base Salary</b>	<b>Superannuation contributions</b>	<b>Long service leave</b>		
Keith Kendall	Chair	409,556	25,292	6,229	0	<b>441,077</b>
Justin Williams	Managing Director	269,097	27,397	4,044	0	<b>300,538</b>
Nikole Gyles	Technical Director	174,024	20,968	5,500	0	<b>200,492</b>
<b>Total</b>		<b>852,677</b>	<b>73,657</b>	<b>15,773</b>	0	<b>942,107</b>

<b>AUASB</b>		<b>Short-term benefits</b> \$	<b>Post-employment benefits</b> \$	<b>Other long-term benefits</b> \$	<b>Termination Benefits</b> \$	<b>Total remuneration</b> \$
<b>Name</b>	<b>Position</b>	<b>Base Salary</b>	<b>Superannuation contributions</b>	<b>Long service leave</b>		
William Edge	Chair	365,322	25,292	4,853	0	<b>395,467</b>
Matthew Zappulla	Technical Director	214,472	22,748	4,333	0	<b>241,553</b>
<b>Total</b>		<b>579,794</b>	<b>48,040</b>	<b>9,186</b>	<b>0</b>	<b>637,020</b>



**Note 5B: Other Related Parties**

For both AASB and AUASB all outstanding balances with related parties other than the AASB and AUASB are priced on an arm's length basis. None of the balances are secured. No expense has been recognised in the current year or prior year for bad or doubtful debts in respect of amounts owed by related parties. For details of the arrangements between the AASB and AUASB refer Note 2.

The parent entity of both the AASB and the AUASB is the Department of Treasury and ultimate parent is the Australian Government.

The AASB and AUASB pay for the following services from other Commonwealth controlled entities: Employee Assistance Program from Treasury, Core Desktop Licenses from Department of Finance, insurance premiums from Comcover and Comcare, legal advice from Australian Government Solicitors (AGS), and registration fees from Treasury for the Federal Register of Legislative instruments cost recovery.

None of these services are individually or collectively significant to the AASB or AUASB, therefore only the nature of these transactions are disclosed.

The AASB and AUASB procure IT support from the Productivity Commission to the value of \$158,470 for 2023 (2022: \$217,519). The nature of MOU between AASB and AUASB means that a related party transaction for the services rendered is sale of goods and services for AASB of \$616,919 (2022: \$571,443) and an expense to AUASB for the same value.

At the end of the financial year a receivable balance for AASB of \$233,040 (2022: \$332,842) existed and a goods payable balance for the AUASB for the same value.

## **Note 6: Property, Plant and Equipment**

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### **Note 6A Property, Plant and Equipment**

#### **Asset Recognition Threshold**

Purchases of property, plant and equipment are recognised initially at cost in the statement of financial position, except for purchases costing less than \$1,000, which are expensed in the year of acquisition (other than where they form part of a group of similar items which are significant in total).

#### **Revaluation**

Following initial recognition at cost, property, plant and equipment are carried at fair value (or an amount not materially different from fair value) less subsequent accumulated depreciation and accumulated impairment losses. Valuations are conducted with sufficient frequency to ensure that the carrying amounts of assets does not differ materially from the assets' fair values as at the reporting date. The regularity of independent valuations depends upon the volatility of movements in market values for the relevant assets.

#### **Depreciation**

Depreciable property, plant and equipment assets are written-off to their estimated residual values over their estimated useful lives to the entity using, in all cases, the straight-line method of depreciation.

Depreciation rates (useful lives), residual values and methods are reviewed at each reporting date and necessary adjustments are recognised in the current, or current and future reporting periods, as appropriate.

Depreciation rates applying to each class of depreciable asset are based on the following useful lives:

	<b>2023</b>	<b>2022</b>
Right of use assets:	Lease Term	Lease Term
Computers and software assets:	3 years	3 years
Office equipment:	5 years	5 years

#### **Impairment**

All assets were assessed for impairment at 30 June 2023.

Where indications of impairment exist, the asset's recoverable amount is estimated and an impairment adjustment, made if the asset's recoverable amount is less than its carrying amount.

The recoverable amount of an asset is the higher of its fair value less costs of disposal and its value in use. Value in use is the present value of the future cash flows expected to be derived from the asset. Where the future economic benefit of an asset is not primarily dependent on the asset's ability to generate future cash flows, and the asset would be replaced if the entity were deprived of the asset, its value in use is taken to be its depreciated replacement cost.

**Derecognition**

An item of property, plant and equipment is derecognised upon disposal or when no further future economic benefits are expected from its use or disposal.

**Lease Right of Use (ROU) Assets (Buildings)**

Leased ROU assets are capitalised at the commencement date of the lease and comprise of the initial lease liability amount, initial direct costs incurred when entering into the lease less any lease incentives received. ROU assets are carried at cost.

**Note 6B: Reconciliation of the opening and closing balance of material Property, Plant and Equipment for 2022-23**

	Buildings \$	AASB Plant & equipment \$	Computer software \$	AUASB Computer software \$
<b>As at 1 July 2022</b>				
Gross book value	1,413,866	306,953	62,733	169,453
Accumulated depreciation, amortisation and impairment	(150,807)	(145,100)	(4,328)	(55,440)
<b>Total as at 1 July 2022</b>	<b>1,263,059</b>	<b>161,853</b>	<b>58,404</b>	<b>114,013</b>
<b>Additions:</b>				
Purchase	0	21,633	167,215	42,881
Depreciation and amortisation	0	(65,926)	(48,673)	(67,180)
Depreciation on right-of-use assets	(280,680)	0	0	0
<b>Disposals:</b>				
Other	0	0	0	0
<b>Total as at 30 June 2023</b>	<b>982,379</b>	<b>117,560</b>	<b>176,946</b>	<b>89,714</b>
<b>Total as at 30 June 2023 represented by</b>				
Gross book value	1,413,866	328,586	229,948	212,335
Accumulated depreciation, amortisation and impairment	(431,487)	(211,027)	(53,002)	(122,621)
<b>Total as at 30 June 2023</b>	<b>982,379</b>	<b>117,560</b>	<b>176,946</b>	<b>89,714</b>

## Note 7: Other Information

### Note 7A: Interest Bearing Liabilities

	AASB		AUASB	
	2023	2022	2023	2022
	\$	\$	\$	\$
<b>Leases</b>				
Leases liabilities	1,031,035	1,296,884	0	0
<b>Total lease liability</b>	<b>1,031,035</b>	<b>1,296,884</b>	<b>0</b>	<b>0</b>
<b>Maturity analysis - contractual undiscounted cash flows</b>				
Within 1 year	279,443	269,994	0	0
Between 1-5 years	758,093	1,037,537	0	0
<b>Total leases</b>	<b>1,037,536</b>	<b>1,307,531</b>	<b>0</b>	<b>0</b>

The AASB in its capacity as a lessee, entered a lease contract for a period of 5 years (with one option of 5 years) commencing from 19<sup>th</sup> December 2021 in relation to Melbourne office premises. The rent is increase on each anniversary of the commencement date including any options by 3.5%, except that on the commencement of each option term the rent will be reviewed to market.

