1
2   TO: Australian Accounting Standards Board (AASB) / Australia
3   TO: XRB – External Reporting Board / New Zealand
4   TO: IFRS Foundation
5
6
7   **Financial issues / Conceptual Frameworks / Australia and New Zealand / International**
8
9
10 First of all, a lot of thanks to AASB, XRB and IFRS for organising these important consultations.
11
12
13 This opinion represents an opinion of an individual citizen, not any legal entity.
14
15 This opinion does not contain:
16   –   any business secrets
17   –   any trade secrets
18   –   any confidential information.
19
20 This opinion is public.
21 PDF file of this opinion can be added to a relevant web page.
22
23 Annex 1 holds information about previous opinions related to information systems.
24 Annex 2 holds information about disclaimers and copyright.
25
26
27
28 Best Regards,
29
30
31
32 Jukka S. Rannila
33 citizen of Finland
34
35 signed electronically
36

37
1. Functional web pages of different consultations

39
Following web pages worked on 5 October 2015.

41
Australian Accounting Standards Board
          Exposure Draft - ED 264 Conceptual Framework for Financial Reporting - June 2015 -
          Open for comment
          http://www.aasb.gov.au/Work-In-Progress/Open-for-comment.aspx?id=1886

46
Australian Accounting Standards Board
          Exposure Draft - ED 265 Updating References to the Conceptual Framework (Proposed
          amendments to AASB 2, AASB 3, AASB 4, AASB 6, AASB 101, AASB 108, AASB 134,
          Interpretation 127 and Interpretation 132) - June 2015 - Open for comment
          http://www.aasb.gov.au/Work-In-Progress/Open-for-comment.aspx?id=1887

52
IFRS - IFRS Foundation
          Conceptual Framework Exposure Draft and Comment letters
          http://www.ifrs.org/Current-Projects/IASB-Projects/Conceptual-
          Framework/Pages/Conceptual-Framework-Exposure-Draft-and-Comment-letters.aspx

57
XRB – External Reporting Board
          Invitation to Comment on proposed amendments to updated Accounting Standards
          Framework, XRB A1 and accounting standards
          http://xrb.govt.nz/Site/Financial_Reporting_Strategy/ITC_XRB_A1_Aug_2015.aspx

62
XRB – External Reporting Board
          Proposed PBE Conceptual Framework
          http://xrb.govt.nz/Site/Accounting_Standards/Exposure_Drafts/Dom_ED_2015-7.aspx

66
2. (Partially) overlapping consultations

68
Here we can note that there is a lot of work to be done in Australia and New Zealand – also
internationally.

71
3. Analysing carefully different concepts demands a lot of time and resources!

73
Here we can note that analysing carefully different concepts demands a lot of time and resources!

75
In all cases (AASB, XRB, IFRS) there is a lot documents for explicating different concepts related
to different aspects of accounting and other issues.

78
One obvious question is replication of the same tasks in Australia and in New Zealand – also the
same tasks can be replicated internationally and nationally.

81

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82   **4. A possibility to handle concepts**
83
84   Here we can note some work done by professor Hannu Kangassalo at the University of Tampere in
85   Finland: Kangassalo (1993, 1999, 2007).
86
87   Kangassalo has developed a conceptual modelling language called "Concept D". In the 1993 article
88   (Kangassalo 1993) there is a description of a system which implements different aspects of
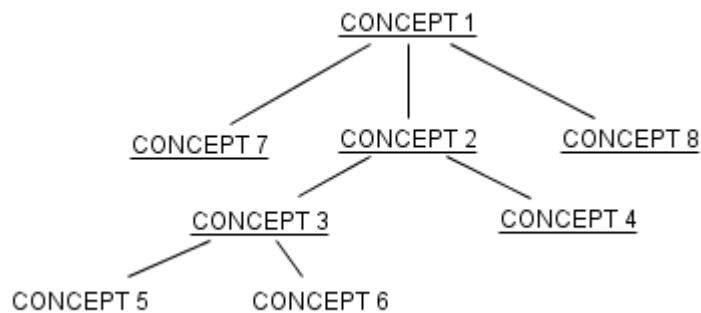89   "Concept D". There is a Finnish manual for describing all nuances of the "Concept D".
90
91   **5. The main idea is very simple!**
92
93   The main idea with "Concept D" is very simple. Concepts can refer to different concepts and this
94   can be described graphically. The following figure is a simple conception of this approach.
95

