



Subject: Minutes of the 164th meeting of the AASB
Venue: Rattigan Rooms, Productivity Commission,
Tower Level 12, 530 Collins St, Melbourne
Time(s): Thursday 10 May 2018, from 9.00 a.m. to 12.10 p.m.

All agenda items except items 1(a), 1(b), 6 and 7 were discussed in public.

Attendance

Members
Kris Peach (Chair)
Mike Blake – via teleconference
Kimberley Crook – via teleconference
Regina Fikkers (Deputy Chair) – via teleconference
Ken Liow
Carmen Ridley – via teleconference
Taryn Rulton – via teleconference
Marc Smit
Stephen Taylor – via teleconference
Alison White – via teleconference

Apologies Peter Gibson

In Attendance:

Staff
Clark Anstis
James Barden (part of meeting)
Shachini Dassanayake (part of meeting)
Christine Helliard (part of meeting)
Neha Juneja (part of meeting)
Kala Kandiah
Justine Keenan (part of meeting)
Maggie Man (part of meeting)
Damian Paull (part of meeting)
Danielius Valuckas (part of meeting)



Agenda and Chair's Report

Agenda Item 1

The Chair provided the Board with an update on recent activities and future presentations including:

- Accounting & Auditing Standing Committee meeting
- IFASS Meeting
- ASAF – feedback on success of published research paper
- Meetings with EFRAG
- NZASB Meeting, May
- CRUF meeting.

Apologies, Declarations of Interest, Minutes and Approvals Out of Session

Agenda Item 2

Apologies

Apologies were noted for Peter Gibson.

Declarations of Interest

Members indicated that, in the normal course of their day-to-day professional responsibilities, they deal with a broad range of financial reporting issues. Members have adopted the standing policy in respect of declarations of interest that a specific declaration will be made where there is a particular interest in an issue before the Board.

Minutes

The Board approved the minutes of the one hundred and sixty-third meeting, held on 23 March 2018.

Approvals Out of Session

The Board noted the out-of-session approval of one consultation document (ED 285 *Accounting Policy Changes*).

Conceptual Framework – Reporting Entity / Special Purpose Reporting

Agenda Item 3

The Board approved its Consultation Paper *Applying the IASB's Revised Conceptual Framework and Solving the Reporting Entity and Special Purpose Financial Statement Problems*. The Consultation Paper:

- (a) explains the AASB's objective, consistent with the Financial Reporting Council's strategic direction, to make the IASB's revised *Conceptual Framework for Financial Reporting* (RCF) applicable in Australia so that:



- (i) publicly accountable for-profit entities and other entities voluntarily reporting compliance with IFRS Standards will be able to maintain compliance with IFRS Standards; and
 - (ii) all other entities will apply reporting requirements based on IFRS Standards, modified as appropriate;
- (b) describes a two-phase approach to solving the following two problems:
- (i) the clash between the current 'reporting entity' concept in Australia and the concept as used by the IASB in the RCF; and
 - (ii) the lack of comparability, trust and transparency in financial reporting resulting from entities being able to self-assess that they are not a reporting entity and therefore preparing special purpose financial statements as they see fit; and
- (c) presents five options considered by the Board for addressing the two problems, including:
- (i) summaries of the impact, benefits and barriers for each option; and
 - (ii) the AASB's preferred option of a two-phase implementation of the RCF.

The Consultation Paper will be open for comment until 9 August 2018 (Phase 1) and 9 November 2018 (Phase 2).

Action: Staff

IASB ED/2018/1 Accounting Policy Changes

Agenda Item 4

The Board decided to prepare a submission to the IASB in response to its Exposure Draft ED/2018/1 *Accounting Policy Changes*. The ED proposes a lower practicability threshold for voluntary accounting policy changes resulting from IFRS Interpretations Committee agenda decisions in comparison with other voluntary changes. Some Board members support the proposals and others are concerned that the distinction appears arbitrary. Submissions from stakeholders on AASB ED 285, which incorporates the IASB ED, are requested by 27 June.

Action: Staff

Licences

Agenda Item 5

The Board noted the submissions received from stakeholders on Exposure Draft ED 283 *Amendments to Australian Accounting Standards – Australian Implementation Guidance for Not-for-Profit Public Sector Licensors*. No decisions were made. The submissions will be considered at the next meeting.

Action: Staff



Close of Meeting

The Chair closed the meeting at 12.10 p.m. on Thursday, 10 May 2018.

Approval

Signed by the Chair as a correct record
this fourteenth day of June 2018