



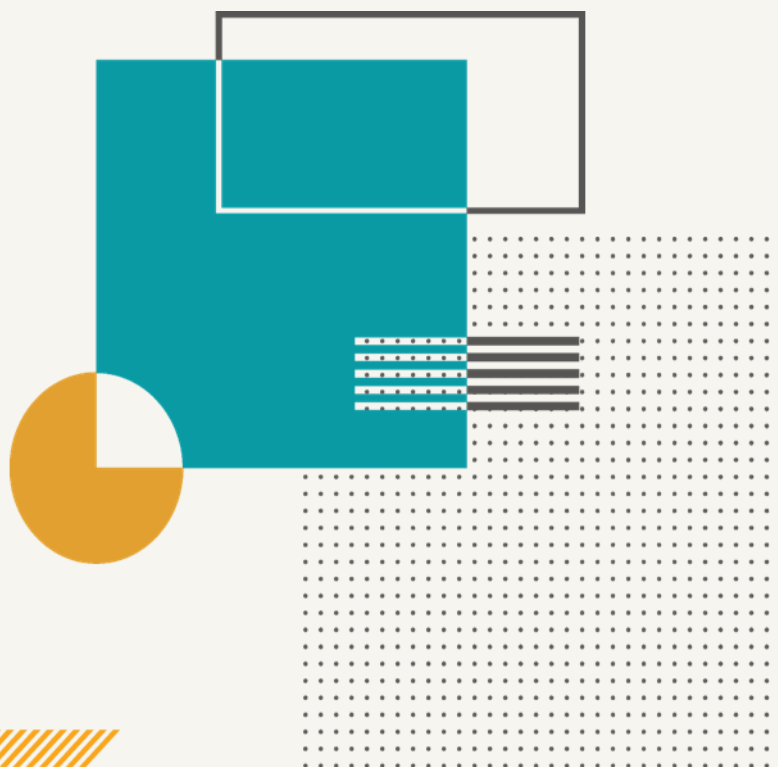
Australian Government

Auditing and Assurance Standards Board

Australian Accounting Standards Board

2024-25

Annual Report



**Australian Accounting Standards
Board**

and

**Auditing and Assurance
Standards Board**

2024-2025 Annual Reports

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LETTER OF TRANSMITTAL

24 September 2025

The Hon Dr Daniel Mulino MP
Assistant Treasurer, Minister for Financial Services
Parliament House
CANBERRA ACT 2600

Dear Minister,

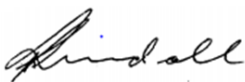
We have pleasure in presenting the annual reports for the year ended 30 June 2025 of the:

- Australian Accounting Standards Board (AASB) and the Office of the Australian Accounting Standards Board, and
- Auditing and Assurance Standards Board (AUASB) and the Office of the Auditing and Assurance Standards Board.

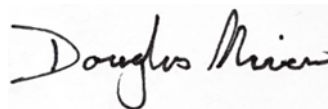
The reports have been prepared in accordance with the *Public Governance, Performance and Accountability Act 2013* (PGPA Act) and have been combined into one publication.

Section 46 of the PGPA Act requires the Chair of the AASB and the Chair of the AUASB to respectively prepare a report of the operations of the AASB and its Office, and the AUASB and its Office, during the year. The respective reports must be tabled in each House of the Parliament as soon as practicable.

Yours sincerely



Dr Keith Kendall
Chair and CEO
Australian Accounting Standards Board



Douglas Niven
Chair and CEO
Auditing and Assurance Standards Board

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ABBREVIATIONS

The following abbreviations are used by the AASB and AUASB in this report:

AASB	Australian Accounting Standards Board
ACNC	Australian Charities and Not-for-profits Commission
ANAO	Australian National Audit Office
AOSSG	Asian-Oceanian Standard-Setters Group
ASA	Australian Auditing Standard
ASAE	Australian Standard on Assurance Engagements
ASAF	Accounting Standards Advisory Forum
ASIC Act	<i>Australian Securities and Investments Commission Act 2001</i>
ASRE	Australian Standard on Review Engagements
ASSA	Australian Standard on Sustainability Assurance
AUASB	Auditing and Assurance Standards Board
CA ANZ	Chartered Accountants Australia and New Zealand
CPA	CPA Australia
EER	Extended External Reporting
FRC	Financial Reporting Council
GPFS	General Purpose Financial Statements
GST	Goods and Services Tax
IAASB	International Auditing and Assurance Standards Board
IAS	International Accounting Standards
IASB	International Accounting Standards Board
IFASS	International Forum of Accounting Standard Setters (formerly National Standard Setters (NSS))
IFRS	International Financial Reporting Standards
IFRS-IC	International Financial Reporting Standards Interpretation Committee
IIA	Institute of Internal Auditors
IPSASB	International Public Sector Accounting Standards Board
ISA	International Standard on Auditing
ISSB	International Sustainability Standards Board
JSS	Jurisdictional Standard Setters
NFP	Not-for-Profit
NSS	National Standards Setters
NZASB	New Zealand Accounting Standards Board
NZAuASB	New Zealand Auditing and Assurance Standards Board
PGPA Act	<i>Public Governance, Performance and Accountability Act 2013</i>
PSA	<i>Public Service Act 1999</i>
RDR	Reduced Disclosure Requirements (RDR)
SME	Small and Medium Enterprises

CONTACT DETAILS

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AASB AND AUASB PURPOSE, VISION AND MISSION

AASB Purpose & Vision	AUASB Purpose & Vision
Contribute to stakeholder confidence in the Australian economy, including its capital markets, and trust in external reporting.	Contribute to stakeholder confidence in the Australian economy, including its capital markets, and trust in auditing and assurance.
AASB Mission	AUASB Mission
Develop, issue and maintain principles-based Australian accounting and external reporting standards that meet user needs and enhance external reporting consistency and quality.	Develop, issue and maintain in the public interest, best practice Australian auditing and assurance standards and guidance that meet user needs and enhance audit and assurance consistency and quality.
Contribute to the development of a single set of accounting and external reporting standards for world-wide use.	Contribute to the development of a single set of auditing and assurance standards for world-wide use.

STRATEGY

AASB	AUASB
1. Develop, issue and maintain principles-based, Australian accounting and reporting standards and guidance that meet the needs of external report users (including financial reports) and are capable of being assured and enforced. For 'publicly accountable' entities maintain IFRS² compliance; for others, use IFRS Standards (where they exist), and transaction neutrality (modified as necessary), or develop Australian-specific standards and guidance. 2. Play a leading role in the reshaping of the Australian external reporting environment by working with standard setters and regulators to set requirements proportionate to user needs and costs to preparers. 3. Actively influence IASB⁴ ISSB⁵, IPSASB⁶ standards and other international accounting and external reporting standards and guidance, by demonstrating thought leadership and enhancing key international relationships. 4. Attain significant levels of key stakeholder engagement, through collaboration, partnerships and outreach. 5. Influence initiatives to develop standards and guidance that meet user needs for external reporting integral to financial reporting.	1. Develop and issue enforceable Australian Auditing and Assurance Standards that are in the public interest and meet the needs of stakeholders based on IAASB³ equivalents in accordance with AUASB functions and our strategic direction from the FRC. 2. Develop and maintain Australian-specific Standards and/or Guidance for topics not specifically addressed by IAASB Standards where required. 3. Influence international standards and guidance to achieve public interest outcomes and serve as the most effective base possible for Australian auditing and assurance standards. 4. Develop standards and guidance for assurance over sustainability information consistent with international standards, supplemented by guidance and education under the Australian climate reporting framework and a standard for the phasing in of assurance over sustainability reports. 5. Evidence-based research to inform standard setting and address emerging areas of auditing and assurance.

Australian Accounting Standards Board and Auditing and Assurance Standards Board Annual Reports 2024-25

AASB	AUASB
6. Monitor and respond to, or lead on, emerging issues impacting the development of accounting and external reporting standards, including changing technologies.	6. Monitor the Australian Assurance Environment and build strong stakeholder relationships to inform our AUASB priorities and facilitate consistent implementation of the AUASB's Standards.
7. Develop guidance and education initiatives, or promote development by others, to enhance the consistent application of accounting and external reporting standards and guidance.	

- Publicly accountable entities include those: a) with debt or equity instruments traded in a public market b) holding assets in a fiduciary capacity. (AASB 1053 *Application of Tiers of Australian Accounting Standards*)
- International Financial Reporting Standards
- International Auditing and Assurance Standards Board
- International Accounting Standards Board
- International Sustainability Standards Board
- International Public Sector Accounting Standards Board

AASB CHAIR'S REVIEW

OUR PERFORMANCE IN 2024-25

The AASB had a productive 2024-2025 financial year, continuing to strengthen stakeholder confidence in the Australian economy by advancing its strategic objectives. The Board remained focused on key initiatives that hold national significance such as simplifying not-for-profit (NFP) financial reporting requirements, developing and implementing climate-related financial disclosure requirements, as well as progressing the cash flow statement research project. We also enhanced collaborative relationships with a number of international standard-setters. This has paved the way for Australia to continue its leadership in global financial and sustainability reporting.

KEY MILESTONES

During the 2024-2025 financial year, amongst a large variety of achievements mentioned throughout this annual report, the AASB issued three new Standards, five Amending Standards, compiled 10 Standards, and issued nine Exposure Drafts and Invitations to Comment.

A major achievement this year, supporting the AASB's commitment to the sustainable economy, was the release of AASB S1 *General Requirements for Disclosure of Sustainability-related Financial Information* and AASB S2 *Climate-related Disclosures*.

STAKEHOLDER ENGAGEMENT AND COMMUNICATIONS

The AASB continued to make use of technology in order to continue to maintain and grow its engagement with stakeholders across the country and globally via virtual meetings, webinars, roundtables and speaking engagements during 2024-25.

Since February 2025, we have transitioned from a weekly E-news format to a streamlined monthly edition. Now titled *Reporting Roundup*, which offers stakeholders a concise overview of key AASB activities from the past month. We have also refreshed our approach to how we manage our LinkedIn page by featuring shorter 'sound-bite' type posts and use of imagery and infographics to engage audiences. LinkedIn follower growth continued steadily, surpassing 32,400 by the end of June 2025

We issued eight Exposure Drafts, released one Invitation to Comment, held four roundtables and outreach sessions and two Dialogue Series sessions. Our stakeholder outreach activities have made use of available communication channels to maximise the reach of our messages and audience.

The AASB together with the University of Technology Sydney, co-hosted the annual AASB Research Forum on 6 November 2024. This year, we offered the opportunity to attend in Sydney, or virtually from any other location worldwide with over 300 attendees (118 In-Person Attendees; 183 Virtual Attendees).

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The User Advisory Committee, which is comprised of 17 analysts, ratings agencies, fund managers and investor relations professionals from the for-profit sector, met three times during the year and continues to provide input, recommendations and feedback to the AASB staff.

Our strong rapport with industry stakeholders has also allowed us to broaden our brand reach through timely and topical news placements in Chartered Accountants Australia and New Zealand's (CA ANZ) and CPA Australia's newsletters, as well as their social media channels and members-only platforms.

The AASB maintained and enhanced its international engagement this year through various presentations and participating in international events. This included formally taking on the role of co-Chair of the International Forum of Accounting Standard Setters (IFASS) together with Canada's Accounting Standards Board (AcSB), publishing a joint research report with the Malaysian Accounting Standards Board (MASB) on Addressing Key Accounting Challenges, leading Asian-Oceanian Standard-Setters Group (AOSSG) to make two submissions to the IASB on Contracts for Renewable Electricity and Provisions. Significantly, the AASB and the External Reporting Board (XRB) of New Zealand were jointly appointed to the International Accounting Standards Board (IASB)'s Accounting Standards Advisory Forum (ASAF), effective from 1 January 2025. ASAF is an advisory forum founded by the IASB, in which members can constructively contribute towards the achievement of the IASB's goal of developing globally accepted high-quality accounting standards.

NOT-FOR-PROFIT SECTOR

The AASB continued working on several projects affecting the NFP private and public sectors during the year.

Notably, in October 2024, the AASB issued two important exposure drafts to support its work in reviewing the Australian financial reporting framework including the development of simplified accounting requirements for smaller NFP private sector entities via ED 334 *Limiting the Ability of Not-for-Profit Entities to Prepare Special Purpose Financial Statements* and ED 335 *General Purpose Financial Statements – Not-for-Profit Private Sector Tier 3 Entities*. ED 334 proposes amendments to the *Conceptual Framework for Financial Reporting* (Conceptual Framework) and Australian Accounting Standards (including Interpretations) to remove the ability for NFP entities to prepare special purpose financial statement via AASB 1057 *Application of Australian Accounting Standards* and to extend the applicability of the Conceptual Framework to NFP entities. Meanwhile, ED 335 proposes a new Tier 3 Australian Accounting Standard *General Purpose Financial Statements – NFP Private Sector Tier 3 Entities* with simplified recognition, measurement and disclosure requirements that apply to all eligible NFP private sector Tier 3 entities. The Board also continued its work on the development of a service performance reporting pronouncement for NFP entities.

Since January 2025, we have commenced working on several projects relevant to NFP public sector entities, including research on climate-related financial disclosure requirements for NFP public sector entities; application of AASB 18 *Presentation and Disclosure in Financial Statements* by NFP entities; and analysing the results of the Post-Implementation Review (PIR)

of AASB 1049 *Whole of Government and General Government Sector Financial Reporting* undertaken by the Financial Reporting Council in 2021.

We have continued working on the PIR of specific accounting pronouncements for NFP public and private sector entities including control, structured entities, related party disclosures and basis of preparation of special purpose financial statements. We completed the PIR of income of NFP Entities, resumed the PIR of AASB 1059 *Service Concession Arrangements: Grantors*, and commenced the PIR of AASB 16 *Leases* for NFP and public sector entities (together with for-profit private sector).

FOR-PROFIT SECTOR

During the year, the AASB continued to revise Australian Accounting Standards to ensure consistency with International Financial Reporting Standards (IFRS), while reflecting any Australian-specific issues.

For Tier 2 entities, the AASB issued amendments to Australian Accounting Standards – Classification and Measurement of Financial Instruments: Tier 2 Disclosures to amend AASB 1060 *General Purpose Financial Statements – Simplified Disclosures for For-Profit and Not-for-Profit Tier 2 Entities* which is applied on or after 1 January 2026. The amendments require Tier 2 entities to disclose information related to financial instruments with contractual terms that could change contractual cash flows depending on contingent event occurrence. Furthermore, the AASB issued an exposure draft on contracts referencing nature-dependent electricity – Tier 2 Disclosures in March 2025, proposing amendments to the AASB1060 that improve user understanding of the effects of these electricity contracts. The AASB also continued working on the PIR of AASB 1060 and AASB 2020-2 *Removal of Special Purpose Financial Statements for Certain For-Profit Private Sector Entities*.

It should also be highlighted that the AASB issued a new version of AASB 1048 *Interpretations of Standards* in November 2024, which gives legal effect to amended versions of Interpretations and also updates references in other Standards to amended Interpretations and conceptual framework pronouncements. The new version supersedes the previous version of AASB 1048, issued in December 2020.

To maintain IFRS compliance, the AASB issued amendments to Australian accounting standards relating to *Classification and Measurement of Financial Instruments Contracts*, *Effective Date of Amendments to AASB 10*, *AASB 128* and *Referencing Nature-dependent Electricity* and conducted annual improvement with minor improvements to five Standards to address inconsistencies or clarify requirements. The AASB also issued the Australian exposure drafts on *Translation to a Hyperinflationary Presentation Currency*, *Climate-related and Other Uncertainties in the Financial Statements*, *Equity Method of Accounting* and *Provisions– Targeted Improvements*. In addition, we provided submissions to the IASB exposure drafts on *Contracts for Renewable Electricity*, *Climate-related and Other Uncertainties in the Financial Statements*, *Equity Method of Accounting* and *Provision*. In Oct 2024, we hosted three sessions (2 in-person and 1 virtual) with the IASB member Ann Tarca and the IASB staff to introduce requirements of IFRS 18/AASB 18 *Presentation and Disclosure in Financial Statements*.

SUSTAINABILITY

The AASB has taken proactive steps to support capital market demand for more consistent, comparable and verifiable information about entities' exposure and management of sustainability-related risks and opportunities.

In the 2024–25 financial year, the AASB Board formally voted to pronounce AASB S1 and AASB S2 at its 209th meeting in September 2024. Approximately 50 staff papers were presented to finalise these two Standards in response to stakeholder feedback on ED SR1. AASB S1 is a voluntary Standard with the same scope and content as IFRS S1 *General Requirements for Disclosure of Sustainability-related Financial Information*, except for some transition reliefs that have been modified or omitted to align with the Standard's voluntary status. AASB S2 is a mandatory Standard for certain entities that incorporates most of the requirements in IFRS S2 *Climate-related Disclosures* with some modifications.

In April 2025, the AASB issued ED SR2 *Amendments to Greenhouse Gas Emissions Disclosures – Proposed amendments to AASB S2*, which incorporates ISSB ED/2025/1 (ISSB Exposure Draft *Amendments to Greenhouse Gas Emissions Disclosures – Proposed amendments to IFRS S2*) and proposes to clarify and provide additional relief for specific greenhouse gas emissions disclosure in response to application challenges identified by international stakeholders. The AASB made formal submissions to ISSB ED/2025/1, including a joint response with the UK Financial Reporting Council (UK FRC) and Sustainability Standards Board of Japan (SSBJ) to advocate for common areas of interest.

To assist the implementation of AASB S2, the AASB formed the AASB S2 Implementation Advisory Panel (IAP)—a dedicated forum of experts to support consistent, principles-based application across Australia. The IAP held its inaugural meeting in May 2025.

The AASB finalised two project plans to support Australian entities as they commence a phased approach to mandatory reporting using AASB S2 from 1 January 2025: AASB S2: Implementation Support and AASB S2: Industry-based Information.

To support Australian entities in understanding and preparing climate-related financial disclosures, the AASB launched the AASB S2 Knowledge Hub – a central repository of guidance and resources. The AASB has since published an Overview of Australian Sustainability Reporting Standards document, AASB S2 to TCFD Comparison document on the Knowledge Hub and detailed Frequently Asked Questions (FAQs).

The AASB hosted Sue Lloyd, Vice-Chair of the International Sustainability Standards Board (ISSB), in August 2024 for a presentation on the uptake of the ISSB Standards and their recently released Work Plan. The AASB also hosted the ISSB Vice-Chair in May 2025, where she participated in the inaugural meeting of the IAP and delivered keynote addresses at both the AIRA Annual Conference and the RIAA Conference.

Throughout this financial year, the AASB Chair and staff conducted extensive engagement with stakeholders throughout 2024-25, presenting on climate-related financial disclosures at several forums (the ImpactX Summit, Monash Sustainability Industry Engagement session, Australian Dairy Products Federation breakfast forum on Sustainability Reporting, S&P Global Market Intelligence Live Webcast: Deciphering the Australian Climate Risk Disclosures event, KPMG *Leaders 2050 Panel*, Victorian Public Sector Climate Working Group, CPA and IAI Business Breakfast, Fijian Institute of Chartered Accountants seminars, Dairy Manufacturer's Sustainability Council and Brentnalls Conference) and to various audiences (the Investor Group on Climate Change, FSC *ESG Working Group*, AFMA *Sustainability Data Disclosure Working*

Group and University of Melbourne Department of Accounting).

RESEARCH

We continue to uphold our evidence-informed standard-setting approach by obtaining evidence to ensure the Board will make informed decisions. The AASB values the contribution of research to our standard-setting process. High-quality research underpins our evidence-based approach to developing accounting standards in Australia.

In response to calls for the standard setter to make or formulate accounting standards which facilitate the Australian economy by reducing the cost of capital, in February 2025, the AASB collaborated with academics to publish a research report examining cost of capital estimation and its link to accounting standard-setting in Australia. In addition, in May 2025, the AASB Research Centre, jointly with Malaysian Accounting Standards Board and CPA Australia, released a research report that gathers stakeholder input for the IASB's future work plan and segment information disclosure on Australian Securities Exchange and Bursa Malaysia.

In 2024, the Board launched a tender process to bring multiple research opportunities to support the AASB workplan and active projects. Over 90 submissions were received through the tender process, with 25 research teams commissioned to work on 12 AASB research projects in August 2024. This level of activity demonstrates the AASB's commitment to research in shaping evidence-informed reporting standards and supporting the Board in making informed decisions.

The AASB together with the University of Technology Sydney, co-hosted the annual AASB Research Forum on 6 November 2024. This year, the AASB offered the opportunity to attend in Sydney, or virtually from any other location worldwide (118 In-Person Attendees; 183 Virtual Attendees). Academics and stakeholders from the for-profit, the NFP private and the public sector discussed three research projects: *How Do Firms Estimate Recoverable Amounts for Goodwill Impairment Testing? An Empirical Investigation*; *Is Australia Ready for 'Nature' Disclosures? Current Practice and Perspectives*; *Twenty Years of IFRS in Australia: Reflections and Forecasts*.

The AASB SSRN Working Papers Series disseminates current research or monographs relevant to the AASB's work on accounting and external reporting matters. During the year, the AASB accepted seven working papers and published them at the AASB SSRN. The six papers were published including *Market Reactions to Pronouncements on New Lease Accounting Standard, Real Effect and Segment Disclosure Policy: Implications for Investment Decision*, *Cost of Capital and Firm Value*, *Twenty Years of Mandatory IFRS in Australia: Evidence, Gaps and Future Insights*, *Disclosures of Carbon Credits in Australia*, *Statement of Cash Flows and Related Matters-Australian Listed Entities*, *Materiality Revisited – Preparer and Auditing Conceptualizations in Financial and Sustainability Contexts*, and *Connectivity and Boundaries of Climate-related Disclosures in Annual Reports*.

The AASB Dialogue Series provides an excellent opportunity for stakeholders to share different perspectives about the latest accounting and reporting developments. The series features presentations from leading experts in the field, as well as panel discussions on key accounting and reporting issues. During the year, two sessions (*The Changing Landscape of Carbon Offset Disclosures in Annual Reports* and *Cash Flow Statements – Is Cash Still King?*) were held with approximately 100 domestic and international stakeholders attending each session.

The AASB presented an update of AASB work at the 2024 Accounting and Finance Association of Australia and New Zealand (AFAANZ) annual conference to inform academics and

Australian Accounting Standards Board and Auditing and Assurance Standards Board Annual Reports 2024-25

researchers on research opportunities and research topics most relevant to the Australian economy. In addition, AASB staff were a panellist on a panel discussion entitled “What are National Accounting Standard-Setters Up to?” at the American Accounting Association Annual Conference at Washington, D.C. in the U.S in August 2024. In April 2025, staff were invited to attend and participate in the 2025 Emerging Financial Reporting Issues Research Symposium, hosted by the Financial Accounting Standards Board and the Chookaszian Accounting Research Center at the University of Chicago Booth School of Business. The AASB Chair participated in a panel, sharing insights and research findings from the AASB’s Cash Flow research project.

PEOPLE

We are pleased to announce that during 2024-25, we continued to operate effectively and efficiently, both remotely and in the office. During this year, we have successfully recruited new team members. We are continuing to work with Commonwealth Treasury and the Department of Finance to enable working towards standard setting in areas of critical national and international importance. Staff are the core of our business; their continued efforts have again ensured that we have been able to deliver to our stakeholders domestically and internationally. I would like to thank the staff for their commitment to standard setting.

LOOKING TOWARD 2025-26

The AASB will continue to enhance our already prominent stakeholder engagement activities further, both domestically and internationally.

We will continue conducting PIRs of several Australian Accounting Standards over the 2025-26 period. PIRs assess the effectiveness and efficiency of standards in achieving their objectives, without re-examining the entire standard. This process helps us determine if standards remain relevant and appropriate. The PIRs cover topics such as Tier 2 reporting framework (AASB 1060), service concession arrangements related to public sector grantors and leases relevant to all sectors.

The AASB will continue working on research projects that are significant for the Australian economy such as the AASB Agenda Consultation, Statement of Cash Flows, Intangible Assets, Public Sector Climate Disclosures Project.

We will also maintain our active role in international standard-setting through strong collaboration with the IASB, the ISSB, the IPSASB, and other global bodies. We will become the Chair of the AOSSG in the 2025-26 financial year (from November 2025), further reinforcing Australia's leadership and continuous influence on global accounting and sustainability standards.

The AASB will maintain close collaboration with the AUASB to address shared challenges, particularly those arising from the potential impact of Australian Accounting Standards on auditing and assurance practices. In 2025-2026, we will work together with the AUASB and engage with the entire financial reporting community to understand the implications of sustainability reporting on reporting, assurance, and regulation in Australia.

FINANCIAL RESULTS

The AASB has recognised a Total Comprehensive Surplus of \$597,643 (2024: deficit of \$733,007) as a result of costs reflecting expenditure incurred to deliver Sustainability Standards as well as to influence the development of a single set of global Reporting Standards.

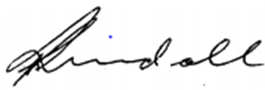
Management fees received from the AUASB were \$704,292 (2024: \$629,101) as provided for in our Memorandum of Understanding (MoU) (refer to Note 2A and 2B to the Financial Statements).

Note 8 to the Financial Statements provides further details of variances from the reported budget numbers.

ACKNOWLEDGEMENTS

I would like to thank the staff for their continued support and commitment during these unique times, the team have embraced the flexible working arrangements and have held a number of face-to-face and virtual stakeholder sessions during the year resulting in a significant quantity of high-level output.

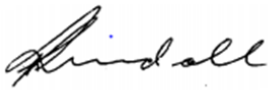
Sincerely

A handwritten signature in black ink, appearing to read 'Kendall', with a stylized flourish at the end.

Dr Keith Kendall
Chair and CEO
24 September 2025

AASB ANNUAL PERFORMANCE STATEMENT 2024-25

I, Keith Kendall, as the accountable authority of the Australian Accounting Standards Board, present the 2024-25 annual performance statement of the Australian Accounting Standards Board, as required under paragraph 39(1)(a) of the *Public Governance Performance and Accountability Act 2013* (PGPA Act). In my opinion, this annual performance statement is based on properly maintained records, accurately reflects the performance of the entity, and complies with subsection 39(2) of the PGPA Act Entity Purpose.