97   Like said – Finnish manual describes all different nuances of the "Concept D".
98
99   In principle it is possible to describe different concepts hierarchically and there can be
100   tens/hundreds/thousands of layered concepts depending on the specific domain which is
101   conceptually modelled
102
103   **6. AASB, XRB and IFRS have organised consultation about different (conceptual)**
104   **frameworks!**
105
106   Here we can note that AASB, XRB and IFRS are handling the same concepts related to
107   financial/accounting domain.
108
109   **Question: Could the concepts (AASB, XRB and IFRS) be described similarly to the**
110   **"Concept D" approach?**
111
112   **7. yEd Graphical Editor / Very rudimentary way for "Concept D" approach?**
113
114   Here we can note the following software: yEd Graphical Editor (yWorks GmbH 2015). The
115   previous figure is done with yEd Graphical Editor.
116

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117 yEd Graphical Editor is a program which can be used freely. Possibly there can be more superior
118 solutions than yEd Graphical Editor but I am not aware of those solutions.
119
120 Here we can note that yEd Graphical Editor would implement in a very rudimentary way the parts
121 of the "Concept D" approach?
122
123 **8. Difference to the Unified Modeling Language (UML)?**
124
125 Wikipedia (2015) is about Unified Modeling Language and that article refers to official documents
126 of the Unified Modeling Language (OMG 2015).
127
128 Here we can note that UML is a modelling language used by software developers. Concept D is a
129 modelling language for describing concepts. There can be a possible mismatch between these two
130 methods.
131
132 We have to note that UML is a widely-used industry standard – even though there is always some
133 criticism of UML.
134
135 **9. Concepts are deeply entrenched in our mind!**
136
137 Kangassalo (1999) explains that one serious problem is based on the way how human concepts are
138 created. Kangassalo (1999) notes that information systems could be defined on the basis of their
139 conceptual content, not on the basis of the data flow and linguistic representations of occurrences,
140 as it is done today. Here we can note that UML is also about data flow.
141
142 **10. What I have personally proposed?**
143
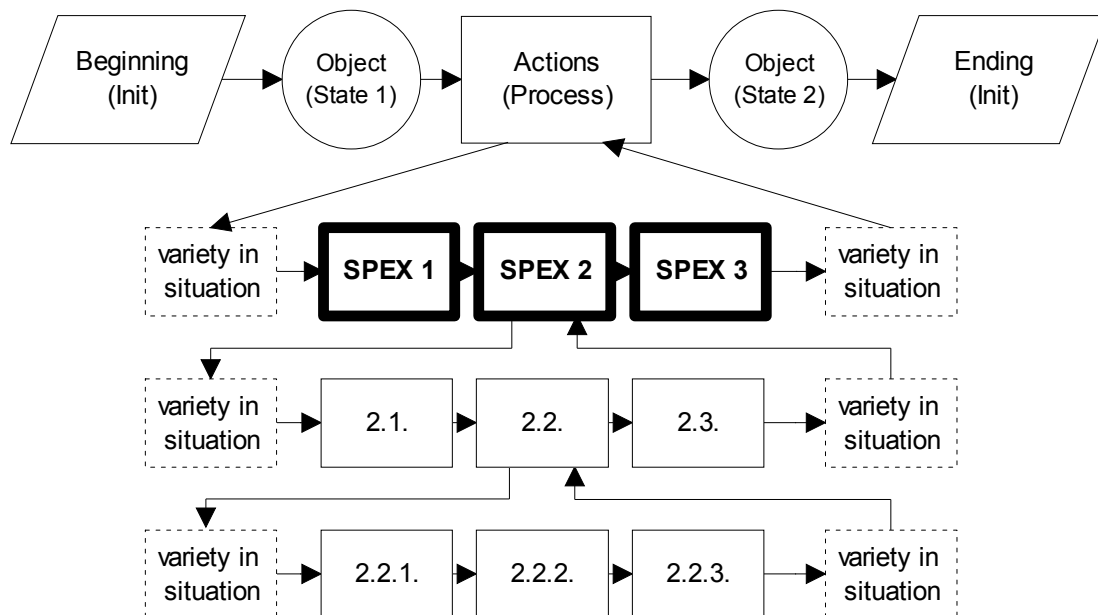
144