### Accounting Policy

For all new contracts entered into, the AASB and AUASB considers whether the contract is, or contains a lease. A lease is defined as 'a contract, or part of a contract, that conveys the right to use an asset (the underlying asset) for a period of time in exchange for consideration'.

Once it has been determined that a contract is, or contains a lease, the lease liability is initially measured at the present value of the lease payments unpaid at the commencement date, discounted using the interest rate implicit in the lease, if that rate is readily determinable, or the entities' incremental borrowing rate.

Subsequent to initial measurement, the liability will be reduced for payments made and increased for interest. It is remeasured to reflect any reassessment or modification to the lease. When the lease liability is remeasured, the corresponding adjustment is reflected in the right-of-use asset or profit and loss depending on the nature of the reassessment or modification.

## Note 7B: Aggregate Assets and Liabilities

	AASB		AUASB	
	2023	2022	2023	2022
	\$	\$	\$	\$
<b>Assets expected to be recovered in:</b>				
<b>No more than 12 months</b>				
Cash and cash equivalents	148,153	67,576	69,222	49,553
Trade and other receivables	1,959,007	2,694,405	939,000	1,068,000
Buildings right of use - at cost	0	0	0	0
Prepayments	268,733	160,669	111,121	43,396
<b>Total no more than 12 months</b>	<b>2,375,893</b>	<b>2,922,650</b>	<b>1,119,343</b>	<b>1,160,949</b>
<b>More than 12 months</b>				
Buildings right of use	982,379	1,263,059	0	0
Plant and equipment	117,560	161,853	0	0
Computer software	176,946	58,404	89,714	114,013
<b>Total more than 12 months</b>	<b>1,276,885</b>	<b>1,483,316</b>	<b>89,714</b>	<b>114,013</b>
<b>Total assets</b>	<b>3,652,778</b>	<b>4,405,966</b>	<b>1,209,057</b>	<b>1,274,962</b>
<b>Liabilities expected to be recovered in:</b>				
<b>No more than 12 months</b>				
Suppliers	172,660	154,142	7,763	25,959
Other payables	151,513	90,757	246,288	332,842
Leases	276,296	265,878	0	0
Employee provisions	342,494	265,930	148,670	156,944
<b>Total no more than 12 months</b>	<b>942,963</b>	<b>776,707</b>	<b>402,721</b>	<b>515,745</b>
<b>More than 12 months</b>				
Leases	754,739	1,031,006	0	0
Employee provisions	261,105	197,211	172,501	116,066
<b>Total more than 12 months</b>	<b>1,015,844</b>	<b>1,228,217</b>	<b>172,501</b>	<b>116,066</b>
<b>Total liabilities</b>	<b>1,958,807</b>	<b>2,004,924</b>	<b>575,222</b>	<b>631,811</b>

## **Note 8: Budgetary Reports and Explanations of Major Variances**

The following tables provide a comparison of the original budget as presented in the 2022-23 Portfolio Budget Statements (PBS) to the 2022-2023 final outcome as presented in accordance with Australian Accounting Standards. The Budget is not audited and where applicable, the original budget numbers have been reclassified to align with the financial statement.

Explanations are provided for major variances between actual results and the original budget. Variances are considered to be 'major' based on the following criteria:

- the variance between budget and actual is greater than 10%; and
- an item below this threshold but is considered important for the readers' understanding or is relevant to an assessment of the discharge of accountability and to an analysis of performance of AASB.

### **Note 8A: Major Budget Variances for 2022-23**

<b>Australian Accounting Standards Board</b>	
<b>Explanations of major variances</b>	<b>Footnote reference and affected statement</b>
The budget was based on lower FTE whilst actual costs increased in part, due to AASB's Sustainability Funding for 2023. Additional use of contractors to complete specialised projects.	1 Statement of Comprehensive Income & Cashflow Statement - Employee and contractor costs
Frequency of travel during the financial year was unfavourable to budget with the resumption of travel post Covid.	2 Statement of Comprehensive Income & Cashflow Statement - Supplier expense
The cost of AASB Standards portal was more than budgeted leaving an insufficient allowance for depreciation during the financial year.	3 Statement of Comprehensive Income - Depreciation and amortisation. Statement of Cashflow Statement – Purchase of property, plant and equipment and intangibles. Statement of Financial Position – Software/Intangibles
Finance costs are favourable to budget as the budget was based on a new office lease that would be more expensive and for a longer term so incurring greater interest expense and higher Building ROU.	4 Statement of Comprehensive Income - Finance Costs, Statement of Financial Position & Cashflow Statement -Buildings ROU & Leases
Revenue is favourable as the AASB received funding support from the NZ External Reporting Board for the cost of the preparation of the public sector insurance exposure draft which was unbudgeted.	5 Statement of Comprehensive Income - Sale of goods and services
The Management fee recharge is below budget, in part due to AASB's Sustainability Funding for 2023 as	6 Statement of Comprehensive Income - Management fee recharge

Management Fees are calculated on percentage of Appropriation received.	
The bank balance, whilst higher than budget, is kept as low as possible and appropriations are drawn down on a just in time basis to meet expense payments.	8 Statement of Financial Position & Cashflow Statement - Cash and cash equivalents
Unfavourable to budget due to Appropriations drawdown being greater than budgeted.	9 Statement of Financial Position – Trade and other receivables & Cashflow Statement – Appropriations
Prepaid expenses unfavourable to budget due to the increase in travel costs booked in advance due to pricing.	10 Statement of Financial Position – Prepaid expenses
ATO processing of 2022/23 FBT Return resulted in FBT payable being incorrectly refunded.	12 Statement of Financial Position – Other payables
Employee provisions higher than budget due to less annual leave hours taken, superannuation rate increasing on-costs and long service leave probability factors increasing during the financial year.	13 Statement of Financial Position – Employee provisions

Australian Accounting Standards Board and Auditing and Assurance Standards Board Annual Reports 2022-23