Dr Keith Kendall
Chair and CEO
24 September 2025

ENTITY PURPOSE

As set out in the Treasury Portfolio Budget Statements for 2024-25, the AASB's single outcome is to formulate and make accounting standards that are used by Australian entities to prepare financial reports and enable users of these reports to make informed decisions. The AASB's vision is to contribute to stakeholder confidence in the Australian economy, (including its capital markets) and in external reporting integral to financial reporting. Its mission and single program are:

- developing, issuing and maintaining accounting standards and guidance that meet user needs and enhance external reporting consistency and quality.
- contributing to the development of a single set of accounting and external reporting standards for world-wide use.

Our purpose is to:

- make accounting standards under the *Corporations Act 2001* for the purposes of the corporations legislation and for other purposes.
- participate in and contribute to the development of a single set of accounting standards for world-wide use.
- in a financial reporting context, enabling Australian entities to compete effectively.
- maintain investor confidence in the Australian economy, including its capital markets.
- having regard to the interests of Australian corporations raising capital in major international financial centres.

The Chair's report sets out the contextual basis for progress made on achieving our strategies and purpose.

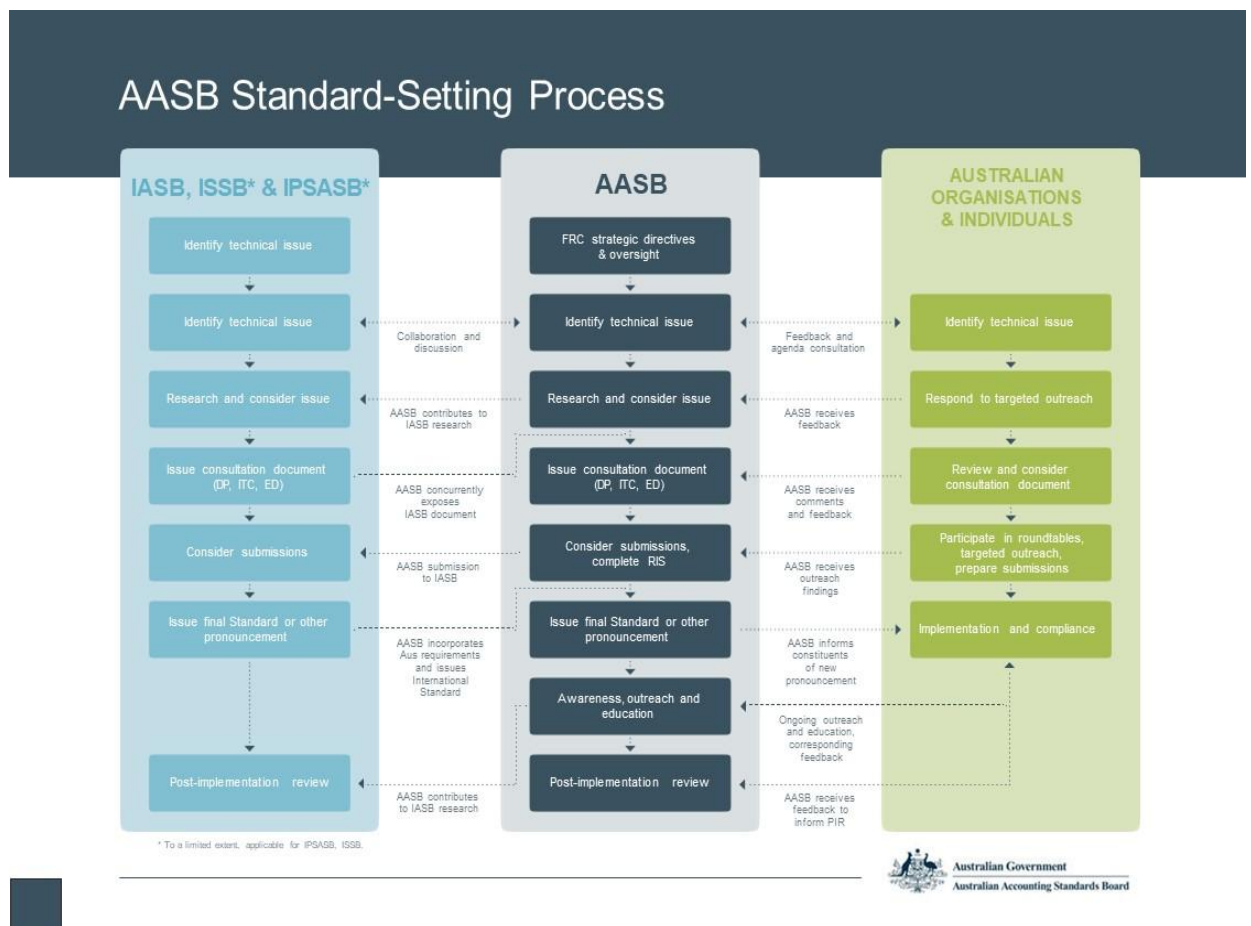
THE AASB'S STANDARD SETTING PROCESS

Developing, issuing and maintaining principles-based accounting standards

The AASB, in accordance with the FRC direction issued in 2002, has adopted IFRS accounting and external reporting standards as part of our strategy to facilitate confidence in the Australian economy.

Maintaining IFRS compliance for publicly accountable for-profit entities and using IFRS as a baseline for other entities, means that overseas investors understand our financial reporting and consistency helps reduce the costs incurred by our companies seeking to raise funds. In addition, using IFRS as a basis for other entities promotes professional mobility across the three sectors and also meets our objectives for improving comparability and user confidence in financial reporting.

The following diagram identifies the high-level interaction undertaken by the AASB in developing, issuing and maintaining Australian Accounting Standards.



AASB's STRATEGIES FOR ACHIEVING ITS PURPOSE

Strategy 1: Standard setting	Strategy 2: Australian external reporting framework	Strategy 3: International thought leadership	Strategy 4: Stakeholder engagement	Strategy 5: Influencing beyond financial reporting	Strategy 6: Emerging Issues	Strategy 7: Enhancing Consistency
Develop, issue and maintain accounting and reporting standards to meet needs of users, capable of being assured and enforced. 'Publicly accountable' entities IFRS compliant; for others, use transaction neutrality, modify IFRS, or develop Australian-specific standards and guidance.	Play a leading role in the reshaping of the Australian external reporting environment by working with standard setters and regulators to set requirements proportionate to user needs and costs to preparers.	Actively influence internationally IASB,ISSB, IPSASB, NZASB and AOSSG.	Attain significant levels of key stakeholder engagement through collaboration, partnership and outreach.	Influence initiatives to develop standards and guidance that meet user needs for external reporting integral to financial reporting.	Monitor and respond to, or lead on, emerging issues, including changing technologies.	Enhance consistent implementation, through stakeholder education initiatives.

2024-25 AASB ACTIVITIES AND RELATED KEY PERFORMANCE INDICATORS

The tables below identify the activities the AASB identified in its Corporate Plan and Parliamentary Budget Statement (PBS) as contributing to the seven strategies above, for the 2024-2025 reporting period. These tables also indicate whether or not the activities were achieved and, if not, why not.

1 - PERFORMANCE ACTIVITY FOCUS: BRAND/REPUTATION

Current Priorities	Status	Key Activities / Highlights
Define appropriate reporting frameworks for each of the three sectors - for-profit (e.g., listed and large proprietary companies), not-for-profit (e.g. charities) and public sector as well as create sustainability (Climate-related Financial Disclosures)	In progress / Partially completed	For-profit – - Issued AASB 2025-2 <i>Amendments to Australian Accounting Standards – Classification and Measurement of Financial Instruments: Tier 2 Disclosures</i> to amend AASB 1060 <i>General Purpose Financial Statements – Simplified Disclosures for For-Profit and Not-for-Profit Tier 2 Entities</i> in March 2025. - Issued ED 337 <i>Contracts Referencing Nature-dependent Electricity: Tier 2 Disclosures</i> in March 2025, which proposes amendments to the AASB 1060. NFP private sector – - Issued ED 334 <i>Limiting the Ability of Not-for-Profit Entities to Prepare Special Purpose Financial Statements</i> in October 2024. - Issued ED 335 <i>General Purpose Financial Statements – Not-for-Profit Private Sector Tier 3 Entities</i> in October 2024. Public sector – - Participating in FRC public sector advisory group

Current Priorities	Status	Key Activities / Highlights
		Sustainability – - AASB published the Voluntary Standard AASB S1 <i>General Requirements for Disclosure of Sustainability-related Financial Information</i> and the Mandatory Standard AASB S2 <i>Climate-related Disclosures</i> in October 2024. - Certain entities are required by the <i>Corporations Act 2001</i> to apply AASB S2 for annual periods beginning on or after 1 January 2025. - AASB S1 is the Australian equivalent of IFRS S1 <i>General Requirements for Disclosure of Sustainability-related Financial Information</i>. - AASB S2 is the Australian equivalent of IFRS S2 <i>Climate-related Disclosures</i>.
Agree and deliver on 3-year program of work Maintain IFRS and New Zealand compliance for for-profit Private sector “publicly accountable” entities Tailor IFRS appropriately for other sectors, including developing Australian-specific guidance Develop guidance on external reporting integral to financial reporting Develop guidance on emerging issues related to financial reporting	Ongoing	IFRS compliance maintained during this reporting period IASB-equivalent Standards were issued within two months of release by the IASB: - AASB 2024-2 <i>Amendments to Australian Accounting Standards – Classification and Measurement of Financial Instruments</i> - AASB 2024-3 <i>Amendments to Australian Accounting Standards – Annual Improvements Volume 11</i> - AASB 2024-4 <i>Amendments to Australian Accounting Standards – Effective Date of Amendments to AASB 10 and AASB 128</i> - AASB 2025-1 <i>Amendments to Australian Accounting Standards – Contracts Referencing Nature-dependent Electricity</i>

Current Priorities	Status	Key Activities / Highlights
		The AASB issued the following exposure drafts: - ED 331 <i>Climate-related and Other Uncertainties in the Financial Statements</i> - ED 332 <i>Classification and Measurement of Financial Instruments: Tier 2 Disclosures</i> - ED 333 <i>Equity Method of Accounting</i> - ED 336 <i>Provisions—Targeted Improvements</i> Issued a new version of AASB 1048 <i>Interpretations of Standards</i>, which gives legal effect to amended versions of Interpretations and also updates references in other Standards to amended Interpretations and conceptual framework pronouncements. The new version supersedes the previous version of AASB 1048, issued in December 2020. Made the following submissions: - AASB submission on IASB Exposure Draft/2024/8 <i>Provisions—Targeted Improvements—Proposed amendments to IAS 37 Provisions, Contingent Liabilities and Contingent Assets</i> - AASB submission on IASB Exposure Draft Equity Method of Accounting IAS 28 <i>Investments in Associates and Joint Ventures</i> - AASB submission on IASB Exposure Draft/2024/6 <i>Climate-related and Other Uncertainties in the Financial Statements</i> - AASB submission on IASB Exposure Draft/2024/3 <i>Contracts for Renewable Electricity: Proposed amendments to IFRS 9 and IFRS 7.</i>

Current Priorities	Status	Key Activities / Highlights
Enhance profile domestically and internationally Maintain and enhance key international relationships with IASB, IPSASB, NZASB, AOSSG, ISSB and International Financial Reporting for NPOs	Completed/ On track	AASB Chair and staff presented on various topics at the AFAANZ Conference held in Auckland, New Zealand, from 30 June to 2 July 2024: - Financial Reporting Special Interest Group (AASB update) - Public Sector and Not-for-Profit Special Interest Group (AASB update) - ESG special interest group (AASB update) - Research Panel (Research Grant and Research Impact) - AASB Session (AASB update/Information for Investors: Changing Priorities) AASB staff provided an update on public-sector-related projects at the HoTARAC meeting held virtually in July 2024 AASB staff provided views on several International Non-Profit Guidance (INPAG) proposals, including narrative reporting, grant model, the structure of INPAG and the presentation of financial statements at the Technical Advisory Group meeting held virtually in July 2024. AASB Chair signed a license agreement with IFRS Foundation for the use of the IFRS Sustainability Standards in July 2024. AASB hosted Sue Lloyd, Vice-Chair of the ISSB in Melbourne in August 2024. The Vice-Chair presented to a small audience on the uptake of the ISSB Standards and their recently released Work Plan. In May 2024, the AASB launched a tender process to bring multiple opportunities to the market's attention to support the AASB Work Plan. The AASB received over 90 submissions through the tender process. AASB announced the successful applicants that received funding of AASB Tender Program in August 2024.

Current Priorities	Status	Key Activities / Highlights
		AASB staff were panellists on a panel discussion entitled “What are National Accounting Standard-Setters Up to?” at American Accounting Association (AAA) Annual Conference at Washington, D.C., USA in August 2024. AABS staff presented on the draft Australian Sustainability Standards at ImpactX Summit in Melbourne in August 2024. AASB staff provided an update on the AASB’s public sector projects at the FRC Public Sector Advisory Group Meeting held virtually in September 2024. AASB staff provided views on the amendments in the third edition of the IFRS for SMEs Accounting Standard, on the Addendum to the Exposure Draft Third edition of the IFRS for SMEs Accounting Standard and Exposure Draft Amendments to IFRS 19 Subsidiaries without Public Accountability: Disclosures at the SME Implementation Group Meeting held virtually in September 2024. AASB staff presented on the topic of Greenwashing at the AFAANZ Auditing and Assurance Special Interest Group meeting held virtually in September 2024. AASB staff presented on the Role of Research in Accounting and Sustainability Reporting Standard Setting Process at the Philippines Institute of Certified Public Accountants Committee meeting held virtually in September 2024. AASB Chair and staff provided views on various topics at the AOSSG Interim meeting held in London in September 2024: AASB Chair presented opportunities for Asian-Oceanian Standard-Setters Group (AOSSG) members to collaborate on research and technical projects and encouraged collaborative research.

Current Priorities	Status	Key Activities / Highlights
		- AASB staff presented on Dynamic Risk Management. The AASB Chair and Staff provided perspectives on various accounting and reporting issues at the International Forum of Accounting Standard Setters (IFASS) meeting held in London in September 2024: - AASB Chair chaired a panel discussion on Power Purchase Agreements and also provided AASB's perspective on the IASB's proposals. - AASB Chair provided the AASB's perspectives on the Statement of Cash flows and related matters at the Cash-flow Reporting Panel discussion. - AASB staff provided AASB's perspectives on Climate-related and Other Uncertainties in the Financial Statements. - AASB staff provided AASB's perspectives on the topic of Intangible Assets AASB Chair and staff provided views on Power Purchase Agreements and Dynamic Risk Management, respectively, on behalf of the AOSSG at the ASAF meeting held in London in September 2024. AASB staff provided views on several International Non-Profit Guidance (INPAG) proposals, including concepts and pervasive principles, consolidated financial statements, revenue, inventories and grant expenses at the Technical Advisory Group meeting held in London in September 2024. AASB staff provided an update on AASB projects relevant to not-for-profit entities at the Australian Charities and Not-for-profits Commission (ACNC) Adviser and Sector Forum held in October 2024. AASB and IASB staff introduced proposed amendments to IAS 28 Investments in Associates and Joint Ventures in October 2024.

Current Priorities	Status	Key Activities / Highlights
		AASB staff presented at a webcast hosted by S&P on Deciphering the Australian Climate Risk Disclosures in October 2024. AASB staff hosted three Q&A sessions on IFRS 18 (2 in-person and 1 virtual) in October 2024. AASB hosted its Research Forum in November 2024 (118 In-Person Attendees; 183 Virtual Attendees). The AASB co-hosted the 2024 Research Forum with the University of Technology Sydney on 6 November. In 2024, the AASB offered the opportunity to attend in Sydney or virtually (online). AASB along with CPA Australia and the G100 hosted a Breakfast and Panel Session: Expanding the CFO Agenda – Risk is the name of the game, in Sydney. The event was facilitated by the AASB, and AASB staff participated in the panel session (37 attendees). AASB along with CA ANZ hosted a Senior Business Leaders Panel discussion event in Sydney on the Evolution of Corporate Reporting, Risks and Opportunities. The event was facilitated by the AASB (29 attendees). A bilateral meeting between the AASB and the Korea Accounting Institute (KAI) (including the Korea Accounting Standards Board, the Korea Sustainability Standards Board and the Korea Accounting Research Institute) occurred on 5 November 2024 in Sydney. The parties provided updates on activities and opportunities for cooperation. The Chairs of the AASB and the Accounting Standards Board of Japan (ASBJ) and the Sustainability Standards Board of Japan (SSBJ) met on 7 November 2024 in Sydney and provided updates on their respective activities and exchanged views on the opportunities for cooperation.

Current Priorities	Status	Key Activities / Highlights
		AASB staff presented virtually at the FRC Public Sector Advisory Group Meeting to provide updates on AASB public sector projects in November 2024. AASB staff participated in a panel discussion and provided views on the topic Climate-related disclosure reporting in Australia at the Monash Sustainability Industry Engagement session held at Monash University, Melbourne in November 2024. AASB staff provided project updates to FRAC members virtually at the FRAC meeting in November 2024. AASB staff presented principles and frameworks applicable to financial reporting and other key matters at a webinar held by the Australian Property Institute in November 2024. AASB staff presented at AOSSG on climate-related disclosure reporting in Australia in November 2024. AASB staff presented as part of the Dialogue Series on The Changing Landscape of Carbon Offset Disclosures in Annual Reports in December 2024 (86 attendees). AASB staff presented to the Victorian Government virtually at the Victorian Public Sector Climate Working Group in December 2024 on climate-related disclosure in the public sector. AASB staff presented at the KPMG Leaders 2050 Panel in both Melbourne and Sydney on climate-related disclosures in Australia. AASB staff presented virtually to the FSC at the ESG Working Group meeting in December 2024. AASB staff presented virtually at the AFMA Sustainability Data Disclosure Working Group in December 2024. AASB staff provided AASB updates on the not-for-profit sector at the ACNC Advisory Forum in December 2024.

Current Priorities	Status	Key Activities / Highlights
		AASB staff presented virtually at the December 2024 CAANZ Not-for-Profit Discussion Group event, “Update on ED 334 and ED 335 and how to engage to discuss ED 334 and ED 335.” AASB staff provided in-person updates at the ACNC Sector Forum in December 2024. AASB staff presented at Moore Australia in January 2025 for an AASB NFP Proposals Roundtable Discussion on ED 334 and ED 335. AASB signed a license agreement with the Chartered Institute of Public Finance and Accountancy to develop Australian non-profit local standards utilising INPAG in January 2025. In January 2025, AASB, CPA Australia and MASB developed a survey to contribute to the IASB’s upcoming agenda consultation. The survey was also circulated amongst AOSSG members. The results will be presented at the IFASS March 2025 meeting. AASB staff presented at HLB Mann Judd for the Exclusive Not for Profit (ENFP) Community Boardroom Briefing and provided an AASB NFP update in February 2025. AASB staff presented virtually at AFAANZ on ED334 and ED 335 (proposals to simplify reporting requirements for some NFP organisations) in February 2025. AASB Chair was hosted by the Fiji Institute of Chartered Accountants (FICA) to do a series of presentations in Suva and Nadi, covering a number of topics including sustainability reporting, NFP projects, digital financial reporting and engagement with the university sector in February 2025. AASB Chair presented at a roundtable held in February 2025 to provide updates on the AASB’s activities regarding sustainability reporting to an audience of Big 6 accounting firms in Melbourne.

Current Priorities	Status	Key Activities / Highlights
		AASB staff provided an update on public-sector-related projects at the ACAG-FRAC meeting held virtually and at the HoTARAC meeting held in Sydney in February 2025. AASB staff presented on Research and Impact at Monash University for Research and Impact Day in February 2025. AASB staff presented on Climate-related financial disclosures at the Brentnalls Conference held in Hobart in March 2025. AASB staff presented on AI and digital technologies in Standard Setting, and on Addressing Key Accounting Challenges at the IFASS March conference held in Naples in March 2025. AASB staff presented on Climate-related Financial Disclosures at the Dairy Manufacturer's Sustainability Council (DMSC) meeting held virtually in March 2025. AASB staff presented on Public Sector updates for Financial and Sustainability reporting at the Town Hall held by the South Australia Government in March 2025. AASB staff presented on Sustainability Reporting updated and a Research and Education Discussion at the University of Melbourne Department of Accounting presentation held in Melbourne in April 2025. The AASB hosted a panel discussion on 15 April 2025 with various external panellists about how cash flow statements and related disclosures can be improved and to better reflect the current complexity of business environments. AASB Chair and staff represented the AASB at the ASAF meeting in London in March 2025 and provided comments to IASB on various projects.

Current Priorities	Status	Key Activities / Highlights
		AASB and IFRS signed a licencing agreement for the AASB to have access to and to domesticate all IFRS education materials for the Australian economy. This agreement was signed in March 2025 in London. AASB Chair presented on AASB insights from the last five years for CPA Australia in London in March 2025. AASB Chair was a panellist on the "View from the Standard Setter/ Regulator's Seat" at the FASB Emerging Financial Reporting Issues Research Symposium meeting in Norwalk, Connecticut USA in April 2025. AASB staff and members of the Standard Setting Boards of Japan (Accounting and Sustainability) met in April 2025 in Tokyo, Japan. AASB staff and staff of the Korean Accounting Standards Institute met in April 2025 in Tokyo, Japan. AASB staff presented an update on CRFD regime virtually for an Australian government agency in May 2025. AASB staff presented on AASB SR work with University of Melbourne as an industry partner at the University of Melbourne in May 2025. AASB staff presented an ACNC Advisor Forum at the ACNC office Melbourne in May 2025. AASB staff presented an ACNC Sector Forum virtually for the ACNC in May 2025. AASB staff presented a tutorial on how to use the AASB Digital Standards Portal, virtually for CAANZ and CPAA in May 2025. AASB staff presented an overview of AASB Public Sector Update and LG Government depreciation discussion virtually for Public Sector Advisory Group, in May 2025.

Current Priorities	Status	Key Activities / Highlights
		AASB staff presented at ImpactX Summit in Melbourne on Climate-related Financial Disclosures in May 2025. AASB Chair attended and presented on Climate-related financial disclosure requirements in Australia and its Connectivity in Financial Statements at CPA and IAI Business Breakfast in Jakarta Indonesia in May 2025. AASB Chair had a bilateral meeting with the Financial Standards Setter (DSK IAI) and Sustainability Standards Setter (DSAK IAI) of Indonesia in Jakarta in May 2025. AASB Chair attended and presented at CPA event - Shaping the Future of Financial Reporting: Launch of the join CPA Australia - MASB - AASB Report and multiple events organized by MASB in Kuala Lumpur Malaysia in May 2025. AASB Chair had a bilateral meeting with the Malaysian Accounting Standards Board (MASB) in Kuala Lumpur in May 2025. AASB staff attended the European Accounting Association 47th Annual Congress in Rome in May 2025. AASB staff presented an overview of climate-related financial disclosures, virtually for CPA in June 2025. AASB staff presented at AFAANZ event in Brisbane on Navigating Climate-Related Financial Disclosures in Australia in June 2025. AASB staff presented at the Financial Reporting Training for the Victorian Public Sector in Melbourne in June 2025. AASB staff presented an overview of the AASB update virtually for CA ANZ in June 2025. AASB staff presented an Overview of climate-related financial disclosures virtually for CPA Australia Eastern Management Accounting Group in June 2025.

Current Priorities	Status	Key Activities / Highlights
		AASB staff hosted Sue Lloyd (Vice Chair, ISSB) for various meetings and events in May in Sydney and Melbourne, including: • Attending AASB S2 Implementation Advisory Panel (further detailed below) • ISSB Roundtable on Enhancing the SASB Standards (Metals & Mining) • Plenary presentation at the AIRA 2025 event • Plenary presentation at the RIAA 2025 event • CAANZ roundtable on AASB/ISSB exposure draft on proposed amendments to GHG emissions disclosures • Meeting with ASIC, AASB and ISSB • Meeting with Treasury, AASB and ISSB • Meeting with APRA, AASB and ISSB AASB Chair attended Fiji Institute of Chartered Accountants (FICA) Annual Congress in Nadi Fiji in June 2025. AASB Chair presented on global developments in standard setting and the AASB's engagement with the university sector at Fiji National University in Nadi Fiji in June 2025.
Due process followed to ensure the quality of standard-setting Evidence-informed approach to standard setting activities supports need for regulation and proposed solution Appropriate consultation in accordance with the due process framework	Completed / On track	No negative feedback in response to due process from FRC. On-going: staff completing compilation of standards. Events to educate and consult stakeholders: • Dialogue Series – two sessions held in 2024-2025, being <i>The Changing Landscape of Carbon Offset Disclosures in Annual Report</i> (86 Attendees), and <i>Cash Flow Statements - is Cash still King?</i> (124 Attendees)

Current Priorities	Status	Key Activities / Highlights
Preparation of regulatory impact statement assessing costs and benefits		- AASB Virtual Roundtable: AASB ED331 <i>Climate-related and Other Uncertainties in the Financial Statements</i> in September 2024 (170 attendees) - The AASB conducted multiple outreach sessions to consult with stakeholders on the proposals in ED 334 <i>Limiting the Ability of Not-for-Profit Entities to Prepare Special Purpose Financial Statements</i> and ED 335 <i>Limiting the Ability of Not-for-Profit Entities to Prepare Special Purpose Financial Statements</i>, including: two virtual outreach sessions (41 attendees) and two in-person outreach sessions (17 attendees). - IASB-AASB Virtual Educational Session: ED <i>Equity Method of Accounting—IAS 28 Investments in Associates and Joint Ventures</i> in October 2024 (78 attendees) - AASB-IASB Q&A sessions (in-person and virtual): IFRS 18 <i>Presentation and Disclosure in Financial Statements</i> in October 2024 - AASB Research Reports issued: - Research Report 23: <i>Understanding the Impact of Accounting Standards on the Cost of Capital</i> - AASB-MASB (Malaysian Accounting Standards Board) Joint Research Report <i>Addressing Key Accounting Challenges</i> - AASB established the Technical Insights Advisory Panel to advise on projects discussed at the Accounting Standards Advisory Forum (ASAF) meetings.

