



Subject: Minutes of the 220th meeting of the AASB
Venue: Videoconference
Held: Thursday, 14 May 2026, 10.00 am – 12.56 pm

Agenda items were discussed in public, except for items 1 and 9.

Attendance

Members	Keith Kendall (Chair) Carolyn Cordery Rebecca Gordon (part of meeting) Adrian King Toby Langley Liza Maimone Mathew Nelson Sean Osborn Moana Overton (part of meeting)	
Apologies	Stephen Taylor (Deputy Chair) Rebecca Gordon (11.00 am – 11.25 am) Dean Hanlon David Holland Moana Overton (10.00 am – 11.36 am) Caroline Spencer	
Staff	Clark Anstis Patricia Au Mikhail Bhatia Jack Bisset Kim Carney Jamie Cattell Tom Frick Charis Halliday Kathleen John Eric Lee	Ao Li Lan Lu Maggie Man Lachlan McDonald-Kerr Sophie Pierson Sabine Schuhrer Helena Simkova Angus Thomson Hang Tran Jia Wei
Other	Claire Thomson – Agenda item 3	

Agenda and Chair's Report

Agenda Item 1 – discussed in private

The Chair noted the significant items on the agenda and provided the Board with an update on recent and future activities.



Apologies, Declarations of Interests, Minutes, Approvals

Agenda Item 2

Apologies

An apology for the meeting was noted from Dean Hanlon, David Holland, Caroline Spencer and Stephen Taylor and for part of the meeting from Rebecca Gordon and Moana Overton.

Declarations of Interests

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

Sean Osborn noted a particular interest in relation to agenda items 3, 4 and 5.

Minutes

The Board approved the minutes of the two hundred and nineteenth meeting, held on 19 March 2026.

Approvals Out of Session

The Board noted the out-of-session approval of the following AASB documents since the previous meeting:

- AASB 1061 *General Purpose Financial Statements – Not-for-Profit Private Sector Tier 3 Entities*
- AASB 2026-2 *Amendments to Australian Accounting Standards – Extending the Application of the Conceptual Framework and Limiting the Ability of Not-for-Profit Entities to Prepare Special Purpose Financial Statements.*

Presentation and Disclosure in Financial Statements of Superannuation and Not-for-Profit Entities

Agenda Item 3

The Board commenced deliberations on the feedback received in response to Exposure Draft ED 338 *Application of AASB 18 and AASB 107 by Superannuation and Not-for-Profit Entities and Operating Cash Flow Reconciliation.*

The Board considered the feedback on the proposals in ED 338 regarding the application of AASB 18 *Presentation and Disclosure in Financial Statements* and the revised AASB 107 *Statement of Cash Flows* by superannuation entities, not-for-profit (NFP) entities and for-profit public sector entities preparing Tier 1 general purpose financial statements (GPFS). The Board's decisions are summarised below.



Superannuation entities

The Board decided to:

- (a) require superannuation entities applying AASB 1056 *Superannuation Entities* to present primary financial statements in accordance with that Standard, rather than the presentation formats in AASB 18, including identifying the statement of changes in member benefits as a primary financial statement and classifying and presenting income and expenses in accordance with AASB 1056;
- (b) require superannuation entities to apply the AASB 18 requirements on labelling, aggregation and management-defined performance measures;
- (c) require superannuation entities to reconcile cash flows from operating activities to the profit or loss total presented in the statement of profit or loss; and
- (d) retain the existing accounting policy choice for classifying cash flows from dividends received and interest paid and received, for example as cash flows from operating activities.

NFP public sector entities (excluding universities)

The Board decided to:

- (a) require governments to continue presenting the GPFS of the Whole of Government and the General Government Sector in accordance with the formats specified in AASB 1049 *Whole of Government and General Government Sector Financial Reporting*, rather than the formats required by AASB 18;
- (b) provide accounting policy choices for NFP public sector entities to elect to apply certain AASB 18 requirements – such as the requirements for categorising income and expenses into the operating, investing and financing categories and the requirements for identifying and disclosing information about management-defined performance measures – thereby allowing relevant regulators to continue prescribing presentation formats that best meet users' information needs;
- (c) require NFP public sector entities to apply the AASB 18 requirements on labelling and aggregation;
- (d) permit NFP public sector entities to reconcile cash flows from operating activities to the profit or loss total presented in the statement of profit or loss if it does not present the operating profit or loss subtotal; and
- (e) retain the existing accounting policy choice for classifying cash flows from dividends received and interest paid and received, for example as cash flows from operating activities.

