



<b>Project:</b>	<b>Other Business – Public</b>	<b>Meeting:</b>	November 2021 (M184)
<b>Topic:</b>	<b>Cover Memo</b>	<b>Agenda Item:</b>	17.0
		<b>Date of the Agenda Paper:</b>	26 October 2021
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		<b>Decision-Making:</b>	n/a
		<b>Project Status:</b>	n/a

## Objective of this paper

- 1 The objective of this paper is to inform the Board about matters under Other Business – Public. Please refer to the tables below for details. These items are generally only for noting. **Action is required from the Board only on agenda item 17.3 – see page 4 in this memo.**

## AASB SUBMISSIONS

Paper No.	Title	Staff comment	Board action
N/A	<a href="#">IASB DP/2020/2 Business Combinations under Common Control</a>	The AASB submission to the IASB was lodged on 31 August 2021. The submission was finalised out of session by the nominated AASB sub-committee.	Included for noting only. No action required at this meeting.
N/A	<a href="#">Treasury Laws Amendment (Financial Reporting and Auditing Requirements for Registrable Superannuation Entities) Bill 2021 Exposure Draft</a>	The AASB submission to Treasury was lodged on 13 September 2021. The submission was finalised out of session via the Chair.	Included for noting only. No action required at this meeting.
N/A	<a href="#">IASB Third Agenda Consultation</a>	The AASB submission to the IASB was lodged on 22 September 2021.	Included for noting only. No action required at this meeting.

Paper No.	Title	Staff comment	Board action
N/A	<a href="#">IPSASB ED76 Conceptual Framework Update: Chapter 7, Measurement of Assets and Liabilities in Financial Statements</a> and <a href="#">IPSASB ED77 Measurement</a>	<p>The AASB submission to the IPSASB was lodged on 25 October 2021. The submission was finalised out of session by the nominated AASB sub-committee.</p>	Included for noting only. No action required at this meeting.

## CORRESPONDENCE

Paper No.	Title	Staff comment	Board action
17.1	G100 letter to the IASB on Power Purchase Arrangements	<p>The G100 has provided comments to the IASB in relation to accounting for Power Purchase Arrangements (PPA).</p> <p>A common approach to procuring renewable power is by entering into PPAs directly with renewable energy generators. From the perspective of an entity consuming the electricity, the PPA represents a normal supply contract (executory contract). The G100 suggests that the application of IFRS Standards for such situations is complex and counter-intuitive, which is acting as a barrier to direct action from Corporates in supporting the decarbonisation of the electricity grid.</p> <p>The G100 doesn't recommend any specific treatment, but does encourage the IASB to think about changing guidance/standards to remove complexity and impediments around PPAs.</p>	Included for noting only. No action required at this meeting.

## IASB AND IFRS IC UPDATES

Paper No.	Title	Staff comment	Board action
N/A	<a href="#">IASB September Update</a>	<p>Staff highlight the following IASB decisions for noting:</p> <p>Extractive Activities</p> <p>The Board tentatively decided the project's scope and objectives should be to explore two</p>	Included for noting only. No action required at this meeting

Paper No.	Title	Staff comment	Board action
		aspects of IFRS 6 <i>Exploration for and Evaluation of Mineral Resources</i> : a) developing requirements or guidance to improve the disclosure objectives and requirements about the entity's exploration and evaluation (E&E) expenditure and activities to provide more useful information to primary users of financial statements, and b) removing the temporary status of IFRS 6.	
N/A	<a href="#">IFRS IC Update September 2021</a>	Staff do not consider there are any matters to raise with the IASB in relation to their agenda decisions in their September meeting.  Staff have included recommendations for the Board to consider regarding the two tentative agenda decisions in agenda item 13.1 <i>Documents Open for Comment</i> .	Included for noting only. No action required at this meeting

#### IPSASB REPORT

Paper No.	Title	Staff comment	Board action
17.2	IPSASB Report	Report on the September 2021 meeting of the IPSASB.	Note risks and opportunities for the AASB.

#### ARTICLES AND NEWS

Paper No.	Title	Content of item	Board action
N/A	<a href="#">Insights from the implementation of AASB 1058</a>	The article explores some challenges arising from implementation of AASB 1058 .	Included for noting only. No action required at this meeting
N/A	<a href="#">Australian and New Zealand investors are feeling more confident</a>	CA ANZ's third annual investor confidence survey suggests retail investors have more confidence in the audited financial reports produced by public companies than they did last year.	Included for noting only. No action required at this meeting
N/A	<a href="#">XRB: Climate-related Disclosures</a>	The External Reporting Board (XRB) began consultation with business on the first part of the Government's proposed climate-related disclosure standards.  The XRB is seeking feedback on the proposed Governance and Risk Management sections, <i>Aotearoa New Zealand Climate</i>	Included for noting only. No action required at this meeting