Current Priorities	Status	Key Activities / Highlights
		- Established the Project Advisory Panel to assist the staff and the Board with progressing the Service Performance Reporting (SPR) Project. - Established the AASB S2 Implementation Advisory Panel to help support the implementation of AASB S2 <i>Climate-related Disclosures</i>. The Panel consists of 15 members. It predominantly comprises preparers representing various sectors and other key stakeholders. The Advisory Panel is a forum for: - Australian stakeholders to submit implementation questions related to implementing AASB S2; - Identifying information to enable the AASB to determine what action may be needed to address issues in implementing AASB S2; and - Hearing from a range of Australian stakeholders to inform the AASB on matters being considered by the ISSB's Transition Implementation Group on IFRS S1 and IFRS S2 (ISSB TIG) that are relevant to AASB S2 (including Appendix D of AASB S2).
PIR conducted for all significant projects to assess quality of standard-setting.	Completed / On track	No indication of non-contribution to confidence in the economy Completed the PIR of Income of Not-for-Profit Entities (ITC 50 <i>Post-implementation Review – Income of Not-for-Profit Entities</i>). Resumed the PIR of certain Not-for-Profit topics (ITC 51 <i>Post-implementation Review of Not-for-Profit Topics – Control, Structured Entities, Related Party Disclosures and Basis of Preparation of Special Purpose Financial Statements</i>).

Current Priorities	Status	Key Activities / Highlights
Improve consistency of implementation: Educate stakeholders on the AASB standards, support materials available, including why standards introduced Support and encourage high quality teaching of the Australian financial reporting framework and standards at Australian educational institution	Completed / On track	Resumed the PIR of AASB 1059 <i>Service Concession Arrangements: Grantor</i> (ITC 49 <i>Post-implementation Review of AASB 1059 Service Concession Arrangements: Grantors</i>). Continued working on the PIR of AASB 1060 <i>General Purpose Financial Statements – Simplified Disclosures for For-Profit and Not-for-Profit Tier 2 Entities</i> and AASB 2020-2 <i>Removal of Special Purpose Financial Statements for Certain For-Profit Private Sector Entities</i>. Commenced the PIR of the leases Standard by issuing ITC 55 <i>Post-implementation Review of AASB 16 Leases</i> covering both the IASB's IFRS 16 PIR for for-profit private sector entities and the AASB's domestic PIR of AASB 16 for NFP and public sector entities. AASB provided updates on climate disclosure consultation, which explained the key changes following the consultation, including the areas where the AASB has taken a back to baseline approach. Research Report 23: <i>Understanding the Impact of Accounting Standards on the Cost of Capital</i> AASB-MASB (Malaysian Accounting Standards Board) Joint Research Report <i>Addressing Key Accounting Challenges</i>

2 - PERFORMANCE ACTIVITY FOCUS: STAKEHOLDER ENGAGEMENT

Current Priorities	Status	Key Activities / Highlights
Enhance stakeholder engagement	Completed / On track	LinkedIn main page followers increased by 6.71% over the twelve months to June 2025. The AASB together with the University of Technology Sydney, co-hosted the annual AASB Research Forum on 6 November 2024. This year, the AASB offered the opportunity to attend in Sydney, or virtually from any other location worldwide (118 In-Person Attendees; 183 Virtual Attendees).
Conduct Agenda consultations to determine projects and priorities	Completed / On track	2022-2026 Agenda Consultation Feedback Statement was issued in August 2022. The next Agenda consultation process is expected to be undertaken in 2026

3 - PERFORMANCE ACTIVITY FOCUS: PEOPLE & CULTURE

Current Priorities	Status	Key Activities / Highlights
Develop and implement People and Culture strategy	Completed / On track	Ongoing process Staff are encouraged to register for work-related training of their choice as part of employee growth A flexible working policy has been implemented that allows employees to divide their work hours between the office and remote locations. However, a minimum of 50% of the work hours must be spent on-site.
New starter processes improved to support flexible subject matter expert involvement	Completed / On track	Onboarding manual is continuously being updated. The onboarding manual is a working document which has insights and information regarding processes that take place at the AASB

Current Priorities	Status	Key Activities / Highlights
Understand current capability (talent mapping)	Completed / On track	Ongoing process – promotions during the year based on performance External experts used for specific projects
Resource planning to develop skills and allocate them appropriately	Completed / On track	Additional resources engaged as contractors to assist with workplan delivery Utilisation of employees regularly monitored Regular resource planning meetings in place to identify the need for project prioritisation or for external resources.

4 - PERFORMANCE ACTIVITY FOCUS: TECHNOLOGY

Current Priorities	Status	Key Activities / Highlights
Develop and implement an IT strategy that enables flexible, seamless working via cloud	Completed / On track	All AASB staff are capable of working remotely - no significant issues. External webinars hosted via ZOOM and TEAMS
Website refreshed to improve stakeholder experience and engagement	Completed / On track	Corporate website content continually updated AASB pronouncements Web Portal: Accounting Standard versions are now linked to the portal versions of relevant Interpretations and AASB Agenda Decisions, rather than PDF versions, making their content directly more accessible.

5 - PERFORMANCE ACTIVITY FOCUS: OPERATIONAL & BUSINESS EXCELLENCE

Current Priorities	Status	Key Activities / Highlights
Develop strategy supporting operational excellence and regulatory compliance	Completed / On track	Continuous Compliance tasks completed by appropriate deadline date No breaches of regulatory obligations identified
Key processes and standards documented	Completed / On track	FP and NFP standard setting frameworks, Due process document, Annual Report and Corporate Plan published on AASB website (and Transparency Portal as appropriate) All Finance procedures and policies are documented and updated according to the update schedule
Knowledge and information sharing support flexible subject matter expert involvement	Completed / On track	Staff participate in monthly lunch and learn sessions to share knowledge from subject matter expert
Continuous improvement of operational processes to achieve planned outcomes	Completed / On track	Working from home has focused AASB on ensuring critical operational tasks and processes can be sustained remotely. Core operational tasks being monitored and continuously improved to minimise slippage in internal and external service delivery

6 - PERFORMANCE ACTIVITY FOCUS: PROGRAM & PROJECT MANAGEMENT

Current Priorities	Status	Key Activities / Highlights
Develop a strategy to improve program and project management	Completed / On track	Utilisation of employees regularly monitored Regular resource planning meetings in place to identify the need for project prioritisation for external resources
Identify and establish frameworks and processes to allocate resources appropriately, establish and monitor accountabilities	Completed / On track	Timesheet process being used to refine new project plans (work effort required) as well as ensuring work-life balance is maintained Continuous review process implemented to assess completion of projects (on target, off-target) as well as reviewing effort required to complete.
Allocate resources efficiently and effectively	Completed / On track	Given the funding position and the available resources, the AASB has restructured its work program. Projects have been prioritised based on their importance.

OUTPUTS

The AASB's standards, exposure drafts and other research reports are listed in the tables below.

Financial Reporting Standards

AASB 2024-2	<i>Amendments to Australian Accounting Standards - Classification and Measurement of Financial Instruments</i>
AASB 2024-3	<i>Amendments to Australian Accounting Standards – Annual Improvements Volume 11</i>
AASB 2024-4	<i>Amendments to Australian Accounting Standards – Effective Date of Amendments to AASB 10 and AASB 128</i>
AASB 2025-1	<i>Amendments to Australian Accounting Standards – Contracts Referencing Nature-dependent Electricity</i>
AASB 2025-2	<i>Amendments to Australian Accounting Standards – Classification and Measurement of Financial Instruments: Tier 2 Disclosures</i>

Financial Reporting Exposure Drafts

ED 331	<i>Climate-related and Other Uncertainties in the Financial Statements</i>
ED 332	<i>Classification and Measurement of Financial Instruments: Tier 2 Disclosures</i>
ED 333	<i>Equity Method of Accounting</i>
ED 334	<i>Limiting the Ability of Not-for-Profit Entities to Prepare Special Purpose Financial Statements</i>
ED 335	<i>General Purpose Financial Statements – Not-for-Profit Private Sector Tier 3 Entities</i>
ED 336	<i>Provisions—Targeted Improvements</i>
ED 337	<i>Contracts Referencing Nature-dependent Electricity: Tier 2 Disclosures</i>

Financial Reporting Invitations to Comment

ITC 55	<i>Post-implementation Review of AASB 16 Leases</i>
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Australian Sustainability Reporting Standards

AASB S1	<i>General Requirements for Disclosure of Sustainability-related Financial Information</i>
AASB S2	<i>Climate-related Disclosures</i>

Sustainability Reporting Exposure Drafts

ED SR1	<i>Australian Sustainability Reporting Standards - Disclosure of Climate-related Financial Information</i>
ED SR2	<i>Amendments to Greenhouse Gas Emissions Disclosures</i>

Research Papers

No. 23	Understanding the Impact of Accounting Standards on the Cost of Capital
No. 24	Addressing Key Accounting Challenges

AASB Authoritative Pronouncements can be accessed via the AASB Portal at:

<https://standards.aasb.gov.au> .

The Standard-setting and Research Centre Work Programs can be accessed via www.aasb.gov.au/current-projects/work-program

AUASB CHAIR'S REVIEW

OUR PERFORMANCE IN 2024-25

During 2024-25 the AUASB focused on assurance standards to support confidence in mandatory sustainability information reported by Australia's largest companies from years commencing 1 January 2025.

In January 2025, the day after the launch by the international assurance standard, the AUASB issued ASSA 5000 *General Requirements for Sustainability Assurance Engagements* which applies to mandatory and voluntary assurance over climate and other sustainability information. ASSA 5000 is consistent with the International Auditing and Assurance Standards Board's (IAASB's) ISSA 5000 *General Requirements for Sustainability Assurance Engagements* and contributes to greater international alignment of assurance over climate and other sustainability information.

The AUASB also approved ASSA 5010 *Timeline for Audits and Reviews of Information in Sustainability Reports under the Corporations Act* which phases in limited and reasonable assurance over mandatory climate-related financial information. ASSA 5010 was developed following extensive consultation with a wide range of stakeholders.

The Office of the AUASB has continued to develop guidance and education materials to support the implementation of ASSA 5000.

Standards and guidance for assurance over information in financial reports remains fundamental to market and investor confidence. The AUASB continued its important work in this area during 2024-5.

SUSTAINABILITY

The AUASB undertook extensive consultation in 2023/24 on the IAASB's development of ISSA 5000 and, which was a basis for and in January 2025 approved ASSA 5000.

Immediately following enactment of the climate disclosure legislation in September 2024, the AUASB issued an Exposure Draft of the proposed ASSA 5010 (ED 02/24) to gather feedback on a proposed assurance phasing model. This was supported by roundtables and meetings with stakeholders and analysis of population data.

The AUASB received 29 responses to ED 02/24. In January 2025 the AUASB approved the final ASSA 5010.

The AUASB also issued a Consultation Paper seeking stakeholder views on an Australian specific prohibition of direct assistance provided by internal auditors in sustainability assurance, consistent with the approach for financial statement audits. The AUASB received 9 responses to the Consultation Paper and also met with key stakeholders. The prohibition was included in the final ASSA 5000.

Australian Accounting Standards Board and Auditing and Assurance Standards Board Annual Reports 2024-25

In May 2025 the AUASB released an Exposure Draft proposing amendments to ASSA 5000 to address practical implementation matters related to ethics and the effective date for green bond assessments. Following extensive consultation and outreach, the AUASB amended ASSA 5000.

NEW GOING CONCERN AND FRAUD STANDARDS

Following extensive consultation with Australian stakeholders to inform the AUASB's submissions to the IAASB on their Exposure Drafts, the AUASB approved the following major new standards for financial report audits with application for years commencing on or after 15 December 2026:

- the adoption of a revised ASA 570 *Going Concern*. The revised standard includes new requirements for the auditor to respond to identified risks of material misstatement related to going concern.
- the in-principle approval of a revised ASA 240 *The Auditor's Responsibilities Relating to Fraud in an Audit of a Financial Report*.

CONSOLIDATED ENTITY DISCLOSURE STATEMENT

The Act was amended on 8 April 2024 to require all public companies to include a Consolidated Entity Disclosure Statement (CEDS) in their annual financial reports from 30 June 2024 year ends. There was strong demand for the AUASB to issue guidance on the audit implications of the CEDS. The AUASB developed a Bulletin which was issued in July 2024.

ARTIFICIAL INTELLIGENCE

The AUASB developed an information sheet outlining considerations for auditors in the use of artificial intelligence (AI) tools on audit engagements, the approach to use of AI by audited entities and the use of AI in developing communications. The final information sheet was issued in July 2025.

QUALITY MANAGEMENT AND ETHICS

The AUASB continued working with Treasury on the ability of the Board to make firm quality management standards and relevant ethical requirements that are enforceable under the Corporations Act.

PUBLIC SECTOR

The AUASB was advised by a Project Advisory Group consisting of practitioners from the State, Territory and Commonwealth Audit Offices on proposed narrow scope amendments to ASAE

3500 *Performance Engagements* to address findings from a post-implementation review. In May 2024, the AUASB issued an exposure draft on these narrow scope revisions and issued a revised standard in December 2024.

INTERNATIONAL INFLUENCE

The AUASB's legislative mandate includes participating in and contributing to the development of a single set of auditing standards for worldwide use. Standards issued by the IAASB are a base from which local standards are developed.

We continue to influence the direction of international standards through submissions and direct engagement with the IAASB in the public interest and to make sure their standards serve as the most effective foundation for our Australian standards.

The AUASB monitored, contributed to and influenced the work of the IAASB through:

- Continuing my role on the IAASB and IESBA Stakeholder Advisory Council (SAC), which provides feedback on strategic matters relating to standards and attending its meetings in November 2024 and May 2025;
- Participating in the Jurisdictional Standard Setters (JSSs) meetings with the IAASB in May 2025 which discussed key matters on the development of international standards;
- Participating in an IAASB working group on the development of illustrative sustainability assurance reports;
- Outreach to stakeholders and submissions on IAASB exposure drafts;
- Supporting a member of the IAASB by reviewing IAASB papers and providing suggestions on key issues to be raised at IAASB meetings. The AUASB Director - Technical acts as an IAASB Technical Advisor.
- Inviting the Executive Director of Regulatory Standards of the UK Financial Reporting Council to update the AUASB Board on legislation and standard setting developments in the UK.
- Australia and New Zealand continue to work closely together to coordinate our respective responses to Trans-Tasman auditing standards.

OTHER PROJECTS

Other AUASB projects included:

- Approving Public Interest Entity (PIE) Track 1 amendments to ASA 700 *Forming and Opinion and Reporting on a Financial Report* and ASA 260 *Communication With Those Charged With Governance*;
- Revising ASA 102 *Compliance with Ethical Requirements when Performing Audits, Reviews and Other Assurance Engagements* to give legal backing to the latest version of the APESB Code of Ethics;
- Working on updates to GS 002 *Audit Implications of Prudential Reporting Requirements for Registered Superannuation Entities*, GS 007 *Audit Implications of the Use of Service*

Organisations for Investment Management Services and GS 011 *Third Party Access to Audit Working Papers*;

- Issuing a consultation paper with proposed narrow scope amendments to standards on the use of external experts;
- Updating the auditor's responsibilities statements to reflect the changes arising from ASA 600 *Special Considerations—Audits of a Group Financial Report (Including the Work of Component Auditors)*; and
- Publishing several research reports.

STAKEHOLDER ENGAGEMENT AND COMMUNICATION

In the last year, the AUASB engaged with stakeholders across the country at speaking engagements and at national and international meetings. The AUASB continued to use virtual meetings and webinars, while also re-engaging face-to-face with stakeholders.

LOOKING TOWARD 2025-26

During 2025-26 we will continue to work closely with the AASB and engage with stakeholders through the financial reporting eco-system as we develop guidance to support high quality sustainability assurance. We will continue to monitor developments on sustainability reporting and assurance through stakeholder engagement and other activities.

Our work plan will continue to prioritise important projects in the context of financial report assurance and other types of assurance.

We will continue to actively contribute to international assurance standard-setting in areas such as sustainability, audit evidence and technology. We will continue to contribute through the IAASB and IESBA SAC and IAASB JSS group.

FINANCIAL RESULTS

The AUASB has recognised a total Comprehensive surplus of \$1,397,088 (2024: surplus of \$364,150). Travel costs were down in 2024-2025 with International and Domestic travel not occurring as budgeted. Employee costs, whilst increased on the prior year, headcount was lower than budgeted, and employees took an increased amount of annual leave.

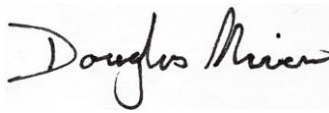
The management fee paid to the AASB was \$704,292 (2024: \$629,101) (refer to Notes 2A and 2B to the Financial Statements). The AASB pays for shared costs such as rent and, electricity and recharges the AUASB for its proportion through the management fee.

ACKNOWLEDGEMENTS

I thank the members of the AUASB Board for their considerable contributions over the past year. I also express my appreciation to the Office of the AUASB staff for their dedication and their effective and efficient support of the AUASB Board.

I thank the AASB Chair, Dr Keith Kendall, and AASB staff for the continued close co-operation between the AASB and AUASB. I look forward to continuing to work with the Chair of the FRC, Mr Andrew Mills, and other FRC members on a range of matters impacting the Australian reporting and assurance landscape.

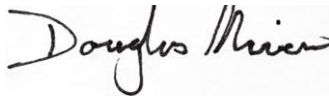
Sincerely

A handwritten signature in black ink that reads "Douglas Niven". The signature is written in a cursive, flowing style.

Douglas Niven
Chair and CEO
14 October 2025

AUASB ANNUAL PERFORMANCE STATEMENT 2024-25

I, Douglas Niven, as the accountable authority of the Auditing and Assurance Standards Board, present the 2024-25 annual performance statement of the Auditing and Assurance Standards Board (AUASB), as required under paragraph 39(1)(a) of the *Public Governance Performance and Accountability Act 2013* (PGPA Act). In my opinion, this annual performance statement is based on properly maintained records, accurately reflects the performance of the entity, and complies with subsection 39(2) of the PGPA Act.



Douglas Niven
Chair and CEO
14 October 2025

ENTITY PURPOSE

The functions of the AUASB are to:

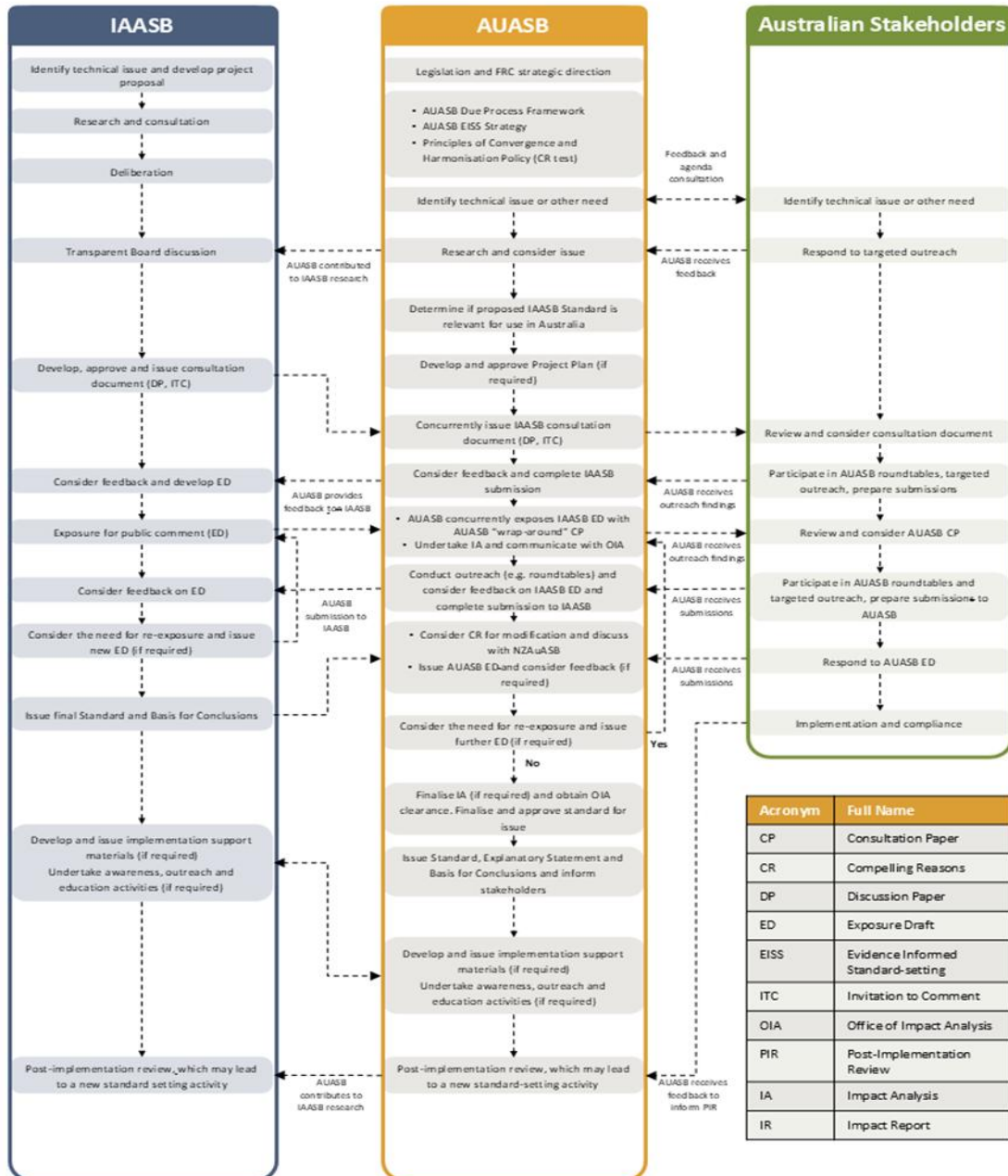
- make auditing standards under section 336 of the *Corporations Act 2001* for the purposes of the Corporations' Legislation
- formulate auditing and assurance standards for other purposes
- formulate guidance on auditing and assurance matters
- participate in and contribute to the development of a single set of auditing standards for world-wide use
- advance and promote the main objectives of Part 12 of the *Australian Securities and Investments Commission Act 2001*.

THE AUASB STANDARD SETTING PROCESS

The AUASB issues IAASB Exposure Drafts (EDs) in Australia concurrently with their release internationally. The ED may be accompanied by a 'wrap around' with Australian specific questions.

The AUASB's full Standard-Setting process is set out below.

AUASB Due Process Framework for Setting Standards



AUASB's STRATEGIES FOR ACHIEVING ITS PURPOSE – 2024/25

Strategy 1 and 2: Standards and Guidance		Strategy 3: International Influence	Strategy 4: Audit Quality	Strategy 5: Thought Leadership	Strategy 6: Frameworks	Strategy 7: Stakeholder Engagement
Develop and issue enforceable Australian Auditing and Assurance Standards that are in the public interest and meet the needs of stakeholders based on IAASB equivalents in accordance with AUASB functions and our direction from the FRC.	Develop and maintain Australian-specific Standards and/or Guidance for topics not specifically addressed by IAASB Standards where required.	Influence international standards and guidance to achieve public interest outcomes and serve as the most effective base possible for Australian auditing and assurance standards.	Identify and implement initiatives designed to enhance Audit Quality in Australia.	Demonstrate thought leadership through robust evidence-based research to inform strategic projects that address emerging areas of auditing and assurance.	Partner with the AASB and others to reform the Australian external reporting and assurance frameworks.	Monitor the Australian Assurance Environment and build strong stakeholder relationships to inform our AUASB priorities and facilitate consistent implementation of the AUASB's Standards.

2024-25 AUASB ACTIVITIES AND RELATED KEY PERFORMANCE INDICATORS

The tables below identify the activities the AUASB outlined in its Corporate Plan and Parliamentary Budget Statement (PBS) as contributing to its strategies above, for the 2024-25 reporting period. The tables also indicate, for each priority, whether or not the activities were achieved and if not, why not.

PRIORITY ONE: *Develop and issue Australian Auditing and Assurance Standards that are in the public interest and meet the needs of stakeholders based on IAASB equivalents in accordance with AUASB functions and the strategic direction from the Financial Reporting Council (FRC).*

Current Priorities & KPIs	Achieved/Not Achieved	Comments
Issue all IAASB-based AUASB standards and guidance in a timely manner with accompanying implementation materials and communications that are tailored for Australian stakeholders	Achieved	- All international standards issued in the 2024-25 year have been tailored and approved in Australia by the AUASB with Australian-specific amendments where appropriate. This includes: - ISSA 5000 <i>General Requirements for Sustainability Assurance Engagements</i> was issued in January 2025 with ASSA 5010 covering the phasing in of mandatory assurance. ASAA 5000 included Australian specific provisions on relevant ethical requirements and prohibiting direct assistance by internal auditors in sustainability assurance engagements; - Revised ISA 570 <i>Going Concern</i> and consequential amendments to other standards; and - Public Interest Entity (PIE) Track 1 amendments, which amend ASA 700 <i>Forming and Opinion and Reporting</i>

Current Priorities & KPIs	Achieved/Not Achieved	Comments
		on a Financial Report and ASA 260 Communication With Those Charged With Governance. • In May 2025 the AUASB approved minor amendments to ASSA 5000 to address practical implementation matters related to ethics and effective date. • All international exposure drafts issued in the 2024-25 year have been tailored and exposed in Australia by the AUASB with any additional Australian-specific questions. This includes: ◦ IAASB's <i>Proposed Narrow-Scope Amendments to IAASB Standards Arising from the IESBA's Using the Work of an External Expert Project</i> • The AUASB approved in-principle ASA 240 <i>The Auditor's Responsibility to Consider Fraud and Error in an Audit of Financial Statements</i> and consequential amendments to other standards. • The AUASB updated the auditor's responsibilities statements to reflect the changes arising from ASA 600 <i>Special Considerations—Audits of a Group Financial Report (Including the Work of Component Auditors)</i>.
Seek feedback on relevance, effectiveness and public interest of these standards through stakeholder feedback, outreach programs and post-implementation reviews	Achieved	• The AUASB has hosted engagement activities to capture local stakeholder feedback on all IAASB exposure drafts and other proposals issued.