NFP private sector entities and universities

The Board decided to proceed to develop an Exposure Draft to address the following matters:

- (a) how the income and expense categorisation requirements in AASB 18 should be applied to NFP private sector entities and universities, including how income recognised under AASB 1058 *Income of Not-for-Profit Entities* should be categorised; and



- (b) whether, and in what circumstances, NFP private sector entities or universities might be considered to be investing in assets or providing financing as a specified main business activity.

For-profit public sector entities

The Board decided to require for-profit public sector entities to apply AASB 18 and the revised AASB 107 without modification.

Amendments to Australian Accounting Standards

To give effect to the above decisions regarding superannuation entities and NFP public sector entities, the Board agreed to add the following paragraphs (as proposed in ED 338, with refinements):

- (a) AASB 18 – paragraphs Aus23.1, Aus46.1, Aus78.1, Aus117.1 and AusB8.1;
- (b) AASB 107 – paragraphs Aus6.1 and Aus34D.1; and
- (b) AASB 1056 – paragraphs 10A, 12A and 22A.

The Board will consider feedback on the remaining topics in ED 338 at its next meeting.

Action:

Staff

AASB Agenda Consultation

Agenda Item 4

The Board received an update on the AASB 2027–2031 Agenda Consultation work, including a high-level summary of stakeholder feedback received in response to Invitation to Comment ITC 57 *AASB 2027–2031 Agenda Consultation*.

A detailed summary of the feedback received will be considered by the Board at the next meeting.

Action:

Staff

Post-implementation Review – Leases

Agenda Item 5

The Board considered a summary of the feedback received from not-for-profit (NFP) and public sector stakeholders in response to Sections 1 and 2 of Invitation to Comment ITC 55 *Post-implementation Review of AASB 16 Leases*. The Board acknowledged the feedback received, including concerns about the cost, complexity and judgements involved in applying AASB 16, as well as sector-specific challenges faced by those stakeholders. The Board noted that, although many of the concerns raised by NFP and public sector stakeholders appear similar to those identified by for-profit private sector entities, the effect of those concerns on NFP and public sector entities may differ.



The Board directed staff to continue monitoring the IASB's Post-implementation Review (PIR) of IFRS 16 *Leases*. Once the IASB has concluded its PIR, the Board will revisit the feedback received from NFP and public sector stakeholders and consider whether any further action is required in relation to AASB 16.

Action: Staff

Climate-related Financial Disclosure

Agenda Item 6

The Board received an update on implementation support and awareness-raising activities related to AASB S2 *Climate-related Disclosures* undertaken from February to May 2026.

The Board also noted a subcommittee recommendation that no change was required to the Terms of Reference of the AASB S2 Implementation Advisory Panel and that the membership composition would be finalised out-of-session by the Chair.

Action: Staff

Documents Open for Comment

Agenda Item 7

The Board decided not to comment on the tentative agenda decision on Reassessment of Control (IFRS 10) released by the IFRS Interpretations Committee in March 2026, the Exposure Draft *Consolidation Exception (IFRS for SMEs Accounting Standard)* released by the IASB in May 2026 and three IPSASB consultative documents released in April 2026:

- Consultation Paper *Presentation of Financial Statements*;
- ED 95 *Improvements to IPSAS Accounting Standards – Volume 10*; and
- ED 96 *Definition of an Operation and Recognition of Acquired Liabilities and Contingent Liabilities*.

The Board decided to undertake targeted outreach with key public sector stakeholders in respect of IPSASB ED 97 *Making Materiality Judgments* (a proposed IPSAS Practice Statement) before deciding whether to respond to the ED.

The Board also noted its previous decisions about commenting on the consultative documents already issued by international standard-setting bodies.

Action: Staff



Other Business – Public

Agenda Item 8

The Board noted the updates on recent IASB, IFRS Interpretations Committee, ISSB and IPSASB meetings and other items.

The Board received an update on the recent AASB-hosted roundtable regarding the IASB's Risk Mitigation Accounting (RMA) proposals, which was presented by senior IASB staff. The Board acknowledged the interest of stakeholders in participating in regular discussions on the proposed hedge accounting model and decided to establish an AASB RMA Discussion Group.

Action:	Staff
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Review of the Meeting

Agenda Item 9 – discussed in private

The Board reviewed the conduct of the meeting.

Close of the Meeting

The Chair closed the meeting at 12.56 pm on 14 May 2026.

Approval of Minutes

Signed by the Chair as a correct record,
this 19th day of June 2026.