<b>Auditing and Assurance Standards Board</b>	
<b>Explanations of major variances</b>	<b>Footnote reference and affected statement</b>
Employee costs were favourable to budget in part due to employees taking an increased amount of annual leave.	1 Statement of Comprehensive Income & Cashflow statement - Employee and contractor costs
Whilst the Management fee recharge was favourable to budget, the increased cost and frequency of travel during the financial year was unfavourable to budget.	2 Statement of Comprehensive Income & Cashflow Statement - Supplier expense
Insufficient allowance was budgeted for depreciation of the AUASB Standards portal during the financial year.	3 Statement of Comprehensive Income - Depreciation and amortisation, Statement of Financial Position
The budget anticipated more resources free of charge being received in the form of board member waived fees. There was a reduced number of members waiving fees and fewer meetings compared to what was anticipated in the budget.	7 Statement of Comprehensive Income – resources received free of charge
The bank balance, whilst higher than budget, is kept as low as possible and appropriations are drawn down on a just in time basis to meet expense payments.	8 Statement of Financial Position & Cashflow Statement - Cash and cash equivalents
Unfavourable to budget due to Appropriations drawdown being greater than budgeted.	9 Statement of Financial Position – Trade and other receivables & Cashflow Statement – Appropriations
Prepaid expenses unfavourable to budget due to the increase in travel costs booked in advance due to pricing.	10 Statement of Financial Position – Prepaid expenses
Favourable to budget due to Management Fees payable lower at end of the financial year.	11 Statement of Financial Position - Suppliers
ATO processing of 2022/23 FBT Return resulted in FBT payable being incorrectly refunded.	12 Statement of Financial Position – Other payables
Employee provisions higher than budget due to superannuation rate increasing on costs and long service leave probability factors increasing during the financial year.	13 Statement of Financial Position – Employee provisions



**Statements of Comprehensive Income**  
for the period ended 30 June 2023

	AASB			AUASB		
	Actual	Budget estimate		Actual	Budget estimate	
	2023	Original 2023	Variance 2023	2023	Original 2023	Variance 2023
	\$	\$	\$	\$	\$	\$
<b>EXPENSES</b>						
Employee and contractor costs <sup>1</sup>	4,285,237	3,806,000	479,237	1,551,044	1,781,000	(229,956)
Supplier expenses <sup>2</sup>	1,781,992	1,803,000	(21,008)	1,049,655	882,000	167,655
Depreciation and amortisation <sup>3</sup>	395,279	212,000	183,279	67,180	24,000	43,180
Finance costs <sup>4</sup>	4,440	18,000	(13,560)	0	0	0
<b>Total expenses</b>	<b>6,466,948</b>	<b>5,839,000</b>	<b>627,948</b>	<b>2,667,879</b>	<b>2,687,000</b>	<b>(19,121)</b>
<b>LESS:</b>						
<b>OWN SOURCE INCOME</b>						
<b>Own-source revenue</b>						
Sale of goods and rendering of services <sup>5</sup>	15,962	0	15,962	0	0	0
Management fee recharge <sup>6</sup>	616,919	653,000	(36,081)	0	0	0
Resources received free of charge <sup>7</sup>	119,996	123,000	(3,004)	81,563	110,000	(28,437)
Contributions from states and territories	500,000	500,000	0	0	0	0
<b>Total own-source revenue</b>	<b>1,252,877</b>	<b>1,276,000</b>	<b>(23,123)</b>	<b>81,563</b>	<b>110,000</b>	<b>(28,437)</b>
<b>Net cost of services &amp; cost of outcome delivery</b>	<b>5,214,071</b>	<b>4,563,000</b>	<b>651,071</b>	<b>2,586,316</b>	<b>2,577,000</b>	<b>9,316</b>
Revenue from Government - departmental appropriations	4,456,000	4,512,000	(56,000)	2,553,000	2,553,000	0
<b>Surplus/(Deficit) attributable to the Australian Government</b>	<b>(758,071)</b>	<b>(51,000)</b>	<b>(707,071)</b>	<b>(33,316)</b>	<b>(24,000)</b>	<b>(9,316)</b>
<b>OTHER COMPREHENSIVE INCOME</b>						
<b>Total comprehensive income attributable to the Australian Government</b>	<b>(758,071)</b>	<b>(51,000)</b>	<b>(707,071)</b>	<b>(33,316)</b>	<b>(24,000)</b>	<b>(9,316)</b>

**Statements of Financial Position**  
for the period ended 30 June 2023

	AASB			AUASB		
	Actual	Budget estimate		Actual	Budget estimate	
	2023	Original 2023	Variance 2023	2023	Original 2023	Variance 2023
	\$	\$	\$	\$	\$	\$
<b>ASSETS</b>						
<b>Financial assets</b>						
Cash and cash equivalent <sup>8</sup>	148,153	67,000	81,153	69,222	51,000	18,222
Trade and other receivables <sup>9</sup>	1,959,007	2,677,000	(717,993)	939,000	1,068,000	(129,000)
<b>Total financial assets</b>	<b>2,107,160</b>	<b>2,744,000</b>	<b>(636,840)</b>	<b>1,008,222</b>	<b>1,119,000</b>	<b>(110,778)</b>
<b>Non-financial assets</b>						
Buildings right of use <sup>4</sup>	982,379	1,126,000	(143,621)	0	0	0
Plant and equipment	117,560	130,000	(12,440)	0	0	0
Computer Software/Intangibles <sup>3</sup>	176,946	31,000	145,946	89,714	105,000	(15,286)
Prepaid expenses <sup>10</sup>	268,733	136,000	132,733	111,121	43,000	68,121
<b>Total non-financial assets</b>	<b>1,545,618</b>	<b>1,423,000</b>	<b>122,618</b>	<b>200,835</b>	<b>148,000</b>	<b>52,835</b>
<b>Total assets</b>	<b>3,652,778</b>	<b>4,167,000</b>	<b>(514,222)</b>	<b>1,209,057</b>	<b>1,267,000</b>	<b>(57,943)</b>
<b>LIABILITIES</b>						
<b>Payables</b>						
Suppliers <sup>11</sup>	172,660	154,000	18,660	240,803	341,000	(100,197)
Other payables <sup>12</sup>	151,513	91,000	60,513	13,248	0	0
<b>Total payables</b>	<b>324,173</b>	<b>245,000</b>	<b>79,173</b>	<b>254,051</b>	<b>341,000</b>	<b>(86,949)</b>
<b>Interest-bearing liabilities</b>						
Leases <sup>4</sup>	1,031,035	1,044,000	(12,965)	0	0	0
<b>Total interest-bearing liabilities</b>	<b>1,031,035</b>	<b>1,044,000</b>	<b>(12,965)</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>Provisions</b>						
Employee provisions <sup>13</sup>	603,599	480,000	123,599	321,171	282,000	39,171
<b>Total provisions</b>	<b>603,599</b>	<b>480,000</b>	<b>123,599</b>	<b>321,171</b>	<b>282,000</b>	<b>39,171</b>
<b>Total liabilities</b>	<b>1,958,807</b>	<b>1,769,000</b>	<b>189,807</b>	<b>575,222</b>	<b>623,000</b>	<b>(47,778)</b>
<b>Net assets</b>	<b>1,693,971</b>	<b>2,398,000</b>	<b>(704,029)</b>	<b>633,835</b>	<b>644,000</b>	<b>(10,165)</b>
<b>EQUITY</b>						
<b>Parent entity interest</b>						
Contributed equity	804,000	804,000	0	349,300	350,000	(700)
Retained earnings	889,971	1,594,000	(704,029)	284,535	294,000	(9,465)
<b>Total parent entity interest</b>	<b>1,693,971</b>	<b>2,398,000</b>	<b>(704,029)</b>	<b>633,835</b>	<b>644,000</b>	<b>(10,165)</b>

Variances in equity are the net result of variances in the statements of comprehensive income and the statements of financial position.