Priority Two: *Develop and maintain Australian-specific Standards and/or Guidance for topics not specifically addressed by IAASB Standards where required.*

Current Priorities & KPIs	Achieved/Not Achieved	Comments
Issue Australian-specific AUASB standards and guidance in a timely manner with accompanying implementation materials and communications that are tailored for Australian stakeholders	Achieved	- In July 2024 the AUASB issued a Bulletin on <i>Audit Implications of the Consolidated Entity Disclosure Statement</i>. - The AUASB developed an information sheet outlining considerations for auditors in the use of artificial intelligence (AI) tools on audit engagements, the approach to use of AI by audited entities and the use of AI in developing communications. The final information sheet was issued in July 2025. - In May 2024 the AUASB issued an Exposure Draft on <i>Proposed Revised Standard on Assurance Engagements ASAE 3500 Performance Engagements</i>. The AUASB approved the revised standard in December 2024. - In September 2024 the AUASB issued an Exposure Draft on <i>Proposed Australian Standard on Sustainability Assurance ASSA 5010 Timeline for Audits and Reviews of Information in Sustainability Reports under the Corporations Act 2001</i>, seeking feedback on the timeline for assurance over information in a sustainability report. In January 2025 the AUASB issued ASSA 5010 <i>Timeline for Audits and Reviews of Information in Sustainability Reports under the Corporations Act</i>. - In May 2025 the AUASB released an Exposure Draft proposing amendments to ASSA 5000 to address practical implementation matters related to ethics and the effective date for green bond assessments. Following extensive consultation and outreach, the AUASB amended to ASSA 5000.

Current Priorities & KPIs	Achieved/Not Achieved	Comments
Seek feedback on relevance, effectiveness and public interest of Australian-specific standards and guidance through stakeholder feedback, outreach programs and post-implementation reviews	Achieved	- The AUASB commenced work on possible amendments to ASSA 5010 on whether during the phasing in of mandatory sustainability assurance the directors' declaration should be covered and the impact of proposed legislation to allow entities to elect to prepare a sustainability report under the Act earlier than required. - The AUASB revised ASA 102 <i>Compliance with Ethical Requirements when Performing Audits, Reviews and Other Assurance Engagements</i> to give legal backing to the latest version of the APESB Code of Ethics. - The AUASB is revising GS 002 <i>Audit Implications of Prudential Reporting Requirements for Registered Superannuation Entities</i> as a result of changes to the Prudential Standards. - The AUASB approved project plans to update GS 007 <i>Audit Implications of the Use of Service Organisations for Investment Management Services</i> and GS 011 <i>Third Party Access to Audit Working Papers</i>. The AUASB formed a Project Advisory Group to assist with the review of GS 007.
Identify gaps in the AUASB Framework where guidance is required and issue Guidance Statements or Bulletins to address these	Achieved	- The AUASB developed a Bulletin on <i>Audit Implications of the Consolidated Entity Disclosure Statement</i>, which was issued in July 2024. - Commenced the development of guidance to assist auditors in applying AUASB standards when using artificial intelligence (AI) tools on audit or assurance engagements. The AUASB released this guidance in July 2025.

Priority Three: *Influence international standards and guidance to achieve public interest outcomes and serve as the most effective base possible for Australian auditing and assurance standards.*

Current Priorities & KPIs	Achieved/Not Achieved	Comments
Build and maintain strong international relationships with the IAASB and like-minded Global and National Auditing Standard Setters, particularly New Zealand and Canada.	Achieved	- The AUASB Chair continued his role as a member of the IAASB and International Ethics Standards Board for Accountants (IESBA) Stakeholder Advisory Council (SAC), and participated in the November 2024 and May 2025 meetings providing strategic advice to the international boards. - The AUASB Chair and Director - National participated in the IAASB's Jurisdictional Standards Setters (JSSs) group meeting in May 2025 on a range of matters relating to standard setting. - The AUASB has regular dialogue with assurance standard setters from the United States, Canada and New Zealand on projects of common interest. - Under reciprocal arrangements, the AUASB Chair is a member of the New Zealand Auditing and Assurance Standards Board (NZAuASB) and the Chair of the NZAuASB is a member of the AUASB. - The Australian IAASB member has been supported by feedback from the AUASB on IAASB Board papers and an AUASB Director - Technical is an IAASB Technical Advisor. These activities promote AUASB feedback being considered at IAASB meetings. - The AUASB Director – Technical and Senior Project Manager have been supporting the IAASB on the ISRE 2410 Project: <i>Review of Interim Financial Information Performed by the Independent Auditor of the Entity</i>.

Current Priorities & KPIs	Achieved/Not Achieved	Comments
Provide input to the international standard setting process through responding to international pronouncements using input from Australian stakeholders	Achieved	The AUASB has provided formal submissions on all IAASB exposure drafts issued in the 2024-25 year. The AUASB hosted outreach activities to capture local stakeholder feedback on all IAASB exposure drafts issued.
Maintain harmonisation of auditing and assurance standards in Australia and New Zealand in accordance with relevant agreements and protocols	Achieved	- The AUASB Chair is a member of the NZAuASB and provides direct input into in New Zealand standard setting developments. - The standard setting activities of both the AUASB and NZAuASB are coordinated to promote harmonisation of standards.

Priority Four: *Identify and implement initiatives designed to enhance Audit Quality in Australia.*

Current Priorities & KPIs	Achieved/Not Achieved	Comments
With the FRC, devise and complete activities to implement the FRC's Audit Quality Action Plan and contribute to improved audit quality outcomes in the Australian auditing environment	Achieved	The AUASB Chair is a member of the FRC and contributes to all meetings.
Work with regulators, the AASB, practitioners and other stakeholders to identify and provide appropriate guidance on significant areas identified for clarification or education in connection with the auditing standards	Achieved	The AUASB continues to engage with key stakeholders to identify areas for guidance and education. For example, the AUASB developed a Bulletin and developed an Information Sheet, as noted earlier.

Priority Five: *Demonstrate thought leadership including through robust evidence-based research to inform strategic projects that address emerging areas of auditing and assurance.*

Current Priorities & KPIs	Achieved/Not Achieved	Comments
Develop thought leadership and implement strategic projects to improve auditing and assurance practice in priority areas such as Sustainability Assurance and the use of Technology in the Audit	Achieved	The AUASB, University of Sydney and Deakin University jointly held a Sustainability Assurance Research Workshop (February 2025) to discuss the sustainability assurance research undertaken by leading researchers in auditing and assurance. The AUASB issued a Research Report 13 in April 2025 summarising the research presented.

Priority Six: *Partner with the AASB and others to reform the Australian external reporting and assurance frameworks.*

Current Priorities & KPIs	Achieved/Not Achieved	Comments
Seek feedback on proposed changes to assurance requirements to ensure they are fit for the intended purpose and support the implementation of sustainability reporting in Australia	Achieved	- The AUASB worked with other standard setters and regulators to ensure AUASB Standards remain fit for purpose and are updated for legislative or regulatory changes. - The AUASB has continued to work with the AASB on implementation support for sustainability reporting and assurance. See comments below specific to assurance over sustainability information.
Support initiatives that promote consistency and understanding of the nature and extent of assurance required for external reporting requirements in Australia	Achieved	- The AUASB hosted roundtables on sustainability assurance matters in Sydney, Melbourne, Perth and virtual videoconference to seek input on: - A proposed Australian Standard on Sustainability Assurance ASSA 5010 <i>Timeline for Audits and Reviews of Information in Sustainability Reports under the Corporations Act 2001</i> (ED 02/24) that outlines a proposed timeline for when information in a Sustainability Report prepared in accordance with Chapter 2M of the <i>Corporations Act 2001</i> would be subject to audit and/or review; and - Proposed amendments to ISSA 5000 to prohibit direct assistance provided by internal auditors in sustainability assurance engagements.

Priority Seven: *Monitor the Australian Assurance Environment and build strong stakeholder relationships to inform our AUASB priorities and facilitate consistent implementation of the AUASB's Standards.*

Current Priorities & KPIs	Achieved/Not Achieved	Comments
Increase engagement with stakeholders through new and existing AUASB communications activities and events	Achieved	- The Office of the AUASB regularly presents and engages in a range of industry forums, including webinars and conferences of the accounting professional bodies, academic groups and forums for auditors. - The AUASB invited the Executive Director of Regulatory Standards of UK Financial Reporting Council to provide an update on legislation and standard setting developments in the UK. - The AUASB invited the Australian Securities and Investments Commission to present on the findings from the most recent ASIC financial reporting and audit surveillances programme and provide an update on their plans for educative materials and regulation of sustainability reporting and assurance.

OUTPUTS

The pronouncements, exposure drafts, consultation papers, bulletins, information sheets and other publications issued by the AUASB in 2024-25 are listed in the table below.

Pronouncements, Exposure Drafts and Consultation Papers

Standard	ASSA 5000 <i>General Requirements for Sustainability Assurance Engagements</i>
Standard	ASSA 5010 <i>Timeline for Audits and Reviews of Information in Sustainability Reports under the Corporations Act 2001</i>
Standard	Revised ASA 570 <i>Going Concern</i> and consequential amendments to other standards
Standard	Approved in-principle ASA 240 <i>The Auditor's Responsibility to Consider Fraud and Error in an Audit of Financial Statements</i> and consequential amendments to other standards
Standard	Revised standard ASA 102 <i>Compliance with Ethical Requirements when Performing Audits, Reviews and Other Assurance Engagements</i>
Standard	ASA 2025-1 <i>Amendments to Australian Auditing Standards</i> (PIE Track 1 amendments)
Standard	ASA 2024-1 <i>Amendments to Australian Auditing Standard</i> (ASA 600)
Standard	ASA 2025-1 <i>Amendments to Australian Auditing Standards</i> (ASA 700, ASA 260)
Standard	ASA 2025-2 <i>Amendments to Australian Auditing Standards</i> (ASQM 1, ASQM 2, ASA 720)
Standard	ASA 2025-3 <i>Amendments to ASSA 5000 General Requirements for Sustainability Assurance Engagements</i>
Standard	ASA 2025-4 <i>Amendments to Australian Auditing Standard</i> (various ASAs)
Standard	AUASB 2025-5 <i>Amendments to AUASB Standard</i> (ASA 102)
Standard	AUASB 2025-7 <i>Amendments to AUASB Standard</i> (ASSA 5000, ASA 102)
Standard	Revised ASAE 3500 <i>Performance Engagements</i>

Pronouncements, Exposure Drafts and Consultation Papers

Consultation Paper	<i>Consultation on Prohibiting Sustainability Assurance Practitioners from Using Direct Assistance by Internal Auditors</i> (September 2024)
Consultation Paper	<i>Consultation Paper: IAASB's Proposed Narrow Scope Amendments to IAASB Standards Arising from the IESBA's Using the Work of an External Expert Project</i>
Exposure Draft 01/24	<i>Proposed Revised Standard on Assurance Engagements ASAE 3500 Performance Engagements</i> (issued 29 May 2024 and comments closed 30 July 2024)
Exposure Draft 02/24	<i>Proposed Australian Standard on Sustainability Assurance ASSA 5010 Timeline for Audits and Reviews of Information in Sustainability Reports under the Corporations Act 2001</i> (September 2024)
Exposure Draft 01/25	<i>Proposed amendments to ASSA 5000 General Requirements for Sustainability Assurance Engagements and ASA 102 Compliance with Ethical Requirements when Performing Audits, Reviews and Other Assurance Engagements</i> (April 2025)

Bulletins and Information Sheets

Bulletin on *Audit Implications of the Consolidated Entity Disclosure Statement* (July 2024)

Information Sheet *Impact of AI on Auditors* (July 2025)

Other Publications

Research Report 11: *State of Assurance Choices for Medium Sized Australian Charities* (July 2024)

Research Report 12: *Understanding and evaluating the effectiveness of ASA 720, The Auditor's Responsibilities Relating to Other Information, and its role in the current environment* (July 2024)

Research Report 13: *USYD-Deakin-AUASB Sustainability assurance research workshop: Overviews of research projects to inform the AUASB's work programme* (April 2025)

AUASB Authoritative Pronouncements can be accessed via the AUASB Portal at:

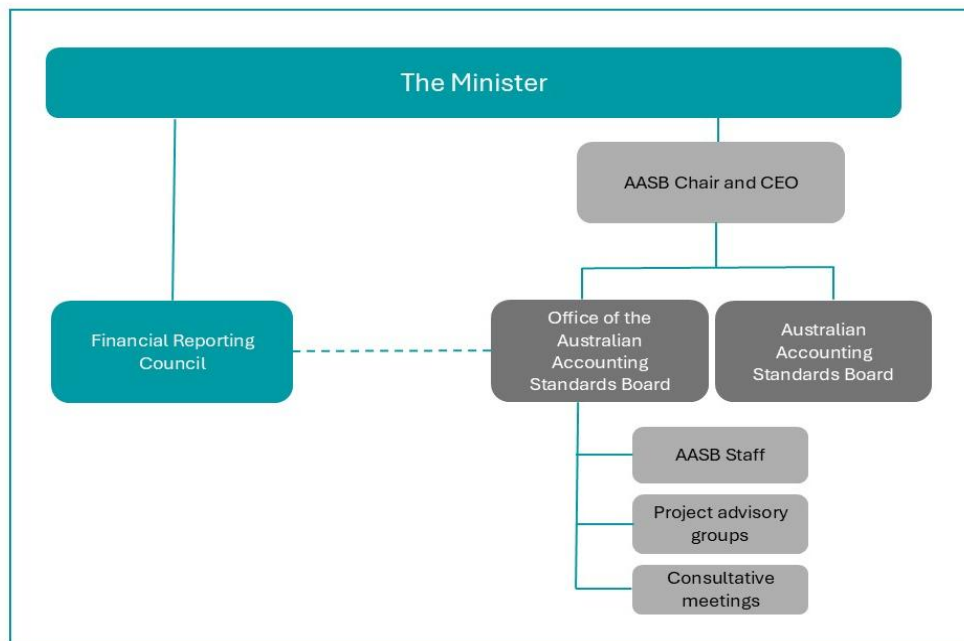
www.standards.auasb.gov.au

The AUASB's Work Programs can be accessed via

www.auasb.gov.au/about-auasb/corporate-plan-strategy

MANAGEMENT AND ACCOUNTABILITY

How the AASB works



THE MINISTER

The responsible Treasury-portfolio Minister appoints the Chair of the AASB. The Chair of the AASB is accountable to the Minister regarding the operations of the AASB and the Office of the AASB.

FINANCIAL REPORTING COUNCIL

Responsible to the Minister, the FRC provides broad strategic direction and advice to the AASB and has oversight of the process for setting accounting standards in Australia. The FRC appoints Board members to the AASB.

AASB

The AASB is an Australian non-corporate Commonwealth Entity responsible for developing, issuing and maintaining accounting standards under section 334 of the *Corporations Act 2001* for the purposes of the corporations legislation. The AASB also formulates accounting standards

and or guidance for other purposes and participates in, and contributes to, the development of a single set of international accounting standards for worldwide use. The AASB's vision and strategies are set out on pages 7 and 8. Further detail on the AASB's functions is set out in Appendix A.

To be eligible for appointment as a member of the AASB, a person must have knowledge of, or experience in, business, accounting, law, government, science, sustainability or climate change. Initial appointment is for a maximum of three years with possible extensions for a further two terms.

The members of the AASB during 2024-25 are listed below. The AASB met four times via video conference and three times as a hybrid meeting during 2024-25 for a total of 9 meeting days. Attendance of members at these meetings is set out in Appendix.

OFFICE OF THE AASB

The Office of the AASB provides technical and administrative services, information and advice to the AASB. The Chair of the AASB is also the Chief Executive Officer of the Office of the AASB, however the CEO responsibilities have been delegated (to the maximum extent permitted) to the Managing Director.

MEMBERSHIP

Chair

Keith Kendall was appointed as Chair of the AASB and CEO of the Office of the AASB for a five-year term from 3 May 2020 to 2 May 2025. Keith was then reappointed till 30 June 2026. The duties of the Chair and CEO of the AASB are outlined in sections 235D to 235J of the *Australian Securities and Investments Commission Act 2001*.

As Chair of the AASB, Keith Kendall is also a member of the FRC and a member of the NZASB.

The AASB comprised an independent Chair (appointed by the Minister) and up to 13 part-time members (appointed by the FRC).

Other members

The other members of the AASB holding office during the year ended 30 June 2025 were:

Other Board Members	Main Other Role	Appointment end date
Carolyn Cordery	NZASB Chair	Reciprocal member from February 2021
Rebecca Gordon	IGO Ltd	June 2026
Dean Hanlon	Monash University	June 2026 (2 nd term)
David Holland	Sapphire Professional Services	December 2025 (2 nd term)
Adrian King	KPMG	December 2025
Toby Langley	Xero	June 2026 (2 nd term)

Other Board Members	Main Other Role	Appointment end date
Liza Maimone	Fyfe	December 2025
Mathew Nelson	EY	December 2025
Sean Osborn	NSW Treasury	June 2026 (2 nd term)
Moana Overton	Deloitte	June 2026
Caroline Spencer	Auditor General of Western Australian Office of Auditor General	June 2026 (2 nd term)
Stephen Taylor	University of Technology Sydney	December 2025 (3 rd term)

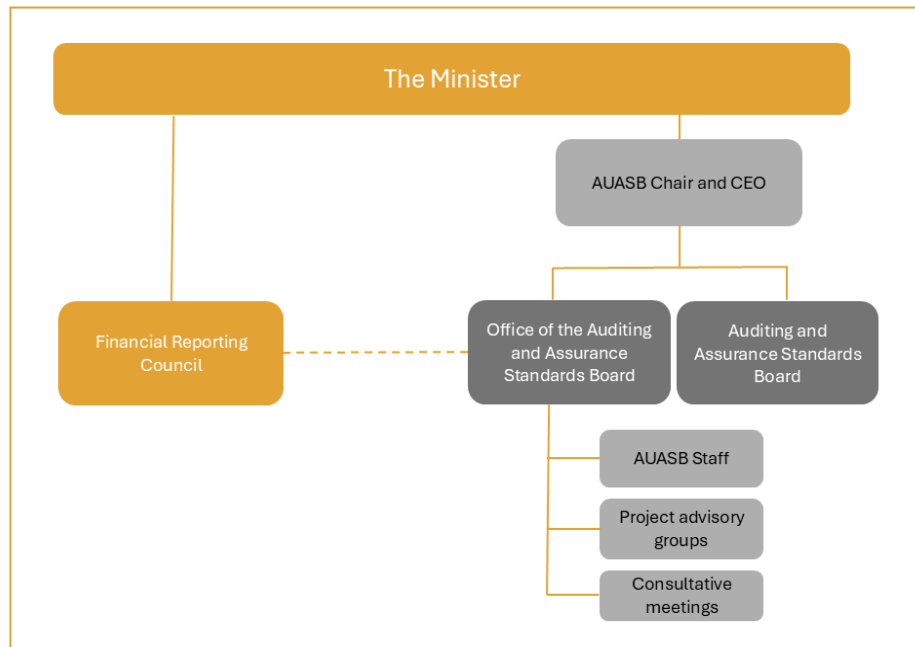
RETIRED MEMBERS

Board Member	Main Other Role	Appointment end date
James Grant	Westpac	December 2024 (2 nd term)
Paul Rogers	KPMG	December 2024 (2 nd term)

OBSERVERS

There was no one with official observer status during the year.

How the AUASB works



The Minister

The responsible Treasury-portfolio Minister appoints the Chair of the AUASB. The Chair of the AUASB is accountable to the Minister regarding the operations of the AUASB and the Office of the AUASB.

Financial Reporting Council

Responsible to the Minister, the FRC provides broad strategic direction and advice to the AUASB and has oversight of the process for setting auditing and assurance standards in Australia. The FRC appoints Board members to the AUASB for various terms.

AUASB

The AUASB an Australian non-corporate Commonwealth Entity responsible for making auditing standards under section 336 of the *Corporations Act 2001* for the purposes of the corporations legislation. The AUASB also formulates auditing and assurance standards for other purposes and participates in and contributes to the development of a single set of international auditing standards for worldwide use. The AUASB's vision and strategies are set out on page 7 and 8. Further detail on the AUASB's functions is set out in Appendix A.

Board appointments may be made for a period of up to three years and retiring members are eligible for reappointment for a maximum of three terms.

The AUASB held thirteen (ten video conferences and three face-to-face) meetings during 2024-25. Attendance of members at these meetings is set out in Appendix B.

Office of the AUASB

The Office of the AUASB provides technical support and information and advice to the AUASB. The Chair of the AUASB is also the Chief Executive Officer of the Office of the AUASB, however responsibilities have been delegated (to the maximum extent permitted) to the Managing Director.

Membership

Chair

Mr Douglas (Doug) Niven was appointed as Acting Chair of the AUASB and CEO of the Office of the AUASB on 31 July 2023, and his appointment as full-time Chair of the AUASB and CEO of the Office of the AUASB, for a five-year period, was announced on 20 September 2023.

The duties of the Chair and CEO of the AUASB are outlined in sections 236DB to 236DF of the *Australian Securities and Investments Commission Act 2001*.

As the AUASB Chair, Mr Niven has also been appointed as a member of the FRC and is a member of the New Zealand Auditing and Assurance Standards Board.

The AUASB comprises an independent Chair (appointed by the Minister) and up to 13 part-time members (appointed by the FRC).

Other members

The other members of the AUASB holding office during the year ended 30 June 2025 were:

Other Board Members	Main other role	Appointment end date
Julie Crisp (Deputy Chair)	Non-executive Director	June 2026 (3 rd term)
Merilyn Gwan	Grant Thornton Partner	June 2026
Klynton Hankin	PwC Partner	June 2026 (3 rd term)
Noel Harding	UNSW Sydney	June 2026 (3 rd term)
Terence Jeyaretnam	EY Partner	December 2025
Joanne Lonergan	EY Partner	June 2026 (2 nd term)
Andrew Porter	CFO - Australian Foundation Investment Company	December 2025 (2 nd term)
Jason Thorne	Deloitte Partner	June 2025
Jennifer Travers	KPMG Partner	June 2026
Chi Mun Woo	Deloitte Partner	December 2025

RETIRED MEMBERS

Board Member	Main Other Role	Appointment end date
Tracey Barker	KPMG Partner	December 2024
Marje Russ	NZAuASB Chair	June 2025
Michelle Shafizadeh	Moore Australia Director	December 2024 (2 nd term)

Observers

There was no one with official observer status during the year.

AASB AND AUASB'S CORPORATE GOVERNANCE

The corporate governance practices of the AASB, AUASB and the Offices of the AASB and the AUASB comply with statutory and other external requirements and aim to achieve sound administrative and financial management practice. They are designed to ensure the efficient, effective and ethical use of resources.

As part of its ongoing focus on effective governance arrangements, the Offices of the AASB and AUASB periodically consider a range of issues, including:

- Clear accountability mechanisms;
- Leadership, culture and communication;
- Appropriate governance and committee structures;
- Effectiveness of work with stakeholders;
- Comprehensive risk management, compliance and assurance systems; and
- Strategic planning, performance monitoring and evaluation.

AUDIT AND RISK COMMITTEE

The AASB and AUASB Audit and Risk Committee's (ARC) role is to provide independent assurance and assistance to the Chairs on their financial and performance reporting responsibilities, risk oversight and management, and system of internal control. The Committee is not responsible for the executive management of these functions. The Committee engages with management in discharging its advisory responsibilities and formulating its advice to the Chairs.

The Audit and Risk Committee follows the recommended practice guidelines issued by the Department of Finance for Australian non-corporate Commonwealth Entities. The Audit and Risk Committee comprises an independent external Chair, and four external members. The Australian National Audit Office (ANAO) also attends Audit and Risk Committee meetings as an observer, as do other AASB and AUASB management representatives.

Audit and Risk Committee members are:

Member	Qualifications, knowledge, skills or experience	Number of meetings attended/total number of meetings	Total annual remuneration
Mark Stretton	BCom (Acc&Fin), BEc, Grad Dip App Fin & Inv, FFin, CA. Partner and Melbourne Audit & Assurance Leader with Deloitte Touche Tohmatsu. Over 30 years of experience in providing audit and accounting services in Australia and Internationally.	4/4	Waived

Australian Accounting Standards Board and Auditing and Assurance Standards Board Annual Reports 2024-25

Member	Qualifications, knowledge, skills or experience	Number of meetings attended/total number of meetings	Total annual remuneration
Kylie Maher	BBus (Accounting), CPA, GAICD. Kylie has over 30 years of experience in providing risk, compliance and governance services as past Partner / Director at Moore / KPMG and senior financial accounting and operational roles. She now holds multiple board, risk and audit governance roles as chair and independent member across government, education and health entities.	4/4	\$9,040
Ric De Santi	BBus (Accounting), FCPA, GAICD. Ric is a non-executive director with extensive board and audit committee experience. Before retiring from full time work, Ric was Deputy Auditor-General in Tasmania with over 35 years' experience in public sector audit.	4/4	\$7,910
Dale Pinto	John Curtin Distinguished Professor Dale Pinto PhD (Law) (Melb) MTax (Hons) (Syd) PGradDipBus (Dist) (Curtin) BBus (Dist) (Curtin) FCPA FTMA FCMA FAAL CA CTA-Life AFAIM MAICD. Dale is a John Curtin Distinguished Professor at Curtin University Law School and has over 30 years of Board experience including his current role as President and Chair of the Board of CPA Australia.	4/4	\$9,040
Greg Rimmer-Hollyman	CPA Australia, Chartered Public Finance Accountant (CPFA), Graduate of the Australian Institute of Company Directors (GAICD), Chartered Internal Auditor (CFIA), Qualification in Internal Audit Leadership (QIAL), Chartered Member of the Institute of Directors New Zealand (CMIInstD).	4/4	\$9,040

The Audit and Risk Committee charter can be sourced at: www.aasb.gov.au/about-the-aasb/government-reports/audit-and-risk-committee/.

