



Project:	n/a	Meeting	August 2022 (M189)
Topic:	Documents open for comment by other organisations	Agenda Item:	10.1
		Date of the Agenda Paper:	18 July 2022
Contact(s):	Aanchal Bhandari abhandari@asb.gov.au Helena Simkova hsimkova@asb.gov.au	Project Priority:	n/a
		Decision-Making:	Low
		Project Status:	n/a

Objective of this paper

- 1 The objective of this paper is to:
 - (a) **inform** the Board about consultative documents already issued or to be issued by other international standard-setting bodies; and
 - (b) ask the Board to **decide** which consultative documents to provide feedback/comments on.

Reasons for bringing this paper to the Board

- 2 The Board's strategy is to influence the work of the International Accounting Standards Board (IASB), the International Public Sector Accounting Standards Board (IPSASB) and other relevant international organisations with a goal of having the principles in the Standards issued by these organisations aligned, where relevant and possible.
- 3 Historically, the Board has decided which consultation documents to comment on based on factors such as the relevance and importance of the consultation to the AASB's projects and strategies, the potential impact of the proposals on Australian constituents and the priority of projects as decided by the Board. This agenda paper will assist the Board in prioritising and deciding which consultation documents it should comment on.
- 4 Appendix A to this paper provides a summary of documents open for comment that the Board has previously decided whether to provide feedback.

IASB and ISSB documents currently open for comment – decision needed from the Board as to whether to comment or to take other action

Originating organisation	Document	Date of release	AOSSG input	Comments due	Staff recommendation for AASB approach
N/A					

IFRS Interpretations Committee’s Tentative Agenda Decisions currently open for comment – decision needed from the Board as to whether to comment or to take other action

Originating organisation	Document	Date of release	AOSSG input	Comments due	Staff recommendation for AASB approach
N/A					

Other Standard-Setter documents currently open for comment – decision needed from the Board as to whether to comment or to take other action

Originating organisation	Document	Date of release	Comments due	Staff recommendation for AASB approach
APESB	Exposure Draft 03/22 Proposed Standard: APES 205 Conformity with Accounting Standards	28 June 2022	15 August 2022	<p>The APESB issued an Exposure Draft (ED) proposing amendments to APES 205 <i>Conformity with Accounting Standards</i> following the AASB’s removal of the reporting entity concept and the ability of certain for-profit private sector entities to prepare special purpose financial statements (SPFS). The proposed amendments also reflect the AASB’s issue of minimum disclosure requirements where certain for-profit and not-for-profit private sector entities prepare SPFS.¹</p> <p>The intention of APES 205 is to set requirements for members² involved in the preparation, presentation, audit, review or compilation of financial statements for</p>

1 The minimum disclosure requirements include those required by [AASB 2022-4 Amendments to Australian Accounting Standards – Disclosures in Special Purpose Financial Statements of Certain For-Profit Private Sector Entities](#) and [AASB 2019-4 Amendments to Australian Accounting Standards – Disclosure in Special Purpose Financial Statements of Not-for-Profit Private Sector Entities on Compliance with Recognition and Measurement Requirements](#).

2 APES 205 defines a member as “a member of a professional body that has adopted this Standard as applicable to their membership as defined by that professional body”. A professional body means Chartered Accountants Australia and New Zealand, CPA Australia and the Institute of Public Accountants.

Originating organisation	Document	Date of release	Comments due	Staff recommendation for AASB approach
				<p>entities outside the scope of the <i>Corporations Act 2001</i>, which includes members involved in the preparation of SPFS.</p> <p>The key amendments proposed to APES 205 in the ED are:</p> <ul style="list-style-type: none"> - highlighting that the ‘Reporting Entity’ concept no longer applies to certain entities; - removing the reference to the <i>Framework for the Preparation and Presentation of Financial Statements</i>; and - scoping out those entities required to comply with certain SPFS disclosure requirements in Australian Accounting Standards from the SPFS disclosure requirements in APES 205. This is to avoid duplication as the requirements in Australian Accounting Standards and APES 205 are similar, but not the same. The APESB considered whether to align the requirements in APES 205 with those in Australian Accounting Standards but decided not to do so as it may result in additional compliance costs without empirical evidence to suggest that the existing APES 205 requirements are deficient. However, the APESB is seeking feedback from stakeholders on this matter. <p>Staff note that the ED does not propose amendments to APES 205 to align references to ‘significant accounting policies’ with the terminology used in Australian Accounting Standards from 1 January 2023 that will require disclosure of ‘material accounting policy information.’ The APESB decided not to align the terminology as it may result in additional compliance costs without empirical evidence to suggest that the existing APES 205 requirements are deficient. However, the APESB is also seeking feedback from stakeholders on this matter.</p> <p>Staff provided feedback to APESB staff during the drafting of the ED. Therefore, staff do not recommend commenting on the ED.</p> <div style="border: 1px solid black; padding: 5px; margin-top: 10px;"> <p>Q1 Do Board members agree with the staff recommendation not to comment on APESB Exposure Draft 03/22 Proposed Standard: APES 205 Conformity with Accounting Standards?</p> </div>

Originating organisation	Document	Date of release	Comments due	Staff recommendation for AASB approach
ACNC	Exposure Draft ACNC Regulations 2022	18 July 2022	15 August 2022	<p>The existing <i>Australian Charities and Not-for-profits Commission Regulation 2013</i>, which outline the requirements of the Charity Register, the governance standards and external conduct standards applying to registered charities and requirements for registered charities' annual financial reports, are scheduled to automatically sunset on 1 April 2023.</p> <p>The draft <i>Australian Charities and Not-for-profits Commission Regulations 2022</i> (the 'draft Regulations') propose to remake the Regulations, with minor amendments to reflect current drafting practice, improve clarity, and to remove provisions that are no longer required.</p> <p>While there are only minor amendments to the ACNC Regulations, staff think it would be beneficial to raise awareness directly with Treasury of the forthcoming AASB Discussion paper on Tier 3 reporting requirements and the interactions of the Board's proposals with ACNC Legislations.</p> <div style="border: 1px solid black; padding: 5px; margin-top: 10px;"> <p>Q2 Do Board members agree with staff recommendation to comment on <i>Exposure Draft Australian Charities and Not-for-profit Commission Regulations 2022</i></p> </div>

Forthcoming documents for comment – decision needed from the Board as to whether to comment or to take other action

Originating organisation	Document	Expected date of release	Expected comment date	Staff recommendation for AASB approach

Appendix A

Current and forthcoming documents open for comment – decisions already made by the Board at previous meetings

Originating organisation	Document	Date of release	Comments due	Summary
IFRS IC	Tentative Agenda Decision Multi-Currency Groups of Insurance Contracts	20 June 2022	19 August 2022	<p>The IFRS Interpretations Committee discussed how to account for insurance contracts that generate cash flows in more than one currency.</p> <p>At its June 2022 Board meeting, the Board decided not to provide a submission.</p>
ISSB	Staff Request for Feedback Staff Draft of the IFRS Sustainability Disclosure Taxonomy	May 2022	30 September 2022	<p>At its June 2022 meeting the Board decided not to comment on the Request for Feedback Staff draft of the IFRS Sustainability Disclosure Taxonomy as Australia does not adopt taxonomy.</p>
IPSASB	Consultation Paper Natural Resources	16 May 2022	17 October 2022	<p>The Consultation Paper considers the issues relating to the recognition, measurement, and presentation of natural resources by public sector entities.</p> <p>At its May 2022 Board meeting, the Board decided not to comment but to consider in due course responding to an IPSASB Exposure Draft on the topic.</p>
IPSASB	Consultation Paper, Advancing Public Sector Sustainability Reporting	9 May 2022	9 September 2022	<p>The Consultation Paper proposes to develop a sustainability reporting framework for the public sector.</p> <p>At its May 2022 Board meeting, the Board decided to provide a submission to the IPSASB.</p>