**Statements of Changes in Equity**  
for the period ended 30 June 2023

**Australian Accounting Standards Board**

	Retained earnings			Contributed equity/capital			Total equity		
	Actual	Budget Estimate		Actual	Budget Estimate		Actual	Budget Estimate	
		Original	Variance		Original	Variance		Original	Variance
	2023	2023	2023	2023	2023	2023	2023	2023	2023
	\$	\$	\$	\$	\$	\$	\$	\$	\$
<b>Opening balance</b>									
Balance carried forward from previous period	<b>1,648,042</b>	1,645,000	3,042	<b>753,000</b>	753,000	0	<b>2,401,042</b>	2,398,000	3,042
<b>Comprehensive income</b>									
Surplus/ (Deficit) for the period	<b>(758,071)</b>	(51,000)	(707,071)	<b>0</b>	0	0	<b>(758,071)</b>	(51,000)	(707,071)
<b>Total comprehensive income attributable to the Australian Government</b>	<b>(758,071)</b>	(51,000)	(707,071)	<b>0</b>	0	0	<b>(758,071)</b>	(51,000)	(707,071)
<b>Contribution by owners</b>									
Departmental capital budget	<b>0</b>	0	0	<b>51,000</b>	51,000	0	<b>51,000</b>	51,000	0
Total transactions with owners	<b>0</b>	0	0	<b>51,000</b>	51,000	0	<b>51,000</b>	51,000	0
<b>Closing balance attributable to Australian Government</b>	<b>889,971</b>	1,594,000	(704,029)	<b>804,000</b>	804,000	0	<b>1,693,971</b>	2,398,000	(704,029)

## Statements of Changes in Equity (continued)

for the period ended 30 June 2023

### Auditing and Assurance Standards Board

	Retained earnings			Contributed equity/capital			Total equity		
	Actual	Budget Estimate		Actual	Budget Estimate		Actual	Budget Estimate	
		Original	Variance		Original	Variance		Original	Variance
	2023	2023	2023	2023	2023	2023	2023	2023	2023
	\$	\$	\$	\$	\$	\$	\$	\$	\$
Balance carried forward from previous period	317,851	318,000	(149)	325,300	326,000	(700)	643,151	644,000	(849)
Surplus/ (Deficit) for the period	(33,316)	(24,000)	(9,316)	0	0	0	(33,316)	(24,000)	(9,316)
<b>Total comprehensive income attributable to the Australian Government</b>	<b>(33,316)</b>	<b>(24,000)</b>	<b>(9,316)</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>(33,316)</b>	<b>(24,000)</b>	<b>(9,316)</b>
<b>Contributions by owners</b>									
Departmental capital budget	0	0	0	24,000	24,000	0	24,000	24,000	0
Total transactions with owners	0	0	0	24,000	24,000	0	24,000	24,000	0
<b>Closing balance attributable to Australian Government</b>	<b>284,535</b>	<b>294,000</b>	<b>(9,465)</b>	<b>349,300</b>	<b>350,000</b>	<b>(700)</b>	<b>633,835</b>	<b>644,000</b>	<b>(10,165)</b>

**Cash Flow Statements**  
for the period ended 30 June 2023

	AASB			AUASB		
	Actual	Budget estimate		Actual	Budget estimate	
		Original	Variance		Original	Variance
	2023	2023	2023	2023	2023	2023
\$	\$	\$	\$	\$	\$	
<b>OPERATING ACTIVITIES</b>						
<b>Cash received</b>						
Appropriations <sup>9</sup>	5,076,000	4,512,000	564,000	2,682,000	2,553,000	129,000
Goods and services	732,683	653,000	79,683	0	0	0
Net GST received	202,053	0	202,053	0	0	0
Contributions received	494,998	500,000	(5,002)	0	0	0
<b>Total cash received</b>	<b>6,505,734</b>	<b>5,665,000</b>	<b>840,734</b>	<b>2,682,000</b>	<b>2,553,000</b>	<b>129,000</b>
<b>Cash used</b>						
Employees and contractors <sup>1</sup>	4,010,167	3,806,000	204,167	1,454,320	1,781,000	(326,680)
Suppliers <sup>2</sup>	2,006,853	1,588,000	418,853	1,189,130	772,000	417,130
Interest payments on lease liabilities <sup>4</sup>	4,440	18,000	(13,560)	0	0	0
<b>Total cash used</b>	<b>6,021,460</b>	<b>5,412,000</b>	<b>609,460</b>	<b>2,643,450</b>	<b>2,553,000</b>	<b>90,450</b>
<b>Net cash from/ (used by) operating activities</b>	<b>484,274</b>	<b>253,000</b>	<b>231,274</b>	<b>38,550</b>	<b>0</b>	<b>38,550</b>
<b>INVESTING ACTIVITIES</b>						
<b>Cash received / (used)</b>						
Purchase of property, plant and equipment and intangibles <sup>3</sup>	(188,848)	(51,000)	(137,848)	(42,881)	(24,000)	(18,881)
<b>Total cash used</b>	<b>(188,848)</b>	<b>(51,000)</b>	<b>(137,848)</b>	<b>(42,881)</b>	<b>(24,000)</b>	<b>(18,881)</b>
<b>Net cash from (used by) investing activities</b>	<b>(188,848)</b>	<b>(51,000)</b>	<b>(137,848)</b>	<b>(42,881)</b>	<b>(24,000)</b>	<b>(18,881)</b>
<b>FINANCING ACTIVITIES</b>						
<b>Cash received</b>						
Contributed equity	51,000	51,000	0	24,000	24,000	0
Principal payments of lease liabilities <sup>4</sup>	(265,849)	(253,000)	(12,849)	0	0	0
<b>Net cash from/ (used by) financing activities</b>	<b>(214,849)</b>	<b>(202,000)</b>	<b>(12,849)</b>	<b>24,000</b>	<b>24,000</b>	<b>0</b>
<b>Net increase (decrease) in cash held</b>	<b>80,577</b>	<b>0</b>	<b>80,577</b>	<b>19,669</b>	<b>0</b>	<b>19,669</b>
Cash and cash equivalents at the beginning of the reporting period	67,576	67,000	576	49,553	51,000	(1,447)
<b>Cash and cash equivalents at the end of the reporting period <sup>8</sup></b>	<b>148,153</b>	<b>67,000</b>	<b>81,153</b>	<b>69,222</b>	<b>51,000</b>	<b>18,222</b>

# Appendices

## APPENDIX A

### AASB AND AUASB LEGISLATIVE REQUIREMENTS

#### AASB

The AASB is required to advance and promote the main objects of Part 12, section 224, of the ASIC Act:

(a) to facilitate the development of accounting standards that require the provision of financial information that:

1. allows users to make and evaluate decisions about allocating scarce resources
2. assists directors to discharge their obligations in relation to financial reporting
3. is relevant to assessing performance, financial position, financing and investment
4. is relevant and reliable
5. facilitates comparability
6. is readily understandable.