RISK MANAGEMENT

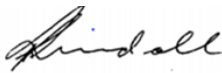
The Office of the AASB and AUASB risk management framework aligns with the Commonwealth Risk Management Policy and enables risk to be managed in line with our low-risk appetite. We monitor and report on risks via a series of risk registers. The Executive and the Audit and Risk Committee regularly review the risk-management framework, including the strategic risk register and other risk registers as appropriate.

FRAUD PREVENTION AND CONTROLS

Fraud control is regarded by the AASB and AUASB as a continuous process, and AASB and AUASB officers and employees maintain an awareness of fraud risk generally, and their responsibility to take any reasonable action to reduce the possibility and impact of losses through fraud.

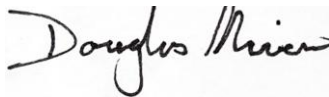
The AASB and AUASB has in place a fraud risk assessment and fraud control plan. It has adequate fraud prevention, detection, investigation and reporting mechanisms that meet its specific needs.

I, Keith Kendall as the AASB accountable authority, certify that the AASB meets the obligations arising from section 10 of the *Public Governance, Performance and Accountability Rule 2014*. This legislation requires appropriate fraud risk, fraud assessment, fraud detection and subsequent reporting mechanisms to be in place.



Dr Keith Kendall
AASB Chair and CEO
24 September 2025

I, Douglas Niven, as the AUASB accountable authority, certify that the AUASB meets the obligations arising from section 10 of the *Public Governance, Performance and Accountability Rule 2014*. This legislation requires appropriate fraud risk, fraud assessment, fraud detection and subsequent reporting mechanisms to be in place.



Douglas Niven
AUASB Chair and CEO
14 October 2025

ETHICS

The employees of the Offices of the AASB and AUASB are required to adhere to the AASB & AUASB Code of Conduct, which is modelled on the Australian Public Service Code of Conduct.

Australian Public Service values include performing functions impartially and professionally, the highest ethical standards, open accountability, providing frank, honest, comprehensive, accurate and timely advice to government and promoting communication, consultation, cooperation and input from employees.

The requirements of the code of conduct include honesty, care and diligence, courtesy, compliance with the law, avoiding conflicts of interest and proper use of Commonwealth resources and information.

PUBLIC INTEREST DISCLOSURE

The *Public Interest Disclosure Act 2013* (PID Act) promotes integrity and accountability in the Commonwealth public sector by encouraging the disclosure of information about suspected wrongdoing. It also protects people who make disclosures and requires agencies to investigate or take other appropriate actions.

In accordance with the PID Act, the Offices of the AASB and AUASB have a PID policy/procedure which is made available on their websites. During the reporting period no public interest disclosures were received.

INFORMATION PUBLICATION SCHEME STATEMENT

In accordance with the Freedom of Information (FOI) Act and the Information Publication Scheme (IPS), AASB and AUASB publish a range of information on its websites, such as its organisational structure, appointments, annual reports, gift register, Audit and Risk Committee & Board Charters, Code of Conduct, legal expenditure, and details of the freedom of information officer. The Statements of Expectations and Intent are also available on the websites.

RESTRUCTURE OF FRC, AASB AND AUASB

On 21 November 2023, the Treasurer and Assistant Treasurer issued a joint media release announcing that the FRC, AASB and AUASB will be combined into a single entity on or after 1 July 2026, subject to the passage of legislation.

AASB PERSONNEL MANAGEMENT

Table 1a: AASB Ongoing employees at 30 June 2025

	Male			Female			Indeterminate			Total
	F/T	P/T	Total Male	F/T	P/T	Total Female	F/T	P/T	Total Indeterminate	
NSW	0	0	0	1	1	2	0	0	0	2
QLD	0	0	0	1	0	1	0	0	0	1
SA	0	0	0	1	0	1	0	0	0	1
Tas	0	0	0	0	0	0	0	0	0	0
VIC	6	2	8	14	3	17	0	0	0	25
WA	0	0	0	0	0	0	0	0	0	0
ACT	0	0	0	0	0	0	0	0	0	0
NT	0	0	0	0	0	0	0	0	0	0
External Territories	0	0	0	0	0	0	0	0	0	0
Overseas	0	0	0	2	0	2	0	0	0	2
Total	6	2	8	19	4	23	0	0	0	31

Table 1b: AASB Ongoing employees at 30 June 2024

	Male			Female			Indeterminate			Total
	F/T	P/T	Total Male	F/T	P/T	Total Female	F/T	P/T	Total Indeterminate	
NSW	0	0	0	1	0	1	0	0	0	1
QLD	0	0	0	0	0	0	0	0	0	0
SA	0	0	0	1	0	1	0	0	0	1
Tas	0	0	0	0	0	0	0	0	0	0
VIC	6	0	6	9	4	13	0	0	0	19
WA	0	0	0	0	0	0	0	0	0	0
ACT	0	0	0	0	0	0	0	0	0	0
NT	0	0	0	0	0	0	0	0	0	0
External Territories	0	0	0	0	0	0	0	0	0	0
Overseas	0	0	0	1	0	1	0	0	0	1
Total	6	0	6	12	4	16	0	0	0	22

Table 1c: AASB Non-ongoing employees at 30 June 2025

	Male			Female			Indeterminate			Total
	F/T	P/T	Total Male	F/T	P/T	Total Female	F/T	P/T	Total Indeterminate	
NSW	0	0	0	0	0	0	0	0	0	0
QLD	0	0	0	0	0	0	0	0	0	0
SA	0	0	0	0	0	0	0	0	0	0
Tas	0	0	0	0	0	0	0	0	0	0
VIC	1	0	1	0	0	0	0	0	0	1
WA	0	0	0	0	0	0	0	0	0	0
ACT	0	0	0	0	0	0	0	0	0	0
NT	0	0	0	0	0	0	0	0	0	0
External Territories	0	0	0	0	0	0	0	0	0	0
Overseas	0	0	0	0	0	0	0	0	0	0
Total	1	0	1	0	0	0	0	0	0	1

Table 1d: AASB Non-ongoing employees at 30 June 2024

	Male			Female			Indeterminate			Total
	F/T	P/T	Total Male	F/T	P/T	Total Female	F/T	P/T	Total Indeterminate	
NSW	0	0	0	0	0	0	0	0	0	0
QLD	0	0	0	0	0	0	0	0	0	0
SA	0	0	0	0	0	0	0	0	0	0
Tas	0	0	0	1	0	1	0	0	0	1
VIC	1	0	1	1	0	1	0	0	0	2
WA	0	0	0	1	0	1	0	0	0	1
ACT	0	0	0	0	0	0	0	0	0	0
NT	0	0	0	0	0	0	0	0	0	0
External Territories	0	0	0	0	0	0	0	0	0	0
Overseas	0	0	0	0	0	0	0	0	0	0
Total	1	0	1	3	0	3	0	0	0	4

As at 30 June 2025 no employees identified as Indigenous (2024: zero).

Table 2: AASB Other highly paid staff as at 30 June 2025

Total remuneration bands	Number of other highly paid staff	Short term benefits			Post-employment benefits	Other long-term benefits		Termination benefits	Total remuneration
		Average base salary	Average bonuses	Average other benefits and allowances	Average superannuation contributions	Average long service leave	Average other long-term benefits	Average termination benefits	Average total remuneration
\$0 - \$220,000	1	\$170,699	0	\$895	\$19,596	\$4,816	0	0	\$196,007
\$220,001 - \$245,000	3	\$174,008	0	\$895	\$10,461	\$4,629	0	0	\$189,994
\$245,001 - \$270,000	2	\$33,368	0	\$895	\$3,829	\$2,368	0	0	\$40,461

Table 3: AASB Salary ranges as at 30 June 2025 (salaries for part time staff are full time equivalents)

Salary Bands	Senior executive full time	Senior executive part time	Technical & non-technical full time	Technical & non-technical part time
\$ 15,000 to \$104,999	0	0	9	1
\$105,000 to \$194,999	1	0	10	2
\$195,000 to \$284,999	1	3	2	0
\$285,000 to \$374,999	1	0	0	0
\$375,000 to \$464,999	1	0	0	0

AUASB PERSONNEL MANAGEMENT

Table 4a: AUASB Ongoing employees at 30 June 2025

	Male			Female			Indeterminate			Total
	F/T	P/T	Total Male	F/T	P/T	Total Female	F/T	P/T	Total Indeterminate	
NSW	1	0	1	0	0	0	0	0	0	1
QLD	0	0	0	0	0	0	0	0	0	0
SA	0	0	0	0	0	0	0	0	0	0
Tas	0	0	0	0	0	0	0	0	0	0
VIC	0	2	2	3	3	6	0	0	0	8
WA	0	0	0	0	0	0	0	0	0	0
ACT	0	0	0	0	0	0	0	0	0	0
NT	0	0	0	0	0	0	0	0	0	0
External Territories	0	0	0	0	0	0	0	0	0	0
Overseas	0	0	0	0	0	0	0	0	0	0
Total	1	2	3	3	3	6	0	0	0	9

Table 4b: AUASB Ongoing employees at 30 June 2024

	Male			Female			Indeterminate			Total
	F/T	P/T	Total Male	F/T	P/T	Total Female	F/T	P/T	Total Indeterminate	
NSW	1	0	1	0	0	0	0	0	0	1
QLD	0	0	0	0	0	0	0	0	0	0
SA	0	0	0	0	0	0	0	0	0	0
Tas	0	0	0	0	0	0	0	0	0	0
VIC	0	1	1	3	3	6	0	0	0	7
WA	0	0	0	0	0	0	0	0	0	0
ACT	0	0	0	0	0	0	0	0	0	0
NT	0	0	0	0	0	0	0	0	0	0
External Territories	0	0	0	0	0	0	0	0	0	0
Overseas	0	0	0	0	0	0	0	0	0	0
Total	1	1	2	3	3	6	0	0	0	8

Table 4c: AUASB Non-ongoing employees at 30 June 2025

	Male			Female			Indeterminate			Total
	F/T	P/T	Total Male	F/T	P/T	Total Female	F/T	P/T	Total Indeterminate	
NSW	0	0	0	0	0	0	0	0	0	0
QLD	0	0	0	0	0	0	0	0	0	0
SA	0	0	0	0	0	0	0	0	0	0
Tas	0	0	0	0	0	0	0	0	0	0
VIC	0	0	0	1	0	1	0	0	0	1
WA	0	0	0	0	0	0	0	0	0	0
ACT	0	0	0	0	0	0	0	0	0	0
NT	0	0	0	0	0	0	0	0	0	0
External Territories	0	0	0	0	0	0	0	0	0	0
Overseas	0	0	0	0	0	0	0	0	0	0
Total	0	0	0	1	0	1	0	0	0	1

Table 4d: AUASB Non-ongoing employees at 30 June 2024

	Male			Female			Indeterminate			Total
	F/T	P/T	Total Male	F/T	P/T	Total Female	F/T	P/T	Total Indeterminate	
NSW	0	0	0	0	0	0	0	0	0	0
QLD	0	0	0	0	0	0	0	0	0	0
SA	0	0	0	0	0	0	0	0	0	0
Tas	0	0	0	0	0	0	0	0	0	0
VIC	1	0	1	0	0	0	0	0	0	1
WA	0	0	0	0	0	0	0	0	0	0
ACT	0	0	0	0	0	0	0	0	0	0
NT	0	0	0	0	0	0	0	0	0	0
External Territories	0	0	0	0	0	0	0	0	0	0
Overseas	0	0	0	0	0	0	0	0	0	0
Total	1	0	1	0	0	0	0	0	0	1

As at 30 June 2025 no employees identified as Indigenous (2024: zero).

Table 5: AUASB Other highly paid staff as at 30 June 2025

Total remuneration bands	Number of other highly paid staff	Short term benefits			Post-employment benefits	Other long-term benefits		Termination benefits	Total remuneration
		Average base salary	Average bonuses	Average other benefits and allowances	Average superannuation contributions	Average long service leave	Average other long-term benefits	Average termination benefits	Average total remuneration
\$0 - \$220,000	1	\$168,926	0	\$895	\$19,392	\$5,867	0	0	\$195,080

Table 6: AUASB Salary ranges as at 30 June 2025 (salaries for part time staff are full time equivalents)

Salary Bands	Senior executive full time	Senior executive part time	Technical & non-technical full time	Technical & non-technical part time
\$ 15,000 to \$104,999	0	0	1	0
\$105,000 to \$194,999	0	0	3	2
\$195,000 to \$284,999	0	2	0	0
\$285,000 to \$374,999	0	0	0	0
\$375,000 to \$464,999	0	1	0	0

NON-SALARY BENEFITS

The AASB and AUASB offers employees a number of non-salary benefits which include:

- Annual influenza immunisation;
- Vaccination incentive;
- Mentoring and coaching programs;
- In-house capability development programs;
- Confidential employee assistance program for employees and their immediate families;
- Study assistance to eligible employees;
- Access to flexible working arrangements;
- Access to equipment to work from home; and
- Contributions to relevant professional memberships.

The AASB and AUASB provides the Senior Executive Service (SES) equivalent employees (other than the AUASB Chair) and where there is a business need some employees with a mobile phone, tablet, laptop and/or airline lounge membership. Employees can also make use of a range of salary sacrifice benefits, including additional superannuation and leased motor vehicles.

BRINGING IT ALL TOGETHER

The AASB and AUASB are each supported by an Office providing technical and administrative services to the Boards. Each Office is an Australian non-corporate Commonwealth Entity established under the ASIC Act. The Offices are the financial entities governed by the *Public Governance, Performance and Accountability Act 2013* (PGPA Act).

The Offices of AASB and AUASB are effectively operating to the extent permitted by legislation, as a single Office supporting both Boards for corporate (i.e. non-technical) services. The Chairs are Chief Executive Officers and the Accountable Authority under the PGPA Act and are responsible for the preparation of the financial reports for each entity, however, have delegated to the maximum extent permitted the responsibilities to the Managing Director.

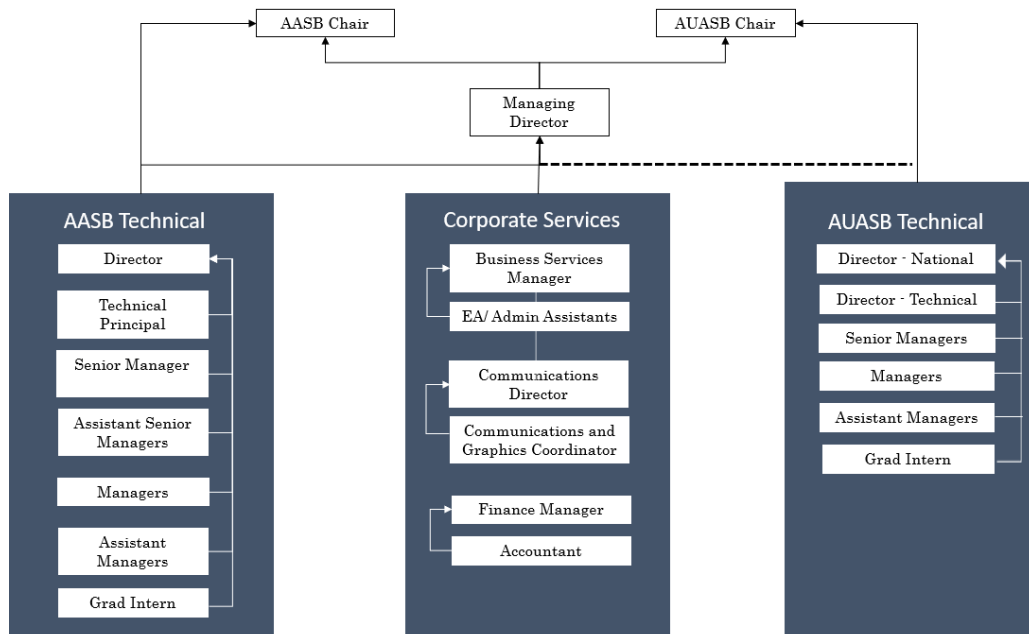
The Managing Director is responsible for the operation of the Office of AASB. The Offices of the AASB and AUASB have implemented a shared service model, in that the Office of the AASB provides all administrative services for the Office of the AUASB and their respective Boards.

(The diagram on the following page outlines the operational structure of the AASB, AUASB and the Offices of both AASB and AUASB.)

In order to ensure appropriate governance and accountability, the operating model is governed by an MOU which is signed by the Chairs.

To transparently reflect this operating model and organisation structure, the AASB and AUASB have provided additional disclosures (refer to Note 2A and Note 2B) that aims to provide some further understanding of the financial arrangements in relation to the costs of the services delivered in accordance with the MOU.

ORGANISATION CHART



OUR PEOPLE

Both Chairs are appointed by the Minister. Salary and other entitlements of the Chairs are determined by the Commonwealth Remuneration Tribunal.

Members of the respective Boards are appointed for three-year terms. The FRC, via its Nominations Committee, is responsible for the selection of other AASB and AUASB Board members. Recommendations are tabled with the FRC for confirmation of appointment. Entitlements are determined by the Commonwealth Remuneration Tribunal.

The AASB and AUASB have the capacity to employ under the ASIC Act, as well as the *Public Service Act 1999* (PSA). As at 30 June 2025, all employees were employed under the *ASIC Act*.

Salaries and other entitlements of the technical and non-technical employees are linked to comparable industry and market levels of remuneration.

The performance management process is based on informal frequent performance discussions that build to formal meetings for review and forward planning of goals and objectives for the year.

Our employees undertake a range of training and professional development experiences which include attendance at seminars, conferences and training programs as appropriate on topics related to technical and personal development, policy and the administrative work of the AASB and AUASB.

It is a policy of the AASB and AUASB that employees do not receive performance bonuses. The AASB and the AUASB comply with the Workplace Bargaining Policy 2020 of the Australian

Public Service Commission, as it applies to non-government entities, including the approach to annual wage adjustments which are linked to the private sector Wage Price Index annual percentage change for the immediately preceding June quarter.

Recruitment and retention of employees will always prove to be challenging – particularly in the specialist fields associated with standards setting. These challenges are being overcome by working to establish a core group of experienced technical people and complementing their skills through secondments from other government departments, the accounting and auditing firms, our graduate intern program and short-term appointments from academia and corporates for specialist skills.

Using these strategies, the Chairs are confident that they have well-qualified employees and are continuously developing appropriate policies and procedures to enable them to achieve the AASB's and AUASB's strategies.

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INDEPENDENT AUDITOR'S REPORT

To the Assistant Treasurer and Minister for Financial Services

Opinion

In my opinion, the financial statements of the Office of the Australian Accounting Standards Board (the Entity) for the year ended 30 June 2025:

- (a) comply with Australian Accounting Standards – Simplified Disclosures and the *Public Governance, Performance and Accountability (Financial Reporting) Rule 2015*; and
- (b) present fairly the financial position of the Entity as at 30 June 2025 and its financial performance and cash flows for the year then ended.

The financial statements of the Entity, which I have audited, comprise the following as at 30 June 2025 and for the year then ended:

- Statement by the Chair;
- Statement of Comprehensive Income;
- Statement of Financial Position;
- Statement of Changes in Equity;
- Cash Flow Statement;
- Notes to and forming part of the financial reports, comprising material accounting policy information and other explanatory information.

Basis for opinion

I conducted my audit in accordance with the Australian National Audit Office Auditing Standards, which incorporate the Australian Auditing Standards. My responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Statements* section of my report. I am independent of the Entity in accordance with the relevant ethical requirements for financial statement audits conducted by the Auditor-General and their delegates. These include the relevant independence requirements of the Accounting Professional and Ethical Standards Board's APES 110 *Code of Ethics for Professional Accountants (including Independence Standards)* (the Code) to the extent that they are not in conflict with the *Auditor-General Act 1997*. I have also fulfilled my other responsibilities in accordance with the Code. I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my opinion.

Accountable Authority's responsibility for the financial statements

As the Accountable Authority of the Entity, the Chair is responsible under the *Public Governance, Performance and Accountability Act 2013* (the Act) for the preparation and fair presentation of annual financial statements that comply with Australian Accounting Standards – Simplified Disclosures and the rules made under the Act. The Chair is also responsible for such internal control as the Chair determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the Chair is responsible for assessing the ability of the Entity to continue as a going concern, taking into account whether the Entity's operations will cease as a result of an administrative restructure or for any other reason. The Chair is also responsible for disclosing, as applicable, matters related to

going concern and using the going concern basis of accounting, unless the assessment indicates that it is not appropriate.

Auditor's responsibilities for the audit of the financial statements

My objective is to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes my opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with the Australian National Audit Office Auditing Standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of the financial statements.

As part of an audit in accordance with the Australian National Audit Office Auditing Standards, I exercise professional judgement and maintain professional scepticism throughout the audit. I also:

- identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for my opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control;
- obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Entity's internal control;
- evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Accountable Authority;
- conclude on the appropriateness of the Accountable Authority's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Entity's ability to continue as a going concern. If I conclude that a material uncertainty exists, I am required to draw attention in my auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify my opinion. My conclusions are based on the audit evidence obtained up to the date of my auditor's report. However, future events or conditions may cause the Entity to cease to continue as a going concern; and
- evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

I communicate with the Accountable Authority regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that I identify during my audit.

Australian National Audit Office



Naveed Nisar
Audit Principal
Delegate of the Auditor-General

Canberra
24 September 2025



INDEPENDENT AUDITOR'S REPORT

To the Assistant Treasurer and Minister for Financial Services

Opinion

In my opinion, the financial statements of the Office of the Auditing and Assurance Standards Board (the Entity) for the year ended 30 June 2025:

- (a) comply with Australian Accounting Standards – Simplified Disclosures and the *Public Governance, Performance and Accountability (Financial Reporting) Rule 2015*; and
- (b) present fairly the financial position of the Entity as at 30 June 2025 and its financial performance and cash flows for the year then ended.

The financial statements of the Entity, which I have audited, comprise the following as at 30 June 2025 and for the year then ended:

- Statement by the Chair;
- Statement of Comprehensive Income;
- Statement of Financial Position;
- Statement of Changes in Equity;
- Cash Flow Statement;
- Notes to and forming part of the financial reports, comprising material accounting policy information and other explanatory information.

Basis for opinion

I conducted my audit in accordance with the Australian National Audit Office Auditing Standards, which incorporate the Australian Auditing Standards. My responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Statements* section of my report. I am independent of the Entity in accordance with the relevant ethical requirements for financial statement audits conducted by the Auditor-General and their delegates. These include the relevant independence requirements of the Accounting Professional and Ethical Standards Board's APES 110 *Code of Ethics for Professional Accountants (including Independence Standards)* (the Code) to the extent that they are not in conflict with the *Auditor-General Act 1997*. I have also fulfilled my other responsibilities in accordance with the Code. I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my opinion.

Accountable Authority's responsibility for the financial statements

As the Accountable Authority of the Entity, the Chair is responsible under the *Public Governance, Performance and Accountability Act 2013* (the Act) for the preparation and fair presentation of annual financial statements that comply with Australian Accounting Standards – Simplified Disclosures and the rules made under the Act. The Chair is also responsible for such internal control as the Chair determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the Chair is responsible for assessing the ability of the Entity to continue as a going concern, taking into account whether the Entity's operations will cease as a result of an administrative restructure or for any other reason. The Chair is also responsible for disclosing, as applicable, matters related to

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going concern and using the going concern basis of accounting, unless the assessment indicates that it is not appropriate.

Auditor's responsibilities for the audit of the financial statements

My objective is to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes my opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with the Australian National Audit Office Auditing Standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of the financial statements.

As part of an audit in accordance with the Australian National Audit Office Auditing Standards, I exercise professional judgement and maintain professional scepticism throughout the audit. I also:

- identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for my opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control;
- obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Entity's internal control;
- evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Accountable Authority;
- conclude on the appropriateness of the Accountable Authority's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Entity's ability to continue as a going concern. If I conclude that a material uncertainty exists, I am required to draw attention in my auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify my opinion. My conclusions are based on the audit evidence obtained up to the date of my auditor's report. However, future events or conditions may cause the Entity to cease to continue as a going concern; and
- evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

I communicate with the Accountable Authority regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that I identify during my audit.

Australian National Audit Office



Naveed Nisar
Audit Principal
Delegate of the Auditor-General

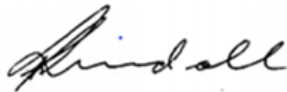
Canberra
14 October 2025

STATEMENTS BY THE CHAIRS

AASB

In my opinion, the attached Financial Statements for the Office of the Australian Accounting Standards Board for the year ended 30 June 2025 comply with subsection 42(2) of the *Public Governance, Performance and Accountability Act 2013* (PGPA Act), and are based on properly maintained financial records as per subsection 41(2) of the PGPA Act.

In my opinion, at the date of this statement, there are reasonable grounds to believe that the Office of the Australian Accounting Standards Board will be able to pay its debts as and when they fall due.



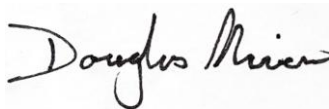
Dr Keith Kendall
Chair and CEO – AASB

24 September 2025

AUASB

In my opinion, the attached Financial Statements for the Office of the Auditing and Assurance Standards Board for the year ended 30 June 2025 comply with subsection 42(2) of the *Public Governance, Performance and Accountability Act 2013* (PGPA Act), and are based on properly maintained financial records as per subsection 41(2) of the PGPA Act.

In my opinion, at the date of this statement, there are reasonable grounds to believe that the Office of the Auditing and Assurance Standards Board will be able to pay its debts as and when they fall due.