Paper No.	Title	Content of item	Board action
		<i>Standard 1: Climate-related Disclosures (NZ CS 1).</i>	
N/A	<a href="#">World Standard-setters Virtual Conference 2021</a>	The World Standard-setters Conference took place on 27–28 September 2021 and provided an opportunity for national standard-setters to get an update on and discuss the IFRS Foundation’s activities. Recordings and materials for particular sessions are available.	Included for noting only. No action required at this meeting
N/A	<a href="#">Impressions, intentions and intangibles</a>	Andreas Barckow, Chair of the IASB, delivered his inaugural speech at the World Standard-setters Virtual Conference on 27 September 2021. Notably, Mr Barckow mentioned the intention to explore what can be done to increase transparency on intangibles.	Included for noting only. No action required at this meeting
N/A	<a href="#">EFRAG Webinar: Accounting for Crypto-Assets (Liabilities)</a>	A summary report of EFRAG’s webinar: Accounting for crypto-assets (liabilities), held on 6 July 2021, as well as the recordings of the event are available.	Included for noting only. No action required at this meeting
N/A	<a href="#">EFRAG Discussion Paper: Better Information on Intangibles: Which is the Best Way to Go?</a>	EFRAG has published a Discussion Paper on different possible approaches for better information on intangibles. EFRAG is asking constituents whether preparers can provide better information on intangibles, and if so, how. Comments are welcome by 30 June 2022.	Included for noting only. No action required at this meeting

## OTHER

Paper No.	Topic	Staff comment	Board action
17.3	Further deferral of the effective date of 2014 amendments to AASB 10 and AASB 128	The objective of this paper is for the Board to decide on a further-deferred effective date for amendments made in 2014 to AASB 10 <i>Consolidated Financial Statements</i> and AASB 128 <i>Investments in Associates and Joint Ventures</i> regarding the equity method of accounting.  A further deferral must be made via an amending Standard, to be voted on out of session. The most recent deferral was made through AASB 2017-5.	<b>Board members will be asked to decide</b> on a deferred effective date for these amendments.
17.3	Editorial corrections amending Standard	Staff will prepare an amending Standard that makes editorial corrections to various Australian Accounting Standards. The amending Standard	<b>Board members will be asked to decide</b> on including such

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		<p>will comprise both IASB corrections and AASB domestic corrections.</p> <p>Paragraph 10.1.3 of the <i>AASB Due Process Framework for Setting Standards</i> states that where the AASB decides that proposed amendments are editorial in nature and appropriate, the amending Standard can be approved by the Board without further due process. Out-of-session voting is therefore planned.</p>	<p>editorials with the 2014 amendments deferral Standard.</p>
N/A	<p><a href="#">AASB Staff Paper: Review of Executive Remuneration Disclosure Requirements</a></p>	<p>This staff paper was published on 30 September 2021. It assesses how the current Australian executive remuneration disclosure requirements compare to selected overseas jurisdictions for for-profit (listed), not-for-profit and public sector entities to provide further input into the public discussion on this topic.</p> <p>The AASB Agenda Consultation 2022–2026 will provide an opportunity to gather further feedback on this topic, such as identifying the key users and their information needs.</p>	<p>Included for noting only. No action required at this meeting</p>
N/A	<p><a href="#">AASB Staff Paper: Going Concern Disclosures: A Case for International Standard-Setting</a></p>	<p>This staff paper was published on 21 October 2021. The paper identifies potential areas for improvement relating to the existing going concern disclosure requirements in the IFRS Standards.</p> <p>Based on the findings of the paper, it is recommended that the IASB:</p> <ul style="list-style-type: none"> <li>(a). revisit IAS 1 <i>Presentation of Financial Statements</i> to include specific examples and more explicit step-by-step guidance for preparers on how to assess going concern in the Application Guidance of IAS 1; and</li> <li>(b). initiate a research project to better understand how regulation in various jurisdictions affect the preparation of financial statements if prepared on a non-going concern basis and the current diversity to assess whether any guidance should be issued.</li> </ul>	<p>Included for noting only. No action required at this meeting</p>
N/A	<p><a href="#">Exposure Draft - Australian Charities and Not-for-profits Commission Amendment (2021 Measures</a></p>	<p>The Government issued an exposure draft of legislation that would implement two reforms recommended in the Australian Charities and Not-for-profits Commission Legislation Review 2018 (Review). The Regulations would give effect to Recommendation 12 and Recommendation 14 of the Review. Recommendation 12 proposed increasing the</p>	<p>Included for noting only. No action required at this meeting.</p>

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	<a href="#">No. 3)</a> <a href="#">Regulations 2021</a>	<p>revenue thresholds defining small, medium and large registered charities. Recommendation 14 proposed requiring all registered charities to disclose related party transactions, with small registered charities to make a simplified disclosure involving a brief description of related party transactions.</p> <p>The consultation closed on 15 October 2021.</p> <p>The AASB submitted its <a href="#">comments</a> to the Treasury Thresholds Working Group in relation to the consultation on increasing financial reporting thresholds for ACNC-registered charities on 19 March 2021 and therefore did not comment on this consultation. AASB staff have also discussed the topic with Treasury staff.</p> <p>See agenda paper 7.1 for further details and consideration of interaction with the Not-for-Profit Financial Reporting Framework Project.</p>	