145 Here we can differentiate following issues:
146
147 • object of a process
148 • beginning of a process
149 • ending of a process
150 • actions of a process
151 • variety in a situation.
152
153 There can be different objects: especially material, information and humans. Material and
154 information is stable but humans are never in a stable state.
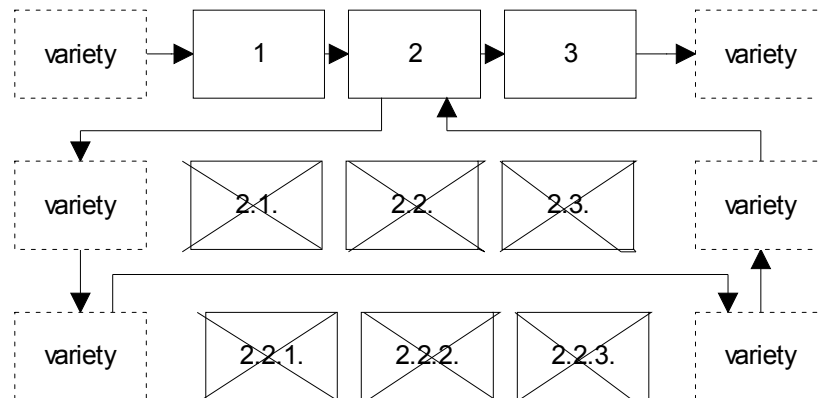155
156 There could be some points in a process model where there is very detailed (**SPEX**) parts. Naturally
157 in these parts (**SPEX**) there could be very detailed information about different concepts.
158
159 Since humans are learning entities there can be different shortcuts in different process models
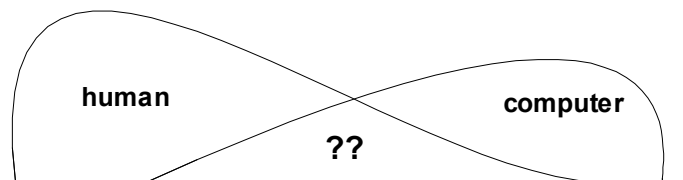160 implemented in computerised systems.
161

162
163
164 In reality we learn different issues and we can bypass different useless processes after some learning
165 processes. Then we can take care of the variety and computers can do some specific tasks.
166

167
168
169 In reality there are several ways for organising task: humans only; computers only; combinations
170 for human and computers. Naturally the last task (combinations for human and computers) is
171 hardest to implement in reality – sometimes we create wrong combinations for these tasks.
172
173 Here we can note also that in different timeframes ($T_n \leftrightarrow T_n$) we learn and forget different parts of

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174 the processes. Therefore there has to be different ways for moving between different interfaces and
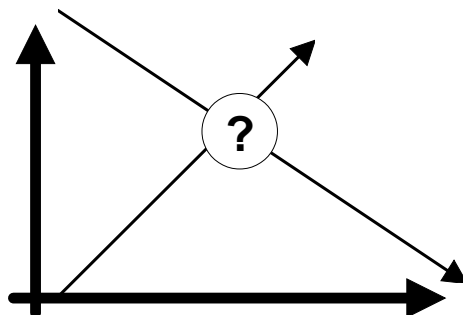175 there has to be powerful shortcuts to everything.
176
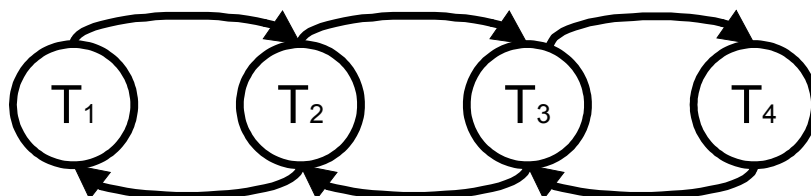
177
178
179 **11. Summary – what could be done?**
180

GENERAL KNOWLEDGE

SPECIAL KNOWLEDGE

181
182
183 Here we can note that all consultations (AASB, XRB, IFRS) are about different conceptual issues in
184 financing and/or accounting. Financing and/or accounting are somewhat specialised domains. On
185 the other hand there are persons which are not experts in all financing and/or accounting issues.
186
187 The proposed main idea with "Concept D" is very simple and therefore the hierarchically organised
188 concept models could be presented. With that hierarchically organised model it should be easier to
189 start with general concepts and the move on to more specialised concepts.
190
191 **12. Good luck!!! / Rather limited presentation**
192
193 This opinion is quite limited.
194 Hopefully there are constructive ideas presented in other opinions.
195 This remains to be seen.
196
197
198 [Continues on the next page]

199
200 **References**
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203 information construction. Data & Knowledge Engineering, 9(3), 287–319. doi:10.1016/0169-
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205
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212 L. Wong (Eds.), Active Conceptual Modeling of Learning - Lecture Notes in Computer Science
213 (Vol. 4512, pp. 168–193). Springer Berlin Heidelberg. doi:10.1007/978-3-540-77503-4_14
214
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217
218 Wikipedia (5 October 2015). Unified Modeling Language. Retrieved from
219 https://en.wikipedia.org/wiki/Unified_Modeling_Language
220
221 yWorks GmbH. (2015). yEd Graphical Editor (Version 3.14.4). Retrieved from
222 http://www.yworks.com/en/downloads.html#yEd
223
224
225 [Continues on the next page]
226