Douglas Niven
Chair and CEO – AUASB

14 October 2025

Statements of Comprehensive Income
for the period ended 30 June 2025

		AASB		AUASB	
	Notes	2025	2024	2025	2024
		\$	\$	\$	\$
EXPENSES					
Employee and contractor costs	3A	6,413,628	4,570,622	1,635,791	1,525,209
Supplier expenses	3B	2,126,021	1,971,716	327,741	397,908
Occupancy expenses	2B	94,242	88,706	0	0
Depreciation and amortisation	3C	421,667	413,171	18,722	67,587
Finance costs		2,392	8,393	0	0
Management fee paid to AASB	2	0	0	704,292	629,101
Write-down and impairment of assets & losses on sale		1,789	0	0	0
Total expenses		9,059,739	7,052,608	2,686,546	2,619,805
LESS:					
OWN-SOURCE INCOME					
Own-source revenue					
Management fee received from AUASB	2	704,292	629,101	0	0
Resources received free of charge	3D	67,090	158,350	71,634	58,955
Audit fees received free of charge	3D	51,000	46,150	36,000	33,000
Contributions from states and territories		500,000	500,000	0	0
Total own-source revenue		1,322,382	1,333,601	107,634	91,955
Net cost of services		(7,737,357)	(5,719,007)	(2,578,912)	(2,527,850)
Revenue from Government	4	8,335,000	4,986,000	3,976,000	2,892,000
Surplus/(Deficit) attributable to the Australian Government		597,643	(733,007)	1,397,088	364,150
Total comprehensive surplus/(deficit) attributable to the Australian Government		597,643	(733,007)	1,397,088	364,150

The above statements should be read in conjunction with the accompanying notes.

Statements of Financial Position
as at 30 June 2025

	Notes	AASB		AUASB	
		2025	2024	2025	2024
		\$	\$	\$	\$
ASSETS					
Financial Assets					
Cash and cash equivalents		275,388	388,716	39,239	236,907
Trade and other receivables		180,030	156,187	2,596	10,066
Appropriation receivable	4	1,980,000	1,300,000	2,770,000	1,091,000
Total financial assets		2,435,418	1,844,903	2,811,835	1,337,973
Non-Financial Assets					
Buildings right of use - at cost	6B	421,019	701,699	0	0
Plant & equipment - fair value	6B	116,031	134,992	0	0
Computer software – at cost	6B	34,667	113,859	3,405	22,127
Prepaid expenses		484,732	144,854	71,620	62,770
Total non-financial assets		1,056,449	1,095,404	75,025	84,897
Total assets		3,491,867	2,940,307	2,886,860	1,422,870
LIABILITIES					
Payables					
Suppliers		427,661	341,077	8,212	13,149
Management fee payable to AASB	5B	0	0	107,036	59,349
Other payables		4,499	114,555	750	34,747
Total payables		432,160	455,632	115,998	107,245
Interest-bearing liabilities					
Leases	7A	467,629	754,711	0	0
Total Interest-bearing liabilities		467,629	754,711	0	0
Provisions					
Employee provisions		926,471	716,000	325,788	292,640
Total provisions		926,471	716,000	325,788	292,640
Total liabilities		1,826,260	1,926,343	441,786	399,885
Net assets		1,665,607	1,013,964	2,445,074	1,022,985
EQUITY					
Contributed equity		911,000	857,000	399,300	374,300
Retained earnings		754,607	156,964	2,045,774	648,685
Total equity		1,665,607	1,031,964	2,445,074	1,022,985

The above statements should be read in conjunction with the accompanying notes.

Statements of Changes in Equity

for the period ended 30 June 2025

Australian Accounting Standards Board

	Retained earnings		Contributed equity/capital		Total equity	
	2025 \$	2024 \$	2025 \$	2024 \$	2025 \$	2024 \$
Opening balance as at 1 July	156,964	889,971	857,000	804,000	1,013,964	1,693,971
Balance carried forward from previous period						
Comprehensive income						
Surplus/(Deficit) for the period	597,643	(733,007)	0	0	597,643	(733,007)
Comprehensive income attributable to the Australian Government	597,643	(733,007)	0	0	597,643	(733,007)
Transactions with owners						
Departmental capital budget	0	0	54,000	53,000	54,000	53,000
Closing balance as at 30 June	754,607	156,964	911,000	857,000	1,665,607	1,013,964

The above statements should be read in conjunction with the accompanying notes.

Auditing and Assurance Standards Board

	Retained earnings		Contributed equity/capital		Total equity	
	2025 \$	2024 \$	2025 \$	2024 \$	2025 \$	2024 \$
Opening balance as at 1 July	648,685	284,535	374,300	349,300	1,022,985	633,835
Balance carried forward from previous period						
Comprehensive income						
Surplus/(Deficit) for the period	1,397,088	364,150	0	0	1,397,088	364,150
Comprehensive income attributable to the Australian Government	1,397,088	364,150	0	0	1,397,088	364,150
Transactions with owners						
Departmental capital budget	0	0	25,000	25,000	25,000	25,000
Closing balance as at 30 June	2,045,774	648,685	399,300	374,300	2,445,074	1,022,985

The above statement should be read in conjunction with the accompanying notes.

Cash Flow Statements
for the period ended 30 June 2025

	Notes	AASB		AUASB	
		2025	2024	2025	2024
		\$	\$	\$	\$
OPERATING ACTIVITIES					
Cash received					
Appropriations		7,655,000	5,379,000	2,297,000	2,740,000
Sale of goods and rendering of services		658,106	796,026	0	0
Net GST received		282,130	69,157	0	0
Contributions received		499,135	503,767	0	0
Total cash received		9,094,371	6,747,950	2,297,000	2,740,000
Cash used					
Employees and contractors		6,246,123	4,336,829	1,531,009	1,494,785
Suppliers		2,681,479	1,852,005	988,659	1,102,530
Interest payments on lease liabilities		2,392	8,393	0	0
Total cash used		8,929,994	6,197,227	2,519,668	2,597,315
Net cash from / (used by) operating activities		164,377	550,723	(222,668)	142,685
INVESTING ACTIVITIES					
Cash received from / (used by)					
Purchase of property, plant and equipment		(44,623)	(86,836)	0	0
Net cash used by investing activities		(44,623)	(86,836)	0	0
FINANCING ACTIVITIES					
Cash received from / (used by)					
Contributed equity		54,000	53,000	25,000	25,000
Principal payments of lease liabilities		(287,082)	(276,324)	0	0
Net cash from / (used by) financing activities		(233,082)	(223,324)	25,000	25,000
Net increase / (decrease) in cash held		(113,328)	240,563	(197,668)	167,685
Cash and cash equivalents at the beginning of the reporting period		388,716	148,153	236,907	69,222
Cash and cash equivalents at the end of the reporting period		275,388	388,716	39,239	236,907

NOTES TO AND FORMING PART OF THE FINANCIAL REPORTS

Objectives of AASB and AUASB

The AASB and the AUASB are each supported by an Office providing technical and administrative services to the Boards. Each Office is formed under the *Australian Securities and Investments Commission Act 2001* (ASIC Act). The Offices are the financial entities governed by the *Public Governance, Performance and Accountability Act 2013* (PGPA Act) and are Australian non-corporate Commonwealth Entities.

The Office of the AASB is structured to meet one outcome: the formulation and making of external reporting standards that are used by Australian entities to prepare financial reports and enable users of the reports to make informed decisions.

The Office of the AUASB is structured to meet one outcome: the formulation and making of auditing and assurance standards and guidance that are used by auditors of Australian entity financial reports or for other auditing and assurance engagements.

Financial Reporting and Organisation Structure

The Offices of AASB and AUASB are effectively operating to the extent permitted by legislation, as a single Office supporting both Boards. The Chairs are Chief Executive Officers and the Accountable Authorities under the PGPA and are responsible for the preparation of the financial reports for each entity. The Chairs have delegated to the maximum extent possible the responsibilities to the Managing Director. The Managing Director supports the Chairs and manages the AASB technical and administrative staff of the AASB and supports the AUASB staff. The AASB and AUASB have implemented a shared service model, in that the AASB provides specified administrative services for the AUASB. The AUASB does not employ any administrative support staff.

Given the common objectives of the AASB and AUASB and the interlinked financial relationships, their individual financial reports are presented jointly with a column for each entity, supplemented with a detailed note outlining the appropriations received, and the direct costs incurred by each of the AASB and AUASB, together with the common expenses.

The accounting policies applied by each Office are the same.

Restructure of FRC, AASB and AUASB

On 21 November 2023, the Treasurer and Assistant Treasurer issued a joint media release announcing that the FRC, AASB and AUASB will be combined into a single entity on or after 1 July 2026, subject to the passage of legislation.

Events After the Statement of Financial Position Date

The AASB in its capacity as a lessee, entered into a new lease contract for the Melbourne office premises for a period of 5 years (with 1 extension option of 5 years) commencing from 7 July 2025. The new lease replaces the previous lease in relation to the Melbourne office premises and extends to the whole of the building floor. The lease includes the fit out of the premises. Refer to Note 7A for further information.

Note 1: Summary of Significant Accounting Policies

1.1 Basis of Preparation of the Financial Statements

The financial statements of the Offices of the AASB and the AUASB are required by Section 42 of the PGPA Act.

The financial reports have been prepared in accordance with:

- *Public Governance, Performance and Accountability (Financial Reporting) Rule 2015.*
- *Australian Accounting Standards and Interpretations - including simplified disclosures for Tier 2 Entities under AASB 1060 issued by the AASB.*

The financial statements have been prepared on an accrual basis and in accordance with the historical cost convention, except for certain assets and liabilities at fair value. Except where stated, no allowance is made for the effect of changing prices on the results or the financial position.

The financial statements are presented in Australian dollars.

1.2 Material Accounting Judgements and Estimates

There are no accounting assumptions or estimates at reporting date that have a significant risk of causing a material adjustment to carrying amounts of assets and liabilities within the next reporting period.

1.3 Changes in Australian Accounting Standards

(a) Revised Standards effective for years commencing after 30 June 2025

New standards, amendments to standards and interpretations that are applicable to future periods have been issued by the AASB. None of these are expected to have a material impact on future reporting periods, either because the AASB and AUASB do not conduct the types of transactions addressed by the pronouncements or because of the extent to which they may impact the AASB and AUASB is not expected to be material.

1.4 Taxation

The Offices of the AASB and AUASB are exempt from all forms of taxation, except Fringe Benefits Tax (FBT) and the Goods and Services Tax (GST).

1.5 Financial Instruments

AASB and AUASB have the following financial assets: cash and cash equivalents, management fee receivable and trade receivables. Management fee receivable and trade receivables are measured at amortised cost. The contractual terms of the financial assets give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

Financial assets at amortised cost are subsequently measured using the effective interest rate (EIR) method and are subject to impairment.

The net fair values of cash and cash equivalents, management fee receivable and trade receivables of the AASB and AUASB approximate their carrying amounts.

Financial assets are assessed for impairment at the end of each reporting period based on the simplified Expected Credit Losses (ECLs) approach. The ECLs are calculated using the provision matrix that is based on historical credit loss experience adjusted for forward looking factors specific to the debtors and the economic environment. The calculation reflects the probability-weighted outcome, the time value of money and reasonable and supportable information that is available at the reporting date about past events, current conditions and forecasts of future economic conditions.

The Offices of the AASB and AUASB are exposed to minimal credit risk due to the nature of the trade receivables, as they represent funding from State and Territories or Commonwealth Government. As there is no history of credit losses in the past and no forward-looking factors indicated differently, no allowance for ECL has been recognised.

The majority of trade receivables relates to a funding agreement between the Office of the AASB and the States and Territories. The current agreement runs from 1 July 2022 to 30 June 2025. Income is received in equal quarterly instalments and is recognised when controlled. All receivables are due in the next 12 months.

Financial instrument liabilities

The net fair value of trade creditors and management fee payable of the AASB and AUASB approximate their carrying amount.

Note 2: Analysis of Shared Operational Activities

Note 2A: Operational activities for AASB and AUASB

To transparently reflect the shared support model and organisation structure, the AASB and AUASB provide additional disclosure on a combined basis for their operational activities.

The AASB and AUASB shared support model effectively enables, to the extent permitted by legislation, the Offices of the AASB and AUASB to operate as a single Office supporting both Boards. Under the MoU between the AASB and the AUASB, the AASB incurs all costs of the AUASB.

The AASB recoups AUASB direct costs with no mark-up and accordingly does not recognise the reimbursement of these direct costs paid for by the AASB. The AASB recognises a receivable from the AUASB at the time the AASB pays for these expenses on behalf of the AUASB. AUASB direct costs are recognised as expenses of the AUASB. The AUASB recognises a payable to the AASB when charged by the AASB.

In addition, the AASB charges the AUASB a management fee to recover an appropriate portion of the total professional services expenses ('common expenses'). As the AASB solely bears legal obligations arising from the contracts for common employees, leases and other expenses, the AASB recognises the full amount of common expenses as incurred and recognises the management fee charged to the AUASB as revenue. The AUASB recognises the management fee as an expense. The common expense management fee for 2025 amounted to \$704,292 (2024: \$629,101).

	AASB 2025 \$	AUASB 2025 \$	Shared 2025 \$	Total 2025 \$	Total 2024 \$
Note 2B: Operational activities					
Appropriations	8,335,000	3,976,000	0	12,311,000	7,878,000
Other income	618,090	107,634	0	725,724	796,455
Total income before common expense recharge	8,953,090	4,083,634	0	13,036,724	8,674,455
Common expense recharge ¹	704,292	0	0	704,292	629,101
Total income	9,657,382	4,083,634	0	13,741,016	9,303,556
Employee and contractor costs	5,667,630	1,635,791	745,997	8,049,419	6,067,436
Separation and redundancy costs	0	0	0	0	28,395
Direct supplier expenses (refer to Note 3B)	1,466,281	327,741	0	1,794,022	1,850,969
Common occupancy expenses	0	0	94,242	94,242	88,706
Common depreciation and amortisation expense	79,192	18,722	342,475	440,389	480,758
Common finance costs	0	0	4,181	4,181	8,393
Common supplier expenses (refer to Note 3B)	0	0	659,740	659,740	518,655
	7,213,104	1,982,254	1,846,635	11,041,993	9,043,312
Common expense recharge ¹	0	704,292	0	704,292	629,101
	7,213,104	2,686,546	1,846,635	11,746,285	9,672,413
	Combined Surplus/(Deficit)			1,994,731	(368,857)
	Made up of AASB Surplus/(Deficit)			597,643	(733,007)
	AUASB Surplus/(Deficit)			1,397,088	364,150

1 The common expense recharge includes recharges for common employee costs (refer to Note 3A), operating lease expenses, depreciation and amortisation expenses (refer to Note 3C), finance costs and common supplier expenses (refer to Note 3B).

Note 3: Expenses

	AASB		AUASB	
	2025 \$	2024 \$	2025 \$	2024 \$
Note 3A: Employee and contractor costs				
Employee wages and salaries	4,707,535	3,991,649	1,444,025	1,414,557
Defined contribution superannuation plans	454,189	385,373	158,619	139,182
Leave and other entitlements	168,019	109,338	33,147	(28,530)
Separation and redundancies	0	28,395	0	0
Total employee benefits	5,329,743	4,514,755	1,635,791	1,525,209
Contractor costs	1,083,885	55,867	0	0
Total employee and contractor costs	6,413,628	4,570,622	1,635,791	1,525,209

Note 3B: Supplier expenses	AASB		AUASB	
	2025 \$	2024 \$	2025 \$	2024 \$
Direct expenses				
Board members' services	47,855	76,202	28,698	44,932
Travel	812,182	452,010	118,261	113,272
Publications/subscriptions	153,781	102,875	46,725	41,455
Conference & professional development	187,561	448,784	4,109	6,348
Audit fees (received free of charge) ¹	51,000	46,150	36,000	33,000
Compensation and related FBT expenses	8,546	21	675	1,380
Legal expenses	0	2,736	0	15,278
HR – Employee recruitment, training and support	1,320	948	321	176
Consultants	154,161	292,472	82,437	128,983
Other	49,875	30,863	10,515	13,084
Total direct expenses	1,466,281	1,453,061	327,741	397,908
Common expenses				
Consultant costs – Other	33,035	9,185	0	0
Consultant costs – HR	75,825	26,400	0	0
Administration costs	480,347	432,432	0	0
Legal expenses	14,009	0	0	0
Other	56,524	50,638	0	0
Total common expenses	659,740	518,655	0	0
Total supplier expenses	2,126,021	1,971,716	327,741	397,908

Refer to Note 2 for further details on Direct and Common expenses.

1 Audit fee relates to the financial statements audit by the Australian National Audit Office (ANAO) disclosed as resources received free of charge (refer to Note 3D).

	AASB		AUASB	
	2025	2024	2025	2024
	\$	\$	\$	\$
Note 3C: Depreciation and amortisation				
Buildings right of use asset	280,680	280,680	0	0
Plant & equipment	61,795	54,716	0	0
Computer software	79,192	77,775	18,722	67,587
Total Depreciation	421,667	413,171	18,722	67,587

Refer to Note 2 for further details on Direct and Common expenses.

	AASB		AUASB	
	2025	2024	2025	2024
	\$	\$	\$	\$
Note 3D: Volunteer Services (Resources received free of charge)				
Resources received free of charge	67,090	158,350	71,634	58,955
Audit fees received free of charge	51,000	46,150	36,000	33,000
Total Volunteer Services (Resources received free of charge)	118,090	204,500	107,634	91,955

Volunteer services received by the AASB and AUASB of board member sitting fees, secondee arrangements and audit fees can all be reliably measured at fair value and would have been obtained under a commercial arrangement therefore have been recognised as revenue and an expense in the statements. The use of free of charge meeting rooms has been determined as not meeting the recognition requirements but their use is recorded on AASB and AUASB Gift Registers.

Note 4: Appropriations

(i) Revenue from Government

Amounts appropriated for departmental output for the year (adjusted for any formal additions and reductions) are recognised as revenue when the Offices of the AASB and AUASB gain control of the appropriation, except for certain amounts that relate to activities that are reciprocal in nature, in which case revenue is recognised only when it has been earned.

Appropriations receivables are recognised at their nominal amounts.

(ii) Equity Injections and distributions to Government

Equity Injections and distributions to Government Appropriation amounts that are designated as 'equity injections,' including Departmental Capital Budget amounts, are recognised directly in contributed equity/capital for the year. Amounts transferred to the Australian Government as redemptions of the Government's ownership interest in the Office of the AASB or the AUASB are recognised as distributions to owners that reduce the contributed equity/capital. Contributions and distributions are also made in accordance with *Public Governance, Performance Accountability (Financial Reporting) Rule 2015 (FRR)*, clauses 40 - Formal additions and reductions and 43 - Annual Appropriations.

Note 4: Appropriations continued

Table A: Annual Appropriations ('Recoverable GST exclusive')

	AASB		AUASB	
	2025 \$	2024 \$	2025 \$	2024 \$
Ordinary annual services				
Annual appropriation - Revenue from Government				
Departmental Appropriations ¹	8,335,000	4,986,000	3,976,000	2,892,000
Total Appropriation Act	8,335,000	4,986,000	2,976,000	2,892,000
Departmental capital budget ²	54,000	53,000	25,000	25,000
Total appropriations	8,389,000	5,039,000	4,001,000	2,917,000
PGPA Act – Section 74				
Own source income - not transferred to the Official Public Account	1,157,241	1,299,793	0	0
Total appropriation	9,546,241	6,338,793	4,001,000	2,917,000
Total appropriation applied (current and prior years)	8,979,569	6,491,230	2,519,668	2,597,315
Variance	566,672	(152,437)	1,481,332	319,685

1 Unspent funds of \$56,000 for Sustainability Standards development withheld under section 51 of the PGPA Act

2 Departmental Capital Budgets are appropriated through Appropriation Acts (No.1, 3, 5). They form part of ordinary annual services and are not separately identified in the Appropriation Acts.

Table B: Unspent Annual Appropriations ('Recoverable GST exclusive')

Authority	AASB		AUASB	
	2025 \$	2024 \$	2025 \$	2024 \$
Supply Act (No. 1) – 2023/24	0	0	0	606,000
Supply Act (No. 3) – 2023/24	0	1,300,000	0	485,000
Supply Act (No. 1) – 2024/25	1,980,000	0	2,770,000	0
Cash	275,388	388,716	39,239	236,907
Total	2,255,388	1,688,716	2,809,239	1,327,907

Note 5: Related parties

The AASB and AUASB are Australian controlled non-corporate Commonwealth Entities. Related parties are:

- Key Management Personnel of the AASB and AUASB, their close family members, and entities controlled or jointed controlled by either (Note 5A)
- all other Australian Commonwealth Entities (Note 5B).

Key management personnel are determined as persons having authority and responsibility for planning, directing and controlling the activities of the entity. Based on a review of employee titles, analysis of the roles and job descriptions, the PGPA Act requirements for accountable authorities, the delegations made under the PGPA Act, the composition of the leadership meetings and communications to employees regarding the leadership team, the following positions have been included within key management personnel: the Chair and CEOs of each Board, the Managing Director and the Director-National of the AUASB.

Note 5A: Transactions with key management personnel

	AASB		AUASB	
	2025	2024	2025	2024
	\$	\$	\$	\$
Short-term employee benefits:				
Salary	757,519	728,004	439,616	445,809
Post-employment benefits:				
Superannuation	59,864	54,798	49,929	47,795
Other short-term benefits:				
Termination benefits - Separation and redundancies	0	0	0	0
Other long-term benefits:				
Long Service Leave ¹	13,805	12,517	10,609	11,287
Total other long-term benefits	13,805	12,517	10,609	11,287
Total	831,188	795,319	500,154	504,891

During the reporting period ended 30 June 2025, AASB had two executives (2024: two) who meet the definition of key management personnel.

Name	Position	Term as KMP
Keith Kendall	Chair	Full year (01/07/24-02/05/2025 & 15/05/25-30/06/2025)
Justin Williams	Managing Director	Full year

During the reporting period ended 30 June 2025, AUASB had two (2023: three) executives who met the definition of key management personnel.

Name	Position	Term as KMP
Douglas Niven	Chair	Full year (full time 0.6 equivalent)
Anne Waters	Director – National	Full year (full time 0.9 equivalent)

Governance Arrangements

The remuneration of the AASB and AUASB Chair is set by the Commonwealth Remuneration Tribunal Determination (Remuneration and Allowances for Holders of Full-time Public Office) Determination 2024. The remuneration of other KMP is set by the Chair's benchmarking against relevant published external remuneration portions. The individual's performance during the year in assisting to achieve the AASB or AUASB strategy is taken into account in determining the level of increase in salary each year. The AASB and AUASB do not have bonus or financial incentive schemes in place.

Other non-salary benefits provided to KMP (other than the AUASB Chair) include annual influenza immunisation, vaccination incentive, mentoring and coaching programs, confidential employee assistance program, mobile phone allowance, provision of tablet and/or laptop, airline lounge membership and internet allowance to facilitate remote working.

AASB		Short-term benefits \$	Post-employment benefits \$	Other long-term benefits \$	Termination Benefits \$	Total remuneration \$
Name	Position	Base Salary	Superannuation contributions	Long service leave		
Keith Kendall	Chair	426,097	29,932	7,690	0	463,719
Justin Williams	Managing Director	331,422	29,932	6,115	0	367,469
Total		757,519	59,864	13,805	0	831,188

AUASB		Short-term benefits \$	Post-employment benefits \$	Other long-term benefits \$	Termination Benefits \$	Total remuneration \$
Name	Position	Base Salary	Superannuation contributions	Long service leave		
Douglas Niven	Chair	242,747	26,554	5,773	0	275,074
Anne Waters	Director – National	196,869	23,375	4,836	0	225,080
Total		439,616	49,929	10,609	0	500,154

Note 5B: Other Related Parties

For both AASB and AUASB all outstanding balances with related parties other than the AASB and AUASB are priced on an arm's length basis. None of the balances are secured. No expense has been recognised in the current year or prior year for bad or doubtful debts in respect of amounts owed by related parties. For details of the arrangements between the AASB and AUASB refer Note 2.

The parent entity of both the AASB and the AUASB is the Department of Treasury and ultimate parent is the Australian Government.

The AASB and AUASB pay for the following services from other Commonwealth controlled entities: Employee Assistance Program from Treasury, Core Desktop Licenses from Department of Finance, insurance premiums from Comcover and Comcare, legal advice from Australian Government Solicitors (AGS), and registration fees from Treasury for the Federal Register of Legislative instruments cost recovery.

None of these services are individually or collectively significant to the AASB or AUASB, therefore only the nature of these transactions is disclosed.

The AASB and AUASB procured IT support from the Productivity Commission to the value of \$197,879 for 2025 (2024: \$151,175).

The nature of MOU between AASB and AUASB means that a related party transaction for the services rendered is sale of goods and services for AASB of \$704,292 (2024: \$629,101) and an expense to AUASB for the same value.

At the end of the financial year a receivable balance for AASB of \$107,036 (2024: \$59,349) existed and a goods payable balance for the AUASB for the same value.

Note 6: Property, Plant and Equipment

Note 6A: Property, Plant and Equipment

Asset Recognition Threshold

Purchases of property, plant and equipment are recognised initially at cost in the statement of financial position, except for purchases costing less than \$1,000, which are expensed in the year of acquisition (other than where they form part of a group of similar items which are significant in total).

Revaluation

Following initial recognition at cost, property, plant and equipment are carried at fair value (or an amount not materially different from fair value) less subsequent accumulated depreciation and accumulated impairment losses. Valuations are conducted with sufficient frequency to ensure that the carrying amounts of assets does not differ materially from the assets' fair values as at the reporting date. The regularity of independent valuations depends upon the volatility of movements in market values for the relevant assets.

Depreciation

Depreciable property, plant and equipment assets are written-off to their estimated residual values over their estimated useful lives to the entity using, in all cases, the straight-line method of depreciation.

Depreciation rates (useful lives), residual values and methods are reviewed at each reporting date and necessary adjustments are recognised in the current, or current and future reporting periods, as appropriate.

Depreciation rates applying to each class of depreciable asset are based on the following useful lives:

	2025	2024
Right of use assets:	Lease Term	Lease Term
Computers and software assets:	3 years	3 years
Office equipment:	5 years	5 years

Impairment

All assets were assessed for impairment at 30 June 2025.