(b) to facilitate the Australian economy by:

1. reducing the cost of capital
2. enabling Australian entities to compete effectively overseas
3. having accounting standards that are clearly stated and easy to understand.

(c) to maintain investor confidence in the Australian economy (including its capital markets).

Part 12, section 227, of the ASIC Act provides, among other things, that:

(1) The functions of the AASB are:

1. to develop a conceptual framework, not having the force of an accounting standard, for the purpose of evaluating proposed accounting standards and international standards
2. to make accounting standards under section 334 of the *Corporations Act 2001* for the purposes of the Corporations legislation (other than the excluded provisions)
3. to formulate accounting standards for other purposes
4. to participate in and contribute to the development of a single set of accounting standards for worldwide use
5. to advance and promote the main objects of this Part.

(2) In carrying out its functions under paragraphs (1) (a) and (d) the AASB must have regard to the interests of Australian corporations which raise or propose to raise capital in major international financial centres.

## AUASB

The AUASB is an Australian Government Agency under the *Australian Securities and Investments Commission Act 2001* (ASIC Act).

Under section 227B (1) of the ASIC Act, the functions of the AUASB are:

- (a) to make auditing standards under section 336 of the *Corporations Act 2001*, for the purposes of the corporations legislation
- (b) to formulate auditing and assurance standards for other purposes
- (c) to formulate guidance on auditing and assurance matters
- (d) to participate in and contribute to the development of a single set of auditing standards for worldwide use
- (e) to advance and promote the main objects of Part 12 of the ASIC Act. Section 224 (aa) of the *ASIC Act* states the objectives of Part 12, which include:

“To facilitate the development of auditing and assurance standards and related guidance materials that:

1. provide Australian auditors with relevant and comprehensive guidance in forming an opinion about, and reporting on, whether financial reports comply with the requirements of the *Corporations Act 2001*; and
2. require the preparation of auditors’ reports that are reliable and readily understandable by the users of financial reports to which they relate.”

Other relevant objectives of Part 12 are summarised below:

- to facilitate the Australian economy by having (accounting and) auditing standards that are clearly stated and easy to understand; and
- to maintain investor confidence in the Australian economy (including its capital markets).



## APPENDIX B

### ATTENDANCE AT AASB AND AUASB MEETINGS

#### AASB MEMBER ATTENDANCE

The AASB met eight times via video conference during 2022-23 for a total of eleven meeting days. In addition to preparation for these meetings, which requires consideration of detailed technical papers, members considered and voted on accounting standards and other pronouncements out of session and also attended or made presentations at seminars and other meetings related to their role as a Board member. Consequently, the time committed by members is substantially more than the meeting days attended.

AASB Member attendance is shown in the table below:

Members	Number of days eligible to attend	Number of days attended	Apologies (days)
K Kendall (Chair)	11	11	0
C Cordery	11	11	0
J Grant	11	9	2
D Hanlon	11	7	4
D Holland	11	11	0
A King	6	6	0
T Langley	11	6	5
L Maimone	6	5	1
M Nelson	6	4	2
S Osborn	11	11	0
P Rogers	11	8	3
C Spencer	11	10	1
S Taylor	11	9	2
A White	11	9	2

For details of terms of appointments, please refer to the AASB Organisational Structure section of this Report.

## AUASB MEMBER ATTENDANCE

The AUASB held five meetings during 2022-23 for a total of six meeting days. Member attendance is shown in the table below:

<b>Members</b>	<b>Number of days eligible to attend</b>	<b>Number of days attended</b>	<b>Apologies (days)</b>
William Edge (Chair)*	6	6	0
Douglas Niven (Chair)	0	0	0
J Crisp (Deputy Chair)	6	6	0
T Barker	6	6	0
K Hankin	6	4	2
N Harding	6	6	0
A Porter	6	6	0
T Jeyaretnam	3	3	0
J Lonergan	6	6	0
M Russ	6	6	0
M Shafizadeh	6	6	0
J Thorne	6	6	0
C Mun Woo	3	3	0

\* Board retirements during 2022-23 period

For details of terms of appointments, please refer to the AUASB Organisational Structure section of this Report.

# APPENDIX C

## OTHER INFORMATION

### EXTERNAL SCRUTINY

The AASB and AUASB's financial statements are audited each year by the ANAO.

AASB and AUASB annual reports are scrutinised by the Senate Economics Legislation Committee and the Parliamentary Joint Committee on Corporations and Financial Services.

[https://www.aph.gov.au/Parliamentary\\_Business/Committees/Joint/Corporations\\_and\\_Financial\\_Services/No1of46thParliament](https://www.aph.gov.au/Parliamentary_Business/Committees/Joint/Corporations_and_Financial_Services/No1of46thParliament).

### PURCHASING

The AASB and AUASB's general policy is that the purchase of any major capital items follows the Commonwealth Procurement Guidelines.

Information on expenditure on contracts and consultancies is also available on the AusTender website, [www.tenders.gov.au](http://www.tenders.gov.au).

### PROCUREMENT INITIATIVES TO SUPPORT SMALL BUSINESS

The AASB and AUASB support small business participation in the Commonwealth Government procurement market. Small and Medium Enterprises (SME) and Small Enterprise participation statistics are available on the Department of Finance's website ([www.finance.gov.au/procurement/statistics-on-commonwealth-purchasing-contracts](http://www.finance.gov.au/procurement/statistics-on-commonwealth-purchasing-contracts))

Officials of the AASB and AUASB apply procurement practices that do not unfairly discriminate against SMEs and provide appropriate opportunities for SMEs to compete. Officials consider the benefits of doing business with SMEs when scoping the requirements and evaluating value for money. Procurement practices support SMEs by the use of the Commonwealth Contracting Suite for low-risk procurements valued under \$200,000.