227
228   **ANNEX 1**
229
230
231   I have constructed different opinions about different issues, and on the following web page
232   are all written (PDF files) opinions:
233   http://www.jukkarannila.fi/lausunnot.html
234
235
236   **I have constructed specifically opinions related to information systems – both in English and**
237   **in Finnish.**
238
239   **Here is the list of opinions related to information systems.**
240
241   EN: Opinion 8: European Interoperability Framework, version 2, draft
242   http://www.jukkarannila.fi/lausunnot.html#nro_8
243
244   EN: Opinion 9: CAMSS: Common Assessment Method for Standards and Specifications, CAMSS
245   proposal for comments
246   http://www.jukkarannila.fi/lausunnot.html#nro_9
247
248   EN:Opinion 13: Final Committee Draft ISO/IEC FCD3 19763-2
249   http://www.jukkarannila.fi/lausunnot.html#nro_13
250
251   EN: Opinion 14: SFS discussion paper / SFS:n keskusteluasiakirja
252   http://www.jukkarannila.fi/lausunnot.html#nro_14
253
254   EN: Opinion 17: Opinion to Antitrust Case No. COMP/C-3/39.530
255   http://www.jukkarannila.fi/lausunnot.html#nro_17
256
257   EN: Opinion 18: Opinion Related to the Public Undertaking by Microsoft
258   http://www.jukkarannila.fi/lausunnot.html#nro_18
259
260   EN: Opinion 19: Official Acknowledgement by the Commission
261   http://www.jukkarannila.fi/lausunnot.html#nro_19
262
263   EN: Opinion 20: SECOND Opinion Related to the Public Undertaking by Microsoft
264   http://www.jukkarannila.fi/lausunnot.html#nro_20
265
266   EN: Opinion 21: Opinion about the European Interoperability Strategy proposal
267   http://www.jukkarannila.fi/lausunnot.html#nro_21
268
269   EN: Opinion 23: Public consultation on the review of the European Standardisation System
270   http://www.jukkarannila.fi/lausunnot.html#nro_23
271

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272 EN: Opinion 24: ISO/IEC JTC 1 / SC 34 / WGs 1, 4 and 5 in Helsinki 14-17 June 2010
273 http://www.jukkarannila.fi/lausunnot.html#nro_24
274
275 FI: Lausunto 29: Avoimen demokratian avoimen datan avaamisen detaljit (ADADAD)
276 http://www.jukkarannila.fi/lausunnot.html#nro_29
277
278 EN: Opinion 30: Internet Filtering
279 http://www.jukkarannila.fi/lausunnot.html#nro_30
280
281 FI: Lausunto 31: Terveydenhuollon tietotekniikasta
282 http://www.jukkarannila.fi/lausunnot.html#nro_31
283
284 EN: Opinion 32: COMP/C-3/39.692/IBM - Maintenance services
285 http://www.jukkarannila.fi/lausunnot.html#nro_32
286
287 FI: Lausunto 33: Julkishallinnon tietoluovutusten periaatteet ja käytännöt
288 http://www.jukkarannila.fi/lausunnot.html#nro_33
289
290 EN: Opinion 34: REMIT Registration Format
291 http://www.jukkarannila.fi/lausunnot.html#nro_34
292
293 EN: Opinion 37: CASE COMP/39.654 - Reuters instrument codes
294 http://www.jukkarannila.fi/lausunnot.html#nro_37
295
296 FI: Lausunto 38: SADe-ohjelman avoimen lähdekoodin toimintamallin luonnos
297 http://www.jukkarannila.fi/lausunnot.html#nro_38
298
299 EN: Opinion 39: Registry options to facilitate linking of emissions trading systems
300 http://www.jukkarannila.fi/lausunnot.html#nro_39
301
302 EN: Opinion 41: AT.39398: observations on the proposed commitments
303 http://www.jukkarannila.fi/lausunnot.html#nro_41
304
305 EN: Opinion 43: Publication of extracts of the European register of market participants
306 http://www.jukkarannila.fi/lausunnot.html#nro_43
307
308 EN: Opinion 45: About ICT standardisation
309 http://www.jukkarannila.fi/lausunnot.html#nro_45
310
311 EN: Opinion 46: Review of the EU copyright rules
312 http://www.jukkarannila.fi/lausunnot.html#nro_46
313
314 EN: Opinion 47: Sharing or collaborating with government documents
315 http://www.jukkarannila.fi/lausunnot.html#nro_47
316