Where indications of impairment exist, the asset's recoverable amount is estimated and an impairment adjustment made if the asset's recoverable amount is less than its carrying amount.

The recoverable amount of an asset is the higher of its fair value less costs of disposal and its value in use. Value in use is the present value of the future cash flows expected to be derived from the asset. Where the future economic benefit of an asset is not primarily dependent on the asset's ability to generate future cash flows, and the asset would be replaced if the entity were deprived of the asset, its value in use is taken to be its depreciated replacement cost.

Derecognition

An item of property, plant and equipment is derecognised upon disposal or when no further future economic benefits are expected from its use or disposal.

Lease Right of Use (ROU) Assets (Buildings)

Leased ROU assets are capitalised at the commencement date of the lease and comprise of the initial lease liability amount, initial direct costs incurred when entering into the lease less any lease incentives received. ROU assets are carried at cost.

Note 6B: Reconciliation of the opening and closing balance of material Property, Plant and Equipment for 2024-25

	AASB			AUASB
	Buildings \$	Plant & equipment \$	Computer software \$	Computer software \$
As at 1 July 2024				
Gross book value	1,413,866	400,734	244,636	212,335
Accumulated depreciation, amortisation and impairment	(712,167)	(265,743)	(130,777)	(190,208)
Total as at 1 July 2024	701,699	134,992	113,859	22,127
Additions: Purchase	0	44,623	0	0
Depreciation and amortisation	0	(61,795)	(79,192)	(18,722)
Depreciation on right-of-use assets	(280,680)	0	0	0
Disposals	0	(1,789)	0	0
Total as at 30 June 2025	421,019	116,031	34,667	3,405
Total as at 30 June 2025 represented by				
Gross book value	1,413,866	327,600	244,636	212,335
Accumulated depreciation, amortisation and impairment	(992,847)	(211,569)	(209,969)	(208,930)
Total as at 30 June 2025	421,019	116,031	34,667	3,405

Note 7: Other Information

Note 7A: Interest Bearing Liabilities

	AASB		AUASB	
	2025	2024	2025	2024
	\$	\$	\$	\$
Lease				
Lease liability	467,629	754,711	0	0
Total lease liability	467,629	754,711	0	0
Maturity analysis - contractual undiscounted cash flows				
Within 1 year	299,346	289,223	0	0
Between 1-5 years	169,523	468,869	0	0
Total lease	468,869	758,092	0	0

The AASB in its capacity as a lessee, entered a lease contract for a period of 5 years (with one option of 5 years) commencing from 19th December 2021 in relation to Melbourne office premises. The rent is increased on each anniversary of the commencement date including any options by 3.5%, except that on the commencement of each option term the rent will be reviewed to market.

Lease modification was made 7 July 2025 which resulted in an additional commitment of \$285,096 for the next 12 months.

Accounting Policy

For all new contracts entered into, the AASB and AUASB considers whether the contract is, or contains a lease. A lease is defined as 'a contract, or part of a contract, that conveys the right to use an asset (the underlying asset) for a period of time in exchange for consideration'.

Once it has been determined that a contract is, or contains a lease, the lease liability is initially measured at the present value of the lease payments unpaid at the commencement date, discounted using the interest rate implicit in the lease, if that rate is readily determinable, or the entities' incremental borrowing rate.

Subsequent to initial measurement, the liability will be reduced for payments made and increased for interest. It is remeasured to reflect any reassessment or modification to the lease. When the lease liability is remeasured, the corresponding adjustment is reflected in the right-of-use asset or profit and loss depending on the nature of the reassessment or modification.

Note 7B: Aggregate Assets and Liabilities

	AASB		AUASB	
	2025	2024	2025	2024
	\$	\$	\$	\$
Assets expected to be recovered in:				
No more than 12 months				
Cash and cash equivalents	275,388	388,716	39,239	236,907
Trade and other receivables	2,160,030	1,456,187	2,772,596	1,101,066
Prepayments	484,732	144,854	71,620	62,770
Total no more than 12 months	2,920,150	1,989,757	2,883,455	1,400,743
More than 12 months				
Buildings right of use	421,019	701,699	0	0
Plant and equipment	116,031	134,992	0	0
Computer software	34,667	113,859	3,405	22,127
Total more than 12 months	571,717	950,550	3,405	22,127
Total assets	3,491,867	2,940,307	2,886,860	1,422,870
Liabilities expected to be recovered in:				
No more than 12 months				
Suppliers	427,661	341,077	8,212	13,149
Other payables	4,499	114,555	107,786	94,096
Leases	298,250	287,082	0	0
Employee provisions	450,155	392,964	127,464	137,901
Total no more than 12 months	1,180,565	1,135,678	243,462	245,146
More than 12 months				
Leases	169,379	467,629	0	0
Employee provisions	476,316	323,036	198,324	154,739
Total more than 12 months	645,695	790,665	198,324	154,739
Total liabilities	1,826,260	1,926,343	441,786	399,885

Note 8: Budgetary Reports and Explanations of Major Variances

The following tables provide a comparison of the original budget as presented in the 2024-25 Portfolio Budget Statements (PBS) to the 2024-2025 final outcome as presented in accordance with Australian Accounting Standards. The Budget is not audited and where applicable, the original budget numbers have been reclassified to align with the financial statement.

Explanations are provided for major variances between actual results and the original budget. Variances are considered to be 'major' based on the following criteria:

- the variance between budget and actual is greater than 10%; and
- an item below this threshold but is considered important for the readers' understanding or is relevant to an assessment of the discharge of accountability and to an analysis of performance of AASB.

Note 8A: Major Budget Variances for 2024-25

Australian Accounting Standards Board	
Explanations of major variances	Footnote reference and affected statement
Insufficient allowance was budgeted for depreciation Plant and equipment and AASB Standards portal during the financial year.	3 Statement of Comprehensive Income - Depreciation and amortisation. Statement of Cashflow Statement – Purchase of property, plant and equipment and intangibles. Statement of Financial Position – Software/Intangibles
Lower than budget due to Total Shared Services Expenses being greater than budgeted.	4 Statement of Comprehensive Income - Management fee recharge
The bank balance, whilst lower than budget, is kept as low as possible, and appropriations are drawn down on a just-in-time basis to meet expense payments.	5 Statement of Financial Position & Cashflow Statement - Cash and cash equivalents
Higher than budget due to Appropriations total drawdowns being lower than budgeted.	6 Statement of Financial Position – Trade and other receivables & Cashflow Statement – Appropriations
Prepaid expenses are higher than budget because travel costs are booked in advance to ensure the best pricing.	7 Statement of Financial Position – Prepaid expenses
Suppliers higher than budget due to timing of invoices received post-30 June 2025 for services rendered pre-30 June 2025.	8 Statement of Financial Position – Suppliers
Other payables lower to budget due to budget over statement.	9 Statement of Financial Position – Other payables

Australian Accounting Standards Board and Auditing and Assurance Standards Board Annual Reports 2024-25

Auditing and Assurance Standards Board	
Explanations of major variances	Footnote reference and affected statement
Due to a delay in the passage and commencement of Mandatory Climate Reporting and Assurance under the Corporations Act 2001. At the same time, competition for auditors in the market, particularly for auditors with sustainability reporting and assurance experience. delayed recruitment.	1. Statement of Comprehensive Income & Cashflow statement – Employee and contractor costs
Largely associated with delays with the commencement of Mandatory Climate Reporting and Assurance. The AUASB was also unsuccessful in securing a seat on the IAASB.	2 Statement of Comprehensive Income & Cashflow Statement - Supplier expense
Plant and Equipment is held by AASB under the MOU agreement between the two entities.	3 Statement of Comprehensive Income - Depreciation and amortisation & Statement of Financial Position - Computer software
The bank balance, whilst lower than budget, is kept as low as possible, and appropriations are drawn down on a just-in-time basis to meet expense payments.	5 Statement of Financial Position & Cashflow Statement - Cash and cash equivalents
Lower than the budget due to Appropriations total drawdowns being lower than budget. This is associated with Employee and Supplier costs being lower than budgeted.	6 Statement of Financial Position – Trade and other receivables & Cashflow Statement – Appropriations
Prepaid expenses were lower than budget due as less travel was booked in advance.	7 Statement of Financial Position – Prepaid expenses
Suppliers lower than budget due balance payable to AASB being lower at 30 June 2025.	8 Statement of Financial Position - Suppliers
Employee Provisions were lower than budget, consistent with Employee Expenses being lower than budgeted.	10 Statement of Financial Position – Employee Provisions

Statements of Comprehensive Income
for the period ended 30 June 2025

	AASB			AUASB		
	Actual	Budget estimate		Actual	Budget estimate	
		Original	Variance		Original	Variance
	2025	2025	2025	2025	2025	2025
	\$	\$	\$	\$	\$	\$
EXPENSES						
Employee and contractor costs ¹	6,413,628	6,862,000	(448,372)	1,635,791	2,760,000	(1,124,209)
Supplier expenses ²	2,220,263	2,365,000	(144,737)	1,032,033	1,336,000	(303,967)
Depreciation and amortisation ³	421,667	335,000	86,667	18,722	25,000	(6,278)
Finance costs	2,392	2,000	392	0	0	0
Total expenses	9,059,739	9,564,000	(504,161)	2,686,546	4,121,000	(1,434,454)
LESS:						
OWN SOURCE INCOME						
Own-source revenue						
Management fee recharge ⁴	704,292	550,000	154,292	0	0	0
Resources received free of charge	118,090	125,000	(6,910)	107,634	120,000	(12,366)
Contributions from states and territories	500,000	500,000	0	0	0	0
Total own-source revenue	1,322,382	1,175,000	147,382	107,634	120,000	(12,366)
Net cost of services & cost of outcome delivery	7,737,357	8,389,000	(651,643)	2,578,912	4,001,000	(1,422,088)
Revenue from Government - departmental appropriations	8,335,000	8,335,000	0	3,976,000	3,976,000	0
Surplus/(Deficit) attributable to the Australian Government	597,643	(54,000)	651,643	1,397,088	(25,000)	1,422,088
OTHER COMPREHENSIVE INCOME						
Total comprehensive income attributable to the Australian Government	597,643	(54,000)	651,643	1,397,088	(25,000)	1,422,088

Statements of Financial Position
for the period ended 30 June 2025

	AASB			AUASB		
	Actual	Budget estimate		Actual	Budget estimate	
		Original	Variance		Original	Variance
	2025	2025	2025	2025	2025	2025
	\$	\$	\$	\$	\$	\$
ASSETS						
Financial assets						
Cash and cash equivalent ⁵	275,388	373,000	(97,612)	39,239	69,000	(29,761)
Trade and other receivables ⁶	2,160,030	1,969,000	191,030	2,772,596	1,066,000	1,766,596
Total financial assets	2,435,418	2,342,000	93,418	2,811,835	1,075,000	1,736,835
Non-financial assets						
Buildings right of use	421,019	420,000	1,019	0	0	0
Plant and equipment ³	116,031	154,000	(37,969)	0	24,000	(24,000)
Computer ³	34,667	141,000	(106,333)	3,405	66,000	(62,595)
Software/Intangibles ³						
Prepaid expenses ⁷	484,732	279,000	205,732	71,620	90,000	(18,380)
Total non-financial assets	1,056,449	994,000	62,449	75,025	180,000	(104,975)
Total assets	3,491,867	3,336,000	155,867	2,886,860	1,255,000	1,631,860
LIABILITIES						
Payables						
Suppliers ⁸	427,661	150,000	277,661	115,248	180,000	(64,752)
Other payables ⁹	4,499	150,000	(145,501)	750	0	750
Total payables	432,160	300,000	132,160	115,998	180,000	(64,002)
Interest-bearing liabilities						
Leases	467,629	484,000	(16,371)	0	0	0
Total Interest-bearing liabilities	467,629	484,000	(16,371)	0	0	0
Provisions						
Employee provisions ¹⁰	926,471	873,000	53,471	325,788	441,000	(115,212)
Total provisions	926,471	873,000	53,471	325,788	441,000	(115,212)
Total liabilities	1,826,260	1,657,000	169,260	441,786	621,000	(179,214)
Net assets	1,665,607	1,679,000	(13,393)	2,445,074	634,000	1,811,074
EQUITY						
Parent entity interest						
Contributed equity	911,000	911,000	0	399,300	400,000	(700)
Retained earnings	754,607	768,000	(13,393)	2,045,774	234,000	1,811,744
Total parent entity interest	1,665,607	1,679,000	(13,393)	2,445,074	634,000	1,811,074

Statements of Changes in Equity

for the period ended 30 June 2025

Australian Accounting Standards Board

	Retained earnings			Contributed equity/capital			Total equity		
	Actual	Budget Estimate		Actual	Budget Estimate		Actual	Budget Estimate	
		Original	Variance		Original	Variance		Original	Variance
	2025	2025	2025	2025	2025	2025	2025	2025	2025
	\$	\$	\$	\$	\$	\$	\$	\$	\$
Opening balance									
Balance carried forward from previous period	156,964	822,000	(665,036)	857,000	857,000	0	1,013,964	1,679,000	(665,036)
Comprehensive income									
Surplus/ (Deficit) for the period	597,643	(54,000)	651,643	0	0	0	597,643	(54,000)	651,643
Total comprehensive income attributable to the Australian Government	597,643	(54,000)	651,643	0	0	0	597,643	(54,000)	651,643
Contribution by owners									
Departmental capital budget	0	0	0	54,000	54,000	0	54,000	54,000	0
Total transactions with owners	0	0	0	54,000	54,000	0	54,000	54,000	0
Closing balance attributable to Australian Government	754,607	768,000	(13,393)	911,000	911,000	0	1,665,607	1,679,000	(13,393)

Variances in equity are the net result of variances in the statements of comprehensive income and the statements of financial position.

Statements of Changes in Equity (continued)

for the period ended 30 June 2025

Auditing and Assurance Standards Board

	Retained earnings			Contributed equity/capital			Total equity		
	Actual	Budget Estimate		Actual	Budget Estimate		Actual	Budget Estimate	
		Original	Variance		Original	Variance		Original	Variance
		2025	2025		2025	2025		2025	2025
	\$	\$	\$	\$	\$	\$	\$	\$	\$
Balance carried forward from previous period	648,685	259,000	389,685	374,300	375,000	(700)	1,022,985	634,000	388,985
Surplus/ (Deficit) for the period	1,397,088	(25,000)	1,422,088	0	0	0	1,397,088	(25,000)	1,422,088
Total comprehensive income attributable to the Australian Government	1,397,088	(25,000)	1,422,088	0	0	0	1,397,088	(25,000)	1,422,088
Contributions by owners									
Departmental capital budget	0	0	0	25,000	25,000	0	25,000	25,000	0
Total transactions with owners	0	0	0	25,000	25,000	0	25,000	25,000	0
Closing balance attributable to Australian Government	2,045,773	234,000	1,811,773	399,300	400,000	(700)	2,445,073	634,000	1,811,073

Variances in equity are the net result of variances in the statements of comprehensive income and the statements of financial position.

Cash Flow Statements
for the period ended 30 June 2025

	AASB			AUASB		
	Actual	Budget estimate		Actual	Budget estimate	
		Original	Variance		Original	Variance
		2025	2025		2025	2025
	\$	\$	\$	\$	\$	\$
OPERATING ACTIVITIES						
Cash received						
Appropriations	7,655,000	8,632,000	(707,000)	2,297,000	3,956,000	(1,659,000)
Sale of goods and rendering of services	658,106	550,000	108,106	0	0	0
Net GST received	282,130	0	282,130	0	0	0
Contributions received	499,135	500,000	(865)	0	0	0
Total cash received	9,094,371	9,412,000	(317,629)	2,297,000	3,956,000	(1,659,000)
Cash used						
Employees and contractors ¹	6,246,123	6,809,000	(562,877)	1,531,009	2,730,000	(1,198,991)
Suppliers ²	2,681,479	2,225,000	456,479	988,659	1,226,000	(377,530)
Interest payments on lease liabilities	2,392	2,000	392	0	0	0
Other	0	(25,000)	(25,000)	0	0	0
Total cash used	8,929,994	9,011,000	(81,006)	2,519,668	3,956,000	(1,436,332)
Net cash from/ (used by) operating activities	164,377	401,000	(236,623)	(222,668)	0	(222,668)
INVESTING ACTIVITIES						
Cash received / (used)						
Purchase of property, plant and equipment and intangibles ³	(44,623)	(54,000)	9,377	0	(25,000)	25,000
Total cash used	(44,623)	(54,000)	9,377	0	(25,000)	25,000
Net cash from (used by) investing activities	(44,623)	(54,000)	9,377	0	(25,000)	25,000
FINANCING ACTIVITIES						
Cash received						
Contributed equity	54,000	54,000	0	25,000	25,000	0
Principal payments of lease liabilities	(287,082)	(281,000)	(6,082)	0	0	0
Net cash from/ (used by) financing activities	(233,082)	(227,000)	(6,082)	25,000	25,000	0
Net increase (decrease) in cash held	(113,328)	120,000	(233,328)	(197,668)	0	(197,668)
Cash and cash equivalents at the beginning of the reporting period	388,716	253,000	135,716	236,907	69,000	167,907
Cash and cash equivalents at the end of the reporting period ⁵	275,388	373,000	(97,612)	39,239	69,000	(29,761)

Appendices

APPENDIX A

AASB AND AUASB LEGISLATIVE REQUIREMENTS

AASB

The AASB is required to advance and promote the main objects of Part 12, section 224, of the ASIC Act:

- (a) to facilitate the development of accounting standards that require the provision of financial information that:
 - 1. allows users to make and evaluate decisions about allocating scarce resources
 - 2. assists directors to discharge their obligations in relation to financial reporting
 - 3. is relevant to assessing performance, financial position, financing and investment
 - 4. is relevant and reliable
 - 5. facilitates comparability
 - 6. is readily understandable.
- (b) to facilitate the Australian economy by:
 - 1. reducing the cost of capital
 - 2. enabling Australian entities to compete effectively overseas
 - 3. having accounting standards that are clearly stated and easy to understand.

(c) to maintain investor confidence in the Australian economy (including its capital markets).

Part 12, section 227, of the ASIC Act provides, among other things, that:

- (1) The functions of the AASB are:
 - 1. to develop a conceptual framework, not having the force of an accounting standard, for the purpose of evaluating proposed accounting standards and international standards
 - 2. to make accounting standards under section 334 of the *Corporations Act 2001* for the purposes of the Corporations legislation (other than the excluded provisions)
 - 3. to formulate accounting standards for other purposes
 - 4. to participate in and contribute to the development of a single set of accounting standards for worldwide use
 - 5. to advance and promote the main objects of this Part.
- (2) In carrying out its functions under paragraphs (1) (a) and (d) the AASB must have regard to the interests of Australian corporations which raise or propose to raise capital in major international financial centres.

AUASB

The AUASB is an Australian Government Agency under the *Australian Securities and Investments Commission Act 2001* (ASIC Act).

Under section 227B (1) of the ASIC Act, the functions of the AUASB are:

- (a) to make auditing standards under section 336 of the *Corporations Act 2001*, for the purposes of the corporations legislation
- (b) to formulate auditing and assurance standards for other purposes
- (c) to formulate guidance on auditing and assurance matters
- (d) to participate in and contribute to the development of a single set of auditing standards for worldwide use
- (e) to advance and promote the main objects of Part 12 of the ASIC Act. Section 224 (aa) of the *ASIC Act* states the objectives of Part 12, which include:

“To facilitate the development of auditing and assurance standards and related guidance materials that:

- 1. provide Australian auditors with relevant and comprehensive guidance in forming an opinion about, and reporting on, whether financial reports comply with the requirements of the *Corporations Act 2001*; and
- 2. require the preparation of auditors’ reports that are reliable and readily understandable by the users of financial reports to which they relate.”

Other relevant objectives of Part 12 are summarised below:

- to facilitate the Australian economy by having (accounting and) auditing standards that are clearly stated and easy to understand; and
- to maintain investor confidence in the Australian economy (including its capital markets).

APPENDIX B

ATTENDANCE AT AASB AND AUASB MEETINGS

AASB MEMBER ATTENDANCE

The AASB met seven times during 2024-25. In addition to preparation for these meetings, which requires consideration of detailed technical papers, members considered and voted on accounting standards and other pronouncements out of session and also attended or made presentations at seminars and other meetings related to their role as a Board member. Consequently, the time committed by members is substantially more than the meeting days attended.

AASB Member attendance is shown in the table below:

Members	Number of days eligible to attend	Number of days attended	Apologies (days)
K Kendall (Chair)	9	9	0
S Taylor (Deputy Chair)	9	9	0
C Cordery	9	8	1
R Gordon	3	3	0
J Grant*	6	6	0
D Hanlon	9	9	0
D Holland	9	7	2
A King	9	9	0
T Langley	9	7	2
L Maimone	9	8	1
M Nelson	9	9	0
S Osborn	9	5	4
M Overton	9	9	0
P Rogers*	6	5	1
C Spencer	9	7	2

* Board retirements during 2024-25 period

For details of terms of appointments, please refer to the AASB Organisational Structure section of this Report.

AUASB MEMBER ATTENDANCE

The AUASB held 13 meetings during 2024-25. Member attendance is shown in the table below:

Members	Number of days eligible to attend	Number of days attended	Apologies (days)
D Niven (Chair)	13	13	0
J Crisp (Deputy Chair)	13	11	2
T Barker*	7	7	0
M Gwan	4	4	0
K Hankin	13	12	1
N Harding	13	13	0
A Porter	13	13	0
T Jeyaretnam	13	13	0
J Lonergan	13	12	1
M Russ*	13	12	1
M Shafizadeh*	7	6	1
J Thorne	13	12	1
J Travers	6	6	0
C Mun Woo	13	12	1

* Board retirements during 2024-25 period

For details of terms of appointments, please refer to the AUASB Organisational Structure section of this Report.

APPENDIX C

OTHER INFORMATION

EXTERNAL SCRUTINY

The AASB and AUASB's financial statements are audited each year by the ANAO.

AASB and AUASB annual reports are scrutinised by the Senate Economics Legislation Committee and the Parliamentary Joint Committee on Corporations and Financial Services.

https://www.aph.gov.au/Parliamentary_Business/Committees/Joint/Corporations_and_Financial_Services/No1of46thParliament.

PURCHASING

The AASB and AUASB's general policy is that the purchase of any major capital items follows the Commonwealth Procurement Guidelines.

Information on expenditure on contracts and consultancies is also available on the AusTender website, www.tenders.gov.au.

PROCUREMENT INITIATIVES TO SUPPORT SMALL BUSINESS

The AASB and AUASB support small business participation in the Commonwealth Government procurement market. Small and Medium Enterprises (SME) and Small Enterprise participation statistics are available on the Department of Finance's website (www.finance.gov.au/procurement/statistics-on-commonwealth-purchasing-contracts)

Officials of the AASB and AUASB apply procurement practices that do not unfairly discriminate against SMEs and provide appropriate opportunities for SMEs to compete. Officials consider the benefits of doing business with SMEs when scoping the requirements and evaluating value for money. Procurement practices support SMEs by the use of the Commonwealth Contracting Suite for low-risk procurements valued under \$200,000.

The AASB and AUASB participate in whole-of-government procurement where applicable and follow the Small Business Engagement Principles, such as communicating in clear, simple language and presenting information in an accessible format

E-invoicing has been implemented to support on-time payment to suppliers, including the use of payment cards.

Statics on SMEs' participation in Commonwealth Government procurement are available on the [Statistics on Australian Government Procurement Contracts](#) page.

CONSULTANTS

Reportable consultancy contracts 2024-25	AASB		AUASB	
	Number	Expenditure \$	Number	Expenditure \$
New contracts entered into during the reporting period	2	44,666	0	0
Ongoing contracts entered into during a previous reporting period	0	0	0	0
Total	2	44,666	0	0

Organisations receiving a share of reportable consultancy contract expenditure 2024-25	AASB	
	Expenditure \$	Proportion of 2024-25 total spend (%)
Hays Specialist Recruitment	29,260	66%
Gadens	15,406	34%
Total of the Largest Shares	44,666	100%

AASB - During 2024-25, 2 new reportable consultancy contracts were entered into with a total expenditure of \$44,666. There were no active ongoing reportable consultancy contracts during this period.

AUASB - During 2024-25, no new reportable consultancy contracts were entered. There were no active ongoing reportable consultancy contracts from the previous reporting period.

Annual reports contain information about actual expenditure on reportable consultancy contracts. Information on the value of reportable consultancy contracts is available on the AusTender website.

Decisions to engage consultants during 2024-25 were made in accordance with the PGPA Act and related regulations including the Commonwealth Procurement Rules and relevant internal policies.

AASB and AUASB selects consultants through the use of panel arrangements or by making an open approach to market.

AASB and AUASB engages consultants when it requires specialist expertise on policy design, financial viability, and information technology strategic planning. Independent evaluation on AASB's or AUASB outcomes are also required.

NON-CONSULTANCY CONTRACTS

	AASB		AUASB	
	Number	Expenditure \$	Number	Expenditure \$
Reportable non-consultancy contract 2024-25				
New contracts entered into during the reporting period	36	1,093,298	2	23,182
Ongoing contracts entered into during a previous reporting period	2	333,897	1	9,821
Total				
AASB				
Organisations receiving a share of reportable non-consultancy contract expenditure 2024-25		Expenditure \$		Proportion of 2024-25 total spend (%)
Kador		318,499		22%
The University of Melbourne		175,574		12%
Ernst & Young		126,096		9%
University of Queensland		97,027		7%
International Financial Reporting Standards		73,209		5%
Total of the Largest Shares		790,405		55%
AUASB				
International Federation of Accountants		19,188		58%
Dexus Place		9,821		30%
Corporate Travel Management Group		3,994		12%
Total of the Largest Shares		33,003		100%

AASB - During 2024-25, 36 new reportable non-consultancy contracts were entered into with a total expenditure of \$1,093,298. There were 2 active ongoing reportable non-consultancy contracts with a total expenditure of \$333,897 during this period.