The AASB and AUASB participate in whole-of-government procurement where applicable and follow the Small Business Engagement Principles, such as communicating in clear, simple language and presenting information in an accessible format

E-invoicing has been implemented to support on-time payment to suppliers, including the use of payment cards.

Statics on SMEs' participation in Commonwealth Government procurement are available on the [Statistics on Australian Government Procurement Contracts](#) page.

## CONSULTANTS

Reportable consultancy contracts 2022-23	AASB		AUASB	
	Number	Expenditure \$	Number	Expenditure \$
New contracts entered into during the reporting period	4	61,107	0	0
Ongoing contracts entered into during a previous reporting period	2	8,175	0	0
<b>Total</b>	<b>6</b>	<b>69,282</b>	<b>0</b>	<b>0</b>

Organisations receiving a share of reportable consultancy contract expenditure 202-23	AASB	
	Expenditure \$	Proportion of 2022-23 total spend (%)
Gadens Lawyers	26,826	39%
Deloitte	16,720	24%
RMIT	11,440	17%
University of NSW	11,000	16%
Talent Code	3,296	5%
<b>Total of the Largest Shares</b>	<b>69,282</b>	<b>100%</b>

**AASB** - During 2022-23, 4 new reportable consultancy contracts were entered into involving a total actual expenditure of \$69,282. There was 2 active ongoing reportable consultancy contract during the period involving a total expenditure of \$8,175.

**AUASB** - During 2022-23, no new reportable consultancy contracts was entered. There were no active ongoing reportable consultancy contracts from the previous reporting period.

Annual reports contain information about actual expenditure on reportable consultancy contracts. Information on the value of reportable consultancy contracts is available on the AusTender website.

Decisions to engage consultants during 2021-22 were made in accordance with the PGPA Act and related regulations including the Commonwealth Procurement Rules and relevant internal policies.

AASB and AUASB selects consultants through the use of panel arrangements or by making an open approach to market.

AASB and AUASB engages consultants when it requires specialist expertise on policy design, financial viability, and information technology strategic planning. Independent evaluation on AASB's or AUASB outcomes are also required.

## NON-CONSULTANCY CONTRACTS

Reportable non-consultancy contract 2022-23	AASB		AUASB	
	Number	Expenditure \$	Number	Expenditure \$
New contracts entered into during the reporting period	8	201,793	4	115,444
Ongoing contracts entered into during a previous reporting period	7	615,873	3	73,216
<b>Total</b>	<b>15</b>	<b>817,666</b>	<b>7</b>	<b>188,660</b>

Organisations receiving a share of reportable non-consultancy contract expenditure 2022-23	AASB	
	Expenditure \$	Proportion of 2022-23 total spend (%)
Kamirice	322,497	38%
EY	232,306	27%
Dixon	68,107	8%
Dexus	41,524	7%
MCI	36,517	3%
<b>Total of the Largest Shares</b>	<b>700,951</b>	<b>83%</b>
	<b>AUASB</b>	
EY	114,631	61%
International Federation of Accountants	36,079	19%
Dexus	21,450	4%
Simnett Consulting	8,250	4%
Gering Holdings	8,250	4%
<b>Total of the Largest Shares</b>	<b>188,660</b>	<b>100%</b>

Annual reports contain information about actual expenditure on reportable non-consultancy contracts. Information on the reportable non-consultancy contracts' value is available on the AusTender website.

## EXEMPT CONTRACTS

The AASB has a contract with the IFRS Foundation. The contract gives the AASB rights to IFRS copyright material.

This contract and value has been exempted by the Chair from being published in AusTender on the basis that it would disclose exempt matters under the *Freedom of Information Act 1982*.

## ADVERTISING AND MARKET RESEARCH

The AASB and AUASB completed the following advertising and market research:

### Payments made to advertising organisations, 2022–23

Organisation	Purpose	Amount (\$)
Seek Australia	Recruitment for Design and Admin Officer	671
Seek Australia	Recruitment for Audit and Committee Member	324
Seek Australia	Recruitment for Manager	927

### Payments made to market research organisations, 2022–23

Organisation	Purpose	Amount (\$)
Survey Monkey	Audit Quality Survey for following surveys: <ul style="list-style-type: none"><li>AASB Development of simplified accounting requirements survey – Tier 3 not-for-profit private sector entities. (August 2022)</li><li>AASB Development of simplified accounting requirements consultation survey – Tier 3 not-for-profit private sector entities. (October 2022)</li><li>AASB Post implementation reviews of domestic pronouncements – not-</li></ul>	2,324

for-profit public sector entities.  
(October 2022)

- AASB 17 Insurance financial reporting disclosure survey. (October 2022)
- AASB ITC 50: Income of not-for-profit entities post implementation review. (November 2022)
- AASB ITC 51: Control, structured entities, related party disclosures and basis of preparation of special purpose financial statements post implementation review. (November 2022)
- AASB Academic advisory panel strategy survey. (March 2023)

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Simnett Consulting	Audit Committee Chair Interviews	8,250
Gering Holdings	Audit Committee Chair Interviews	8,250

## GRANTS

The AASB and AUASB does not administer or receive any grant programs.

## FREEDOM OF INFORMATION

### *Information Publication Scheme*

The AASB and AUASB are subject to the *Freedom of Information Act 1982* (FOI Act) and publish information to the public as part of the Information Publications Scheme (IPS). The AASB and AUASB display on their websites a plan showing information in accordance with the IPS requirement ([www.aasb.gov.au/about-the-aasb/freedom-of-information](http://www.aasb.gov.au/about-the-aasb/freedom-of-information) and [www.auasb.gov.au/about-auasb/freedom-of-information](http://www.auasb.gov.au/about-auasb/freedom-of-information) ).

## **DISABILITY REPORTING**

Australia's Disability Strategy 2021-2031 (the Strategy) is the overarching framework for inclusive policies, programs and infrastructure that will support people with disability to participate in all areas of Australian life. The Strategy sets out where practical changes will be made to improve the lives of people with disability in Australia. It acts to ensure the principles underpinning the United Nations Convention on the Rights of Persons with Disabilities are incorporated into Australia's policies and programs that affect people with disability, their families and carers. All levels of government have committed to delivering more comprehensive and visible reporting under the Strategy. A range of reports on the progress of the Strategy's actions and outcome areas will be published and available at <https://www.disabilitygateway.gov.au/ads>.

Disability reporting is included the Australian Public Service Commission's State of the Service reports and the APS Statistical Bulletin. These reports are available at <http://www.apsc.gov.au> .

## **OCCUPATIONAL HEALTH AND SAFETY**

Under section 38 of the *Work Health and Safety Act 2011*, the AASB and AUASB is required to notify Comcare of any incidents arising out of the conduct of their operations that result in death, serious injury or serious illness of a person, or involve a dangerous incident.

All employees, and Board members, when attending meetings, are covered under Comcare and Comcover. No accidents or dangerous occurrences, or relevant investigations, took place during the 2022-23 financial year.

## **ECOLOGICALLY SUSTAINABLE DEVELOPMENT AND ENVIRONMENTAL PERFORMANCE REPORTING**

The AASB and AUASB do not have specific responsibilities in relation to the administration of environmental sustainability legislation.

The nature of the AASB and AUASB's activities limits the impact of their operations on the environment, however, they are mindful of their responsibilities to minimise negative impacts. Accordingly, the AASB and AUASB have in place policies and procedures designed to minimise environmental impacts by complying with government policies relating to waste, energy and travel.

The principal environmental impact minimisation activities employed are:

- waste management, through a fully commingled and organic recycling program
- energy efficient practises in lighting, air-conditioning and computer use
- limited water use.

The Melbourne office achieved 5-star Green Star Office Design rating from the Green Building Council of Australia. It also achieved a 5-star Australian Business Greenhouse Rating and the first existing building in Australia to achieve a WELL Platinum Certification.



## Appendix C: Other information

The building holds a Waste Wise accreditation from EcoRecycle Victoria. Accreditation is supported by a recycling and waste management programme that aims to avoid, reuse or recycle waste generated by the building and its occupants.

Travel restrictions limit meetings to only essential obligations. Teleconferencing and videoconferencing are used whenever possible.

## APPENDIX D

### LIST OF REQUIREMENTS

Description	Requirement	AASB Page	AUASB Page
<b>Letter of transmittal</b>			
A copy of the letter of transmittal signed and dated by accountable authority on the date final text approved, with statement that the report has been prepared in accordance with section 46 of the Act and any enabling legislation that specifies additional requirements in relation to the annual report	Mandatory	iii	iii
<b>Aids to access</b>			
Table of contents	Mandatory	iv	iv
Alphabetical index	Mandatory	135	135
Glossary of abbreviations and acronyms	Mandatory	v	v
List of requirements	Mandatory	128	128
Details of contact officer	Mandatory	vii	vii
Entity's website address	Mandatory	vii	vii
Electronic address of report	Mandatory	vii	vii
<b>Review by accountable authority</b>			
A review by the accountable authority of the entity	Mandatory	11	38
<b>Overview of the entity</b>			
A description of the role and functions of the entity	Mandatory	18	44
A description of the organisational structure of the entity	Mandatory	62	65
A description of the outcomes and Programs administered by the entity	Mandatory	20	47
A description of the purposes of the entity as included in the corporate plan	Mandatory	18	44
Name of the accountable authority or each member of the accountable authority	Mandatory	18	44
Position title of the accountable authority of each member of the accountable authority	Mandatory	18	44

Appendix D: List of Requirements

<b>Description</b>	<b>Requirement</b>	<b>AASB Page</b>	<b>AUASB Page</b>
Period as the accountable authority or member of the accountable authority within the reporting period	Mandatory	63	66
Where outcome and programs administered by the entity differ from any Portfolio Budget Statement, Portfolio Additional Estimates Statement or other portfolio estimates statement that was prepared for the entity for the period, include details of variation and reasons for change	If applicable, Mandatory	108	108
<b>Report on the performance of the entity</b>			
<b>Annual performance statements</b>			
Annual performance statement in accordance with program 39(1)(b) of the Act and section 16F of the Rule	Mandatory	18	44
<b>Report on financial performance</b>			
A discussion and analysis of the entity's financial performance	Mandatory	17	43
A table summarising the total resources and total payments of the entity	Mandatory	n/a	n/a
If there may be significant changes in the financial results during or after the previous or current reporting period, information on those changes, including: the cause of any operating loss of the entity; how the entity has responded to the loss and the actions that have been taken in relation to the loss; and any matter or circumstances that it can reasonably be anticipated will have a significant impact on the entity's future operation or financial results	If applicable, Mandatory	17	43
<b>Management and accountability</b>			
<b>Corporate governance</b>			
Information on compliance with section 10 (fraud systems)	Mandatory	70	70
A certification by accountable authority that fraud risk assessments and fraud control plans have been prepared	Mandatory	70	70
A certification by accountable authority that appropriate mechanisms for preventing, detecting incidents of, investigating or otherwise dealing with, and recording or reporting fraud that meet the specific needs of the entity are in place	Mandatory	70	70

Australian Accounting Standards Board and Auditing and Assurance Standards Board Annual Reports 2022-23

<b>Description</b>	<b>Requirement</b>	<b>AASB Page</b>	<b>AUASB Page</b>
A certification by accountable authority that all reasonable measures have been taken to deal appropriately with fraud relating to the entity	Mandatory	70	70
An outline of structures and processes in place for the entity to implement principles and objectives of corporate governance	Mandatory	70	70
A statement of significant issues reported to Minister under paragraph 19(1)(e) of the Act that relates to non-compliance with Finance law and action taken to remedy non-compliance	If applicable, Mandatory	n/a	n/a
<b>Audit Committee</b>			
A direct electronic address of the charter determining the functions of the entity's audit committee	Mandatory	69	69
The name of each member of the entity's audit committee	Mandatory	68	68
The qualifications, knowledge, skills or experience of each member of the entity's audit committee	Mandatory	68	68
Information about the attendance of each member of the entity's audit committee at committee meetings	Mandatory	68	68
The remuneration of each member of the entity's audit committee	Mandatory	68	68
<b>External scrutiny</b>			
Information on the most significant developments in external scrutiny and the entity's response to the scrutiny	Mandatory	121	121
Information on judicial decisions and decisions of administrative tribunals and by the Australian Information Commissioner that may have a significant effect on the operations of the entity	If applicable, Mandatory	n/a	n/a
Information on any reports on operations of the entity by the Auditor-General, (other than report under section 43 of the Act), a Parliamentary Committee or the Commonwealth Ombudsman	If applicable, Mandatory	n/a	n/a
Information on any capability reviews on the entity that were released during the period	If applicable, Mandatory	n/a	n/a
<b>Management of human resources</b>			
An assessment of the entity's effectiveness in managing and developing employees to achieve entity objectives	Mandatory	72	75

Appendix D: List of Requirements

Description	Requirement	AASB Page	AUASB Page
<p>Statistics on the entity's employees on an ongoing and non-ongoing basis; including the following:</p> <ul style="list-style-type: none"> <li>statistics on full-time employees</li> <li>statistics on part-time employees</li> <li>statistics on gender</li> <li>statistics on staff location</li> </ul>	Mandatory	72	75
<p>Statistics on the entity's APS employees on an ongoing and non-ongoing basis; including the following:</p> <ul style="list-style-type: none"> <li>statistics on staffing classification level</li> <li>statistics on full-time employees</li> <li>statistics on part-time employees</li> <li>statistics on gender</li> <li>statistics on staff location</li> <li>statistics on employees who identify as Indigenous.</li> </ul>	Mandatory	72	75
<p>Information on any enterprise agreements, individual flexibility arrangements, Australian workplace agreements, common law contracts and determinations under subsection 24(1) of the <i>Public Service Act 1999</i>.</p>	Mandatory	72	75
<p>Information on the number of SES and non-SES employees covered by agreements etc. identified in paragraph 17AG(4)(c)</p>	Mandatory	72	75
<p>The salary ranges available for APS employees by classification level</p>	Mandatory	72	75
<p>A description of non-salary benefits provided to employees</p>	Mandatory	78	78
<p>Information on the number of employees at each classification level who received performance pay</p>	If applicable, Mandatory	n/a	n/a
<p>Information on aggregate amounts of performance pay at each classification level</p>	If applicable, Mandatory	n/a	n/a
<p>Information on the average amount of performance payment, and range of such payments, at each classification level</p>	If applicable, Mandatory	n/a	n/a
<p>Information on aggregate amount of performance payments</p>	If applicable, Mandatory	n/a	n/a
<b>Assets management</b>			
<p>An assessment of effectiveness of assets management where asset management is a significant part of the entity's activities</p>	If applicable, mandatory	n/a	n/a

Description	Requirement	AASB Page	AUASB Page
<b>Purchasing</b>			
An assessment of entity performance against the <i>Commonwealth Procurement Rules</i>	Mandatory	121	121
<b>Consultants</b>			
A summary statement detailing the number of new contracts engaging consultants entered into during the period; the total actual expenditure on all new consultancy contracts entered into during the period (inclusive of GST); the number of ongoing consultancy contracts that were entered into during a previous reporting period; and the total actual expenditure in the reporting year on the ongoing consultancy contracts (inclusive of GST)	Mandatory	122	122
A statement that “ <i>During 2022-23, [specified number] new consultancy contracts were entered into involving total actual expenditure of \$[specified million]. In addition, [specified number] ongoing consultancy contracts were active during the period, involving total actual expenditure of \$[specified million].</i> ”	Mandatory	122	122
A summary of the policies and procedures for selecting and engaging consultants and the main categories of purposes for which consultants were selected and engaged	Mandatory	122	122
A statement that “ <i>Annual reports contain information about actual expenditure on contracts for consultancies. Information on the value of contracts and consultancies is available on the AusTender website.</i> ”	Mandatory	122	122
A summary statement detailing the number of new reportable non-consultancy contracts entered into during the period; the total actual expenditure on such contracts (inclusive of GST); the number of ongoing reportable non-consultancy contracts that were entered into during a previous reporting period; and the total actual expenditure in the reporting period on those ongoing contracts (inclusive of GST).	Mandatory	123	123
A statement that “ <i>Annual reports contain information about actual expenditure on reportable non-consultancy contracts. Information on the value of reportable non-consultancy contracts is available on the AusTender website</i>	Mandatory	123	123

Appendix D: List of Requirements

Description	Requirement	AASB Page	AUASB Page
Additional information, in accordance with section 17AGA, about organisations receiving amounts under reportable consultancy contracts or reportable non-consultancy contracts.	Mandatory	123	123
<b>Australian National Audit Office Access Clauses</b>			
If an entity entered into a contract with a value of more than \$100,000 (inclusive of GST) and the contract did not provide the Auditor-General with access to the contractor's premises, the report must include the name of the contractor, purpose and value of the contract, and the reason why a clause allowing access was not included in the contract.	If applicable, Mandatory	n/a	n/a
<b>Exempt contracts</b>			
If an entity entered into a contract or there is a standing offer with a value greater than \$10,000 (inclusive of GST) which has been exempted from being published in AusTender because it would disclose exempt matters under the FOI Act, the annual report must include a statement that the contract or standing offer has been exempted, and the value of the contract or standing offer, to the extent that doing so does not disclose the exempt matters.	If applicable, Mandatory	124	124
<b>Small business</b>			
A statement that <i>"AASB-AUSB supports small business participation in the Commonwealth Government procurement market. Small and Medium Enterprises (SME) and Small Enterprise participation statistics are available on the Department of Finance's website"</i>	Mandatory	121	121
An outline of the ways in which the procurement practices of the entity support small and medium enterprises	Mandatory	121	121
If the entity is considered by the Department administered by the Finance Minister as material in nature – a statement that <i>AASB-AUASB recognises the importance of ensuring that small businesses are paid on time. The results of the Survey of Australian Government Payments to Small Business are available on the Treasury's website."</i>	If applicable, Mandatory	n/a	n/a
<b>Financial statements</b>			
Inclusion of the annual financial statements in accordance with subsection 43(4) of the Act	Mandatory	81	81

Australian Accounting Standards Board and Auditing and Assurance Standards Board Annual Reports 2022-23

Description	Requirement	AASB Page	AUASB Page
<b>Executive Remuneration</b>			
Information about executive remuneration in accordance with Subdivision C of Division 3A of Part 2-3 of the Rule	Mandatory	101	102
<b>Other mandatory information</b>			
If the entity conducted advertising campaigns, a statement that <i>“During 2022-23, the AASB conducted the following advertising campaigns: [name of advertising campaigns undertaken]. Further information on those advertising campaigns is available on [entity’s website] and in the reports on Australian Government advertising prepared by the Department of Finance. Those reports are available on the Department of Finance’s website.”</i>	If applicable, Mandatory	n/a	n/a
If the entity did not conduct advertising campaigns, a statement to that effect	If applicable, Mandatory	124	124
A statement that <i>“Information on grants awarded to AASB during 2022-23 is available at [entity’s website]</i>	If applicable, Mandatory	n/a	n/a
Outline of mechanisms of disability reporting including reference to website for further information	Mandatory	126	126
Website reference to where the entity’s Information Publication Scheme statement pursuant to Part II of FOI Act can be found	Mandatory	125	125
Correction of material errors in previous annual report	If applicable, Mandatory	n/a	n/a
Information required by other legislation	Mandatory	121	121



# APPENDIX E

## INDEX

### A

AASB Chair's review, 11

AASB Performance Statement, 18

AUASB Chair's review, 34

Audit committee, 66

*Australian Securities and Investments Commission Act 2001 (ASIC Act)*, 77, 118

### C

Cash flow, 88

Contact details, vii

### F

Financial Reporting Council (FRC), 60, 61, 63, 64

### G

Governance arrangements, 66

Guidance, 118

### I

Independent Auditor's Reports, 81

Information publication scheme, 125

International accounting standards (IASs), 61

International Auditing Standards (ISAs), 63

### M

Membership, 61, 64

### N

New Zealand Auditing and Assurance Standards Board (NZAuSB), 64