Jukka S. Rannila

www.jukkarannila.fi

OPINION

5 October 2015

10 (12)

Public / WWW

317   FI: Lausunto 49: JSH 166 -suosituksen päivitys
318   http://www.jukkarannila.fi/lausunnot.html#nro_49
319

320   EN: Opinion 52: Trusted Cloud Europe Survey
321   http://www.jukkarannila.fi/lausunnot.html#nro_52
322

323   EN: Opinion 53: Trade Reporting User Manual (TRUM) (Draft)
324   http://www.jukkarannila.fi/lausunnot.html#nro_53
325

326   EN: Opinion 54: Government Content Management System
327   http://www.jukkarannila.fi/lausunnot.html#nro_54
328

329   EN: Opinion 55: European Energy Regulation
330   http://www.jukkarannila.fi/lausunnot.html#nro_55
331

332   EN: Opinion 56: National Identity Proofing Guidelines
333   http://www.jukkarannila.fi/lausunnot.html#nro_56
334

335   FI: Lausunto 58: Puoluekokousaloitteet / 2010 ja 2014
336   http://www.jukkarannila.fi/lausunnot.html#nro_58
337

338   EN: Opinion 59: Green paper on mobile Health
339   http://www.jukkarannila.fi/lausunnot.html#nro_59
340

341   EN: Opinion 60: Cross-border inheritance tax problems within the EU
342   http://www.jukkarannila.fi/lausunnot.html#nro_60
343

344   EN: Opinion 61: European Register of Products Containing Nanomaterials
345   http://www.jukkarannila.fi/lausunnot.html#nro_61
346

347   FI: Lausunto 65: Lausuntopyyntö nettiäänestystyöryhmän väliraportista
348   http://www.jukkarannila.fi/lausunnot.html#nro_65
349

350   EN: Opinion 66: Net Innovation for the Work Programme 2016-2017
351   http://www.jukkarannila.fi/lausunnot.html#nro_66
352

353   FI: Lausunto 67: Valtioneuvoston hanketiedon esiselvityksestä
354   http://www.jukkarannila.fi/lausunnot.html#nro_67
355

356   EN: Opinion 68: European Network Code Stakeholder Committees
357   http://www.jukkarannila.fi/lausunnot.html#nro_68
358

359   FI: Lausunto 69: Hallituksen esitys (luonnos 16.4.2015) vieraslajeista
360   http://www.jukkarannila.fi/lausunnot.html#nro_69
361

362   EN: Opinion 70: Providing better APIs in New Zealand
363   http://www.jukkarannila.fi/lausunnot.html#nro_70
364
365   EN: Opinion 71: Common Schema for the Disclosure of Inside Information
366   http://www.jukkarannila.fi/lausunnot.html#nro_71
367
368   EN: Opinion 72: Queensland biofuel mandate
369   http://www.jukkarannila.fi/lausunnot.html#nro_72
370
371
372
373   I have constructed different opinions about different issues, and on the following web page
374   are all written (PDF files) opinions:
375   http://www.jukkarannila.fi/lausunnot.html
376
377
378   [Continues on the next page]
379

380
381   **ANNEX 2**
382 DISCLAIMERS
383
384 Legal disclaimer:
385 All opinions in this opinion paper are personal opinions and they do not represent opinions of any legal entity I am
386 member either by law or voluntarily. This opinion paper is only intended to trigger thinking and it is not legal advice.
387 This opinion paper does not apply to any past, current or future legal entity. This opinion paper will not cover any of the
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389 actor making those actions.
390
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394 entity making law proposals.
395
396 These opinions are not meant to be extreme-right, moderate-right, extreme-centre [1], moderate-centre, extreme-left or
397 moderate-left. They are only opinions of an individual whose overall thinking might or might not contain elements of
398 different sources. These opinions do not reflect past, current or future political situation in the Finnish, European or
399 worldwide politics.
400
401 These opinions are not meant to rally for a candidacy in any public election in any level.
402
403 Content of web pages:
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419 the following web page:
420   http://creativecommons.org/licenses/by-nc-nd/4.0/
421   The English explanation is on the following web page:
422   http://creativecommons.org/licenses/by-nc-nd/4.0/legalcode
423

424
425

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1   Based on the Finnish three-party system there is a phenomenon called extreme-centre in Finland. The 2011
    parliamentary elections in Finland challenged the three-party system, since three "old" parties were not traditionally
    as the three largest parties. On 2015 this "new" party is part of the current Finnish Government. We all must be
    interested about this new development in Finland.

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