AUASB - During 2024-25, 2 new reportable non-consultancy contracts were entered into with a total expenditure of \$23,182. There was 1 active ongoing reportable non-consultancy contract with a total expenditure of \$9,821 during this period.

Annual reports contain information about actual expenditure on reportable non-consultancy contracts. Information on the reportable non-consultancy contracts' value is available on the AusTender website.

EXEMPT CONTRACTS

The AASB has a contract with the IFRS Foundation. The contract gives the AASB rights to IFRS copyright material. This contract and value have been exempted by the Chair from being published on AusTender on the basis that it would disclose exempt matters under the *Freedom of Information Act 1982*.

The AASB and AUASB have applied the following Commonwealth Procurement Rules:

- Exemption 2 – Procurement of goods and services from another Commonwealth entity, or state, territory, or local government entity.
- Exemption 14 – Contracts for labour hire.

ADVERTISING AND MARKET RESEARCH

The AASB and AUASB did not carry out any advertising or market research.

GRANTS

The AASB and AUASB do not administer or receive any grant programs.

FREEDOM OF INFORMATION

Information Publication Scheme

The AASB and AUASB are subject to the *Freedom of Information Act 1982* (FOI Act) and publish information to the public as part of the Information Publications Scheme (IPS). The AASB and AUASB display on their websites a plan showing information in accordance with the IPS requirement (<https://www.aasb.gov.au/about-the-aasb/freedom-of-information-foi/> and www.auasb.gov.au/about-auasb/freedom-of-information).

DISABILITY REPORTING

Australia's Disability Strategy 2021-2031 (the Strategy) is the overarching framework for inclusive policies, programs and infrastructure that will support people with disability to participate in all areas of Australian life. The Strategy sets out where practical changes will be made to improve the lives of people with disability in Australia. It acts to ensure the principles underpinning the United Nations Convention on the Rights of Persons with Disabilities are incorporated into Australia's policies and programs that affect people with disability, their families and carers. All levels of government have committed to delivering more comprehensive and visible reporting under the Strategy. A range of reports on the progress of the Strategy's actions and outcome areas will be published and available at <https://www.disabilitygateway.gov.au/ads>.

Disability reporting is included the Australian Public Service Commission's State of the Service reports and the APS Statistical Bulletin. These reports are available at <http://www.apsc.gov.au>.

OCCUPATIONAL HEALTH AND SAFETY

Under section 38 of the *Work Health and Safety Act 2011*, the AASB and AUASB is required to notify Comcare of any incidents arising out of the conduct of their operations that result in death, serious injury or serious illness of a person, or involve a dangerous incident.

All employees, and Board members, when attending meetings, are covered under Comcare and Comcover. No accidents or dangerous occurrences, or relevant investigations, took place during the 2024-25 financial year.

ECOLOGICALLY SUSTAINABLE DEVELOPMENT AND ENVIRONMENTAL PERFORMANCE REPORTING

The AASB and AUASB do not have specific responsibilities in relation to the administration of environmental sustainability legislation.

The nature of the AASB and AUASB's activities limits the impact of their operations on the environment, however, they are mindful of their responsibilities to minimise negative impacts. Accordingly, the AASB and AUASB have in place policies and procedures designed to minimise environmental impacts by complying with government policies relating to waste, energy and travel.

The principal environmental impact minimisation activities employed are:

- virtual meetings as a substitute for travel, where appropriate
- waste management, through a fully commingled and organic recycling program
- energy efficient practises in lighting, air-conditioning and computer use
- limited water use.

The Melbourne office achieved 5-star Green Star Office Design rating from the Green Building Council of Australia. It also achieved a 5-star Australian Business Greenhouse Rating and the first existing building in Australia to achieve a WELL Platinum Certification.

The building holds a Waste Wise accreditation from EcoRecycle Victoria. Accreditation is supported by a recycling and waste management programme that aims to avoid, reuse or recycle waste generated by the building and its occupants.

Travel restrictions limit meetings to only essential obligations. Teleconferencing and videoconferencing are used whenever possible.

CLIMATE DISCLOSURE

Commonwealth Climate Disclosure is the Government's policy for Commonwealth entities to publicly disclose their exposure to climate risks and opportunities, as well as their actions to manage them. The AASB and the AUASB voluntarily opted into the CCD Pilot in 2023-24. This established us as a front-runner on climate disclosure, which aligns with our responsibility for sustainability standards. Under the policy, Australian non-corporate Commonwealth Entities are required to complete climate disclosures. As the AASB and AUASB meet the thresholds of Tranche 1 in the [CCD Policy Architecture](#), we must start including climate-related disclosures in our Annual Report from FY2024-25. This climate statement has been prepared in accordance with the [Year 1 Reporting Provisions](#) for Tranche 1 entities.

Governance

Climate risk governance and accountability

The AASB and the AUASB's governance structures are underpinned by a robust enterprise risk management framework established in accordance with the requirements of the *Commonwealth Risk Management Policy (2023)* and the *Public Governance, Performance and Accountability Act 2013* (PGPA Act).

We use our existing governance and risk systems, policies and tools to manage risks, including climate-related risks and opportunities. We see climate-related risk as a priority action area, and climate-related risk and opportunity reporting has been included in existing risk reporting arrangements and key corporate documentation, such as corporate plans, Audit and Risk Committee meetings which are held on a quarterly basis.

As defined under section 12 of the PGPA Act, the Chairs of AASB and AUASB are the accountable authority for all organisational risks, including climate-related risks.

The Chairs have assigned responsibility for risk management oversight to the Managing Director and the Finance Team. The Managing Director and the Finance Team have worked closely with the Audit and Risk Committee to implement climate risk management practices and strategies aligned with climate risks and opportunities and resources within the organisation, and to ensure steps are being undertaken so that climate-related risks and opportunities are appropriately identified, prioritised and managed across the organisations.

Although the Chairs, Managing Director and the Finance Team are ultimately responsible for leading the oversight of the AASB and the AUASB's risks, including climate-related risk, we

embed a culture that risk management is everyone's business. All staff are responsible for climate-related risk and opportunity identification and management with consideration to their role and commensurate to their level. The AASB and AUASB are actively working towards being a sustainable and responsible workplace and have also issued an office sustainability policy.

Moreover, the AASB has issued Australian Sustainability Reporting Standard AASB S1 *General Requirements for Disclosure of Sustainability-related Financial Information* and AASB S2 *Climate-related Disclosures*. The AASB and the AUASB Staff are building relevant skills and capabilities through the development of AASB S1 and AASB S2.

The Chairs requested in 2023-24 that the Finance Team review existing systems to assess their effectiveness in considering the trade-offs between climate-related risks and other Government policy constraints. For example, whether appropriate checks and balances are in place to ensure any new property management activities align with the emissions reduction articulated in AASB's *Emissions Reduction Plan 2024* and AUASB's *Emissions Reduction Plan 2024*. We still believe that trade-offs should be investigated further by Department of Finance.

The role and responsibilities of the accountable authority in managing climate risks and opportunities within the AASB and the AUASB, is summarised in Table 1.

Table 1 Roles and Responsibilities

Role	Risk Responsibilities
AASB and AUASB Chairs	Accountable authority with ultimate responsibility for having systems of risk management in place – this includes determining risk appetite, tolerance and a positive risk culture. Deputises climate risk management oversight to the Managing Director and the Finance Team. This includes the establishment and oversight of climate-related risk assessment processes and performance targets, such as (but not limited to) the development of emissions reduction targets for inclusion in the <i>AASB Emissions Reduction Plan 2024</i> and <i>AUASB Emissions Reduction Plan 2024</i> . We continue to monitor emissions as and when reporting is available to ensure that we are on track to contribute towards the APS Net Zero 2030 target.
AASB and AUASB Audit and Risk Committees (ARC)	Responsible for providing independent assurance and assistance to the Chairs on their financial and performance reporting responsibilities, risk oversight and management, and system of internal control. The Committee is not responsible for the executive management of these functions. The Committee engages with management in discharging its advisory responsibilities and formulating its advice to the Chairs.
Managing Director	Responsible for overseeing the risk management framework and governance as well as advising the Chairs, including through their reporting role to the ARC. Delivers the AASB and the AUASB's obligations under the Commonwealth Climate Disclosure Reform and Climate Risk and Opportunity Management Program (CROMP),

Role	Risk Responsibilities
	and contributes to the AASB and AUASB's implementation of the <i>Net Zero in Government Operations Strategy</i> . The Managing Director and the Finance Team also currently hold the responsibilities of the Chief Sustainability Officer, the appointment of which is encouraged in the <i>Net Zero in Government Operations Strategy</i> .
Finance Team	Responsible for designing, building and implementing the AASB and AUASB's risk management framework and developing the capability internally to manage risk. Climate-related risk is included in AASB and AUASB's enterprise risk management framework as a specialist risk category. AASB and AUASB are the Sustainability Reporting and Assurance Standards Setters for the Australian Government. As such, the AASB and AUASB possess unparalleled skills and expertise, and the market connections to evaluate risks and opportunities. Responsible for maintaining divisional risk registers that monitor climate-related risk identification, assessment and management actions.

Risk management

This was the second year that the AASB and the AUASB embarked upon an organisation-wide risk assessment in accordance with our obligations under the [*Australian Government's Approach to Climate Risk and Opportunity Management in the Public Sector 2024-2026*](#). This reporting year, we focused on the first step of the CROMP organisation-wide climate risk and opportunity assessment. We have worked to embed climate risk management practices and strategies aligned with climate risks opportunities and resources within the organisation, and to ensure steps are being undertaken so that climate-related risks and opportunities are appropriately identified, prioritised and managed across the organisations.

OUR PROGRESS

Table 1 CROMP Actions Completed

Step 1: Scoping the assessment

- Defined climate risk governance structures and identified the project team and Executive Sponsor (Managing Director of AASB and AUASB).
- Identified *values at risk* as the five key strategic risks from the Corporate plan (staff wellbeing, business continuity, reputation, procurement, and fit for purpose nature of standards that are pronounced).
- Identified the geographic region of interest as Victoria where the majority of our staff and assets are based.
- Generated a list of stakeholders for ongoing engagement activities.
- Reviewed AASB and AUASB's enterprise risk management framework and our existing risk matrix.
- Increased internal capability with key staff working on the Australian Sustainability Reporting Standards through the development of the mandatory reporting standards for the Australian Economy. This capability is further enhanced with the AUASB working on sustainability assurance standards, guidance, phasing requirements and education.

METRICS AND TARGETS

CLIMATE-RELATED METRICS

2024-25 GREENHOUSE GAS EMISSIONS INVENTORY

Emissions are required to be calculated in line with the APS Net Zero Emissions Reporting Framework provided by Department of Finance, consistent with the whole-of-Australian-Government approach as part of the APS Net Zero by 2030 policy. Details on the target can be found in the [APS Net Zero 2030 Target Factsheet](#) on the Department of Finance website. The AASB and the AUASB have not deviated from this methodology.

The greenhouse gas emissions inventory presents greenhouse gas emissions over the 2024–25 period. Results are presented as carbon dioxide equivalent (CO₂-e) emissions and are based on the best available data at the time of reporting. Amendments to data may be required in future reports.

Electricity-related greenhouse gas emissions were calculated using the location-based approach in Tables 3 and 5. When applying the market-based method, which accounts for factors such as GreenPower usage, purchased large-scale generation certificates, power purchasing agreements, the renewable power percentage and the jurisdictional renewable power percentage (ACT only), the total emissions for electricity are as shown in Tables 4 and 6.

Table 3: AASB 2024-25 Greenhouse Gas Emissions Inventory – Location-Based Method

Emission Source	Scope 1 t CO ₂ -e	Scope 2 t CO ₂ -e	Scope 3 t CO ₂ -e	Total t CO ₂ -e
Electricity (Location Based Approach)	N/A	20.61	2.41	23.02
Natural Gas	2,002.80	N/A	155.47	2,158.26
Solid Waste*	0.00	N/A	0.00	0.00
Refrigerants †	0.00	N/A	N/A	0.00
Fleet and Other Vehicles	0.00	N/A	0.00	0.00
Domestic Commercial Flights	N/A	N/A	27.20	27.20
Domestic Hire Car	N/A	N/A	0.00	0.00
Domestic Travel Accommodation	N/A	N/A	11.69	11.69
Other Energy	0.00	N/A	0.00	0.00
Total t CO₂-e	2,002.80	20.61	196.77	2,220.18

Note: the table above presents emissions related to electricity usage using the location-based accounting method. CO₂-e = Carbon Dioxide Equivalent.

*indicates Solid Waste data was unable to be sourced and has not been included.

†indicates an optional emission source for 2024-25 emissions reporting.

n/a = not applicable

Table 4: AASB 2024-25 Electricity Greenhouse Gas Emissions

Emission Source	Scope 2 t CO ₂ -e	Scope 3 t CO ₂ -e	Total t CO ₂ -e	Electricity kWh
Electricity (Location Based Approach)	20.61	2.41	23.02	26,770.49
Market-based electricity emissions	17.74	2.41	20.15	21,899.60
Total renewable electricity consumed	n/a	n/a	n/a	4,870.89
Renewable Power Percentage ¹	n/a	n/a	n/a	4,870.89
Jurisdictional Renewable Power ³	n/a	n/a	n/a	0.00
GreenPower ²	n/a	n/a	n/a	0.00
Large-scale generation certificates ²	n/a	n/a	n/a	0.00
Behind the meter solar ⁴	n/a	n/a	n/a	0.00
Total renewable electricity produced	n/a	n/a	n/a	0.00
Large-scale generation certificates ²	n/a	n/a	n/a	0.00
Behind the meter solar ⁴	n/a	n/a	n/a	0.00

Note: the table above presents emissions related to electricity usage using both the location-based and the market-based accounting methods. CO₂-e = Carbon Dioxide Equivalent. Electricity usage is measured in kilowatt hours (kWh).

¹ Listed as Mandatory renewables in 2023-24 Annual Reports. The renewable power percentage (RPP) accounts for the portion of electricity used, from the grid, that falls within the Renewable Energy Target (RET).

² Listed as Voluntary renewables in 2023-24 Annual Reports.

³ The Australian Capital Territory is currently the only state with a jurisdictional renewable power percentage (JRPP).

⁴ Reporting behind the meter solar consumption and/or production is optional. The quality of data is expected to improve over time as emissions reporting matures.

Table 5: AUASB 2024-25 Greenhouse Gas Emissions Inventory– Location-Based Method

Emission Source	Scope 1 t CO ₂ -e	Scope 2 t CO ₂ -e	Scope 3 t CO ₂ -e	Total t CO ₂ -e
Electricity (Location Based Approach)	N/A	9.83	1.15	10.98
Natural Gas	955.11	N/A	74.14	1,029.25
Solid Waste*	0.00	N/A	0.00	0.00
Refrigerants †	0.00	N/A	N/A	0.00
Fleet and Other Vehicles	0.00	N/A	0.00	0.00
Domestic Commercial Flights	N/A	N/A	9.43	9.43
Domestic Hire Car	N/A	N/A	0.00	0.00
Domestic Travel Accommodation	N/A	N/A	0.97	0.97
Other Energy	0.00	N/A	0.00	0.00
Total t CO₂-e	955.11	9.83	85.69	1,050.62

Note: the table above presents emissions related to electricity usage using the location-based accounting method. CO₂-e = Carbon Dioxide Equivalent.

* indicates Solid Waste data was unable to be sourced and has not been included.

† indicates an optional emission source for 2024-25 emissions reporting.

n/a = not applicable

Table 6: AUASB 2024-25 Electricity Greenhouse Gas

Emission Source	Scope 2 t CO ₂ -e	Scope 3 t CO ₂ -e	Total t CO ₂ -e	Electricity kWh
Electricity (Location Based Approach)	9.83	1.15	10.98	12,766.49
Market-based electricity emissions	8.46	1.15	9.61	10,443.63
Total renewable electricity consumed	n/a	n/a	n/a	2,322.86
Renewable Power Percentage ¹	n/a	n/a	n/a	2,322.86
Jurisdictional Renewable Power ³	n/a	n/a	n/a	0.00
GreenPower ²	n/a	n/a	n/a	0.00
Large-scale generation certificates ²	n/a	n/a	n/a	0.00
Behind the meter solar ⁴	n/a	n/a	n/a	0.00
Total renewable electricity produced	n/a	n/a	n/a	0.00
Large-scale generation certificates ²	n/a	n/a	n/a	0.00
Behind the meter solar ⁴	n/a	n/a	n/a	0.00

Note: the table above presents emissions related to electricity usage using both the location-based and the market-based accounting methods. CO₂-e = Carbon Dioxide Equivalent.

¹ Mandatory renewables are the portion of electricity consumed from the grid that is generated by renewable sources. This includes the renewable power percentage.

² Voluntary renewables reflect the eligible carbon credit units surrendered by the entity. This may include purchased large-scale generation certificates, power purchasing agreements, GreenPower and the jurisdictional renewable power percentage (ACT only).

³ The Australian Capital Territory is currently the only state with a jurisdictional renewable power percentage (JRPP).

⁴ Reporting behind the meter solar consumption and/or production is optional. The quality of data is expected to improve over time as emissions reporting matures.

CLIMATE-RELATED TARGETS

The AASB and the AUASB are making contributions towards the attainment of the Government's APS Net Zero by 2030 target. The AASB and the AUASB are following the APS Net Zero by 2030 target in full, as per the Net Zero in Government Operations Strategy.

ABOUT THE APS NET ZERO TARGET

Details of the APS Net Zero 2030 target are detailed in the Pilot Metrics and Targets Factsheet.

EMISSIONS REDUCTION PLAN

In 2023-24 the AASB and the AUASB published the first Emissions Reduction Plans (ERPs).¹ Our ERP sets out our planned activities to reduce emissions to Net Zero by 2030 and includes both planned and new initiatives to reduce emissions. The initiatives and targets within the ERP are signed off by the Accountable Authority. The AASB and the AUASB are also developing a range of interim goals and metrics for tracking our performance against the ERP and APS Net Zero by 2030 target as part of our broader climate-related strategy.

SUMMARY OF PROGRESS

We have developed and published our ERPs, which outline priorities and targeted actions that have been implemented, or committed to, within this reporting period, as well as those that will be delivered in the future. A function of our declining emissions is due to less domestic travel through less outreach activity. This does not give the entire picture as our international commitments increased this financial year. However, we are seeking to prioritise travel only where necessary and add value beyond the emissions and help to improve the capital flow for the Australian economy.

We will continue to monitor our progress towards Net Zero and report additional measures as required.

¹ See *AASB Emissions Reduction Plan 2024 and AUASB Emissions Reduction Plan 2024*.

APPENDIX D

AGENCY RESOURCE STATEMENT AND RESOURCES FOR OUTCOMES

The changes in financial results from the previous year are discussed in the Chair's Review. Explanations of variances from the budgeted financial statements for the financial year as set out in the Portfolio Budget Statement/Portfolio Additional Estimate Statement, and their implications are set out in notes 11 and 11A to the financial statements.

Agency summary resource table by outcomes

Office of the AASB: Resources for outcomes 2024-25

	Actual available appropriation – current year (\$'000)	Payments made (\$'000)	Balance remaining (\$'000)
Outcome 1:			
Formulating and making accounting standards, sustainability standards, and related reporting requirements that apply to Australian entities subject to a statutory or other obligation to prepare financial reports and other external reports that are integral to understanding the entities' financial and sustainability-related information.			
Departmental			
Annual appropriations – ordinary annual services	8,335	6,335	1,980
Prior year appropriations available – ordinary annual services	1,300	1,300	0
Total departmental annual appropriations	9,635	7,655	1,980
Total departmental resourcing	9,635	7,655	1,980
Total resourcing and payments for entity	9,635	7,655	1,980

Office of the AASB: Resources for outcomes 2023-24

	Actual available appropriation – current year (\$'000)	Payments made (\$'000)	Balance remaining (\$'000)
Outcome 1:			
Formulating and making accounting standards, sustainability standards, and related reporting requirements that apply to Australian entities subject to a statutory or other obligation to prepare financial reports and other external reports that are integral to understanding the entities' financial and sustainability-related information.			
Departmental			
Annual appropriations – ordinary annual services	4,986	3,686	1,300
Prior year appropriations available – ordinary annual services	1,693	1,693	0
Total departmental annual appropriations	6,679	5,379	1,300
Total departmental resourcing	6,679	5,379	1,300
Total resourcing and payments for entity	6,679	5,379	1,300

The above table was omitted from the 2023-24 Annual Report.

The changes in financial results from the previous year are discussed in the Chair's Review. Explanations of variances from the budgeted financial statements for the financial year as set out in the Portfolio Budget Statement/Portfolio Additional Estimate Statement, and their implications are set out in notes 11 and 11a to the financial statements.

Agency summary resource table by outcomes

Office of the AUASB: Resources for outcomes 2024-25

	Actual available appropriation – current year (\$'000)	Actual Expenses (\$'000)	Variation (\$'000)
Outcome 1:			
Formulating and making auditing, review and assurance standards for Australian entity financial reports and sustainability reports as well as for other auditing and assurance engagements.			
Departmental			
Annual appropriations – ordinary annual services	3,976	1,206	2,770
Prior year appropriations available – ordinary annual services	1,091	1,091	0
Total departmental annual appropriations	5,067	2,297	2,770
Total departmental resourcing	5,067	2,297	2,770
Total resourcing and payments for entity	5,067	2,297	2,770

Office of the AUASB: Resources for outcomes 2023-24

	Actual available appropriation – current year (\$'000)	Actual Expenses (\$'000)	Variation (\$'000)
Outcome 1:			
Formulating and making auditing, review and assurance standards for Australian entity financial reports and sustainability reports as well as for other auditing and assurance engagements.			
Departmental			
Annual appropriations – ordinary annual services	2,892	1,801	1,091
Prior year appropriations available – ordinary annual services	939	939	0
Total departmental annual appropriations	3,831	2,740	1,091
Total departmental resourcing	3,831	2,740	1,091
Total resourcing and payments for entity	3,831	2,740	1,091

The above table was omitted from the 2023-24 Annual Report.

APPENDIX E

LIST OF REQUIREMENTS

Description	Requirement	AASB Page	AUASB Page
Letter of transmittal			
A copy of the letter of transmittal signed and dated by accountable authority on the date final text approved, with statement that the report has been prepared in accordance with section 46 of the Act and any enabling legislation that specifies additional requirements in relation to the annual report	Mandatory	iii	iii
Aids to access			
Table of contents	Mandatory	iv	iv
Alphabetical index	Mandatory	142	142
Glossary of abbreviations and acronyms	Mandatory	v	v
List of requirements	Mandatory	134	134
Details of contact officer	Mandatory	vi	vi
Entity's website address	Mandatory	vi	vi
Electronic address of report	Mandatory	vi	vi
Review by accountable authority			
A review by the accountable authority of the entity	Mandatory	9	41
Overview of the entity			
A description of the role and functions of the entity	Mandatory	16	46
A description of the organisational structure of the entity	Mandatory	61	64
A description of the outcomes and Programs administered by the entity	Mandatory	18	50
A description of the purposes of the entity as included in the corporate plan	Mandatory	16	46
Name of the accountable authority or each member of the accountable authority	Mandatory	16	46
Position title of the accountable authority of each member of the accountable authority	Mandatory	16	46

Appendix E: List of Requirements

Description	Requirement	AASB	AUASB
		Page	Page
Period as the accountable authority or member of the accountable authority within the reporting period	Mandatory	62	65
An outline of the structure of the portfolio of the entity.	Portfolio departments - mandatory		
Where outcome and programs administered by the entity differ from any Portfolio Budget Statement, Portfolio Additional Estimates Statement or other portfolio estimates statement that was prepared for the entity for the period, include details of variation and reasons for change	If applicable, Mandatory	107	108
Report on the performance of the entity			
Annual performance statements			
Annual performance statement in accordance with program 39(1)(b) of the Act and section 16F of the Rule	Mandatory	16	46
Report on financial performance			
A discussion and analysis of the entity's financial performance	Mandatory	15	44
A table summarising the total resources and total payments of the entity	Mandatory	132	133
If there may be significant changes in the financial results during or after the previous or current reporting period, information on those changes, including: the cause of any operating loss of the entity; how the entity has responded to the loss and the actions that have been taken in relation to the loss; and any matter or circumstances that it can reasonably be anticipated will have a significant impact on the entity's future operation or financial results	If applicable, Mandatory	15	44
Management and accountability			
Corporate governance			
Information on compliance with section 10 (fraud systems)	Mandatory	69	69
A certification by accountable authority that fraud risk assessments and fraud control plans have been prepared	Mandatory	69	69

Description	Requirement	AASB Page	AUASB Page
A certification by accountable authority that appropriate mechanisms for preventing, detecting incidents of, investigating or otherwise dealing with, and recording or reporting fraud that meet the specific needs of the entity are in place	Mandatory	69	69
A certification by accountable authority that all reasonable measures have been taken to deal appropriately with fraud relating to the entity	Mandatory	69	69
An outline of structures and processes in place for the entity to implement principles and objectives of corporate governance	Mandatory	69	69
A statement of significant issues reported to Minister under paragraph 19(1)(e) of the Act that relates to non-compliance with Finance law and action taken to remedy non-compliance	If applicable, Mandatory	n/a	n/a
Audit Committee			
A direct electronic address of the charter determining the functions of the entity's audit committee	Mandatory	68	68
The name of each member of the entity's audit committee	Mandatory	67	67
The qualifications, knowledge, skills or experience of each member of the entity's audit committee	Mandatory	67	67
Information about the attendance of each member of the entity's audit committee at committee meetings	Mandatory	67	67
The remuneration of each member of the entity's audit committee	Mandatory	67	67
External scrutiny			
Information on the most significant developments in external scrutiny and the entity's response to the scrutiny	Mandatory	119	119
Information on judicial decisions and decisions of administrative tribunals and by the Australian Information Commissioner that may have a significant effect on the operations of the entity	If applicable, Mandatory	n/a	n/a
Information on any reports on operations of the entity by the Auditor-General, (other than report under section 43 of the Act), a Parliamentary Committee or the Commonwealth Ombudsman	If applicable, Mandatory	n/a	n/a

Appendix E: List of Requirements

Description