



Project:	Other Business – Public	Meeting:	April 2020 (M175)
Topic:	Cover Memo	Agenda Item:	11.0
Contact(s):	Helena Simkova hsimkova@asb.gov.au 03 9617 7642	Project Priority:	n/a
		Decision-Making:	Low
		Project Status:	n/a

Objective of this paper

1 The objective of this paper is to inform the Board about matters under Other Business – Public. No action is required from the Board on these matters except for item 11.3.3 where the Board’s decision is required. Please refer to table below for details.

OTHER BUSINESS – AASB SUBMISSIONS

Paper No.	Title	Staff comment	Board action
	none		

OTHER BUSINESS – CORRESPONDENCE

Paper No.	Title	Staff comment	Board action
11.2.1	Senate Scrutiny Committee - examination of retrospective application of AAS	<p>The AASB received an inquiry from the Senate Scrutiny of Delegated Legislation Committee on whether the retrospective application of AASB 2019-8 <i>Amendments to AAS – Class of Right-of-Use Assets arising under Concessionary Leases</i> could disadvantage any individual. After consideration of our response (submitted via Treasury), the Senate Scrutiny Committee concluded its examination of the Standard.</p> <p>In our response we were able to refer the Committee to the Basis for Conclusions, among other explanations. The BC for any pronouncement should cover any issues that might be of interest to the Committee.</p>	Included for noting only. No action required.
11.2.2	Email from Institute of Public Works Engineering Australia	<p>The AASB has received an email from the CEO of IPWEA (registered charity) requesting deferral of AASB 16 until businesses can recover from the impacts of COVID-19, explaining that revenues were significantly impacted which result in reduction in resources.</p> <p>To support the argument, the CEO of IPWEA also attached a survey report of over 100 finance/accounting professionals in Asia Pacific region which states that 91% of companies are finding AASB 16/IFRS 16 to be complex and challenging and the incremental work resulting in time-consuming manual processes.</p>	Included for consideration when deciding on the additional guidance required due to impact of COVID-19 (agenda item 5).

OTHER BUSINESS – IASB and IFRS IC UPDATES

Paper No.	Title	Staff comment	Board action
11.3.1	IFRIC Update – March 2020	Staff do not consider there are any matters to raise with the IFRS Interpretations Committee in relation to their tentative decisions in their March 2020 meeting.	Included for noting only. No action required at this meeting.
11.3.2	IASB Update February 2020	Staff do not consider there are any matters to raise with the IASB in relation to their decisions in their February meeting.	Included for noting only. No action required at this meeting.
11.3.3	IASB Update March 2020	<p>Staff would like to highlight IASB tentative decision to defer the effective date of IFRS 17 <i>Insurance Contracts</i> to 1 January 2023.</p> <p>There are no other matters to raise with the IASB in relation to their decisions in their March meeting.</p>	Staff proposes to defer the effective date of AASB 17 to align it with the effective date of IFRS 17. Does the Board agree?
n/a	IASB guidance on areas affected by recent economic situation	<p>Staff wanted to highlight that IASB has recently issued additional interpretation guidance relating to certain accounting areas impacted by the current economic situation. The guidance is:</p> <ul style="list-style-type: none"> • IFRS 16 and covid 19 – Accounting for covid-19-related rent concessions applying IFRS 16 <i>Leases</i>; • IFRS 9 and covid-19 – Accounting for expected credit losses applying IFRS 9 <i>Financial Instruments</i> in the light of current uncertainty resulting from the covid-19 pandemic. <p>The guidance has been published on AASB websites.</p>	Included for noting only. No action required at this meeting.

OTHER BUSINESS – ARTICLES AND NEWS

Paper No.	Title	Staff comment	Board action
11.4.1	Accounting today article: <i>FASB mulls pushing back accounting standards deadlines in response to coronavirus</i>	<p>The article informs that FASB plans to discuss the impact of the coronavirus pandemic on its stakeholders including pushing back the effective dates of some upcoming accounting standards (e.g. leases, hedging, credit losses).</p> <p>The stimulus package passed by Congress also includes a provision allowing banks to delay compliance with the credit losses standard.</p> <p>Staff update: FASB tentatively decided to amend the effective date</p> <ul style="list-style-type: none"> • for Leases to 15 December 2021 for private companies and private NFP and • for Revenue from Contracts with Customers to 15 December 2019 for franchisors that are not public business entities. 	Included for noting only. No action required at this meeting

OTHER BUSINESS

Item No.	Title	Staff comment	Board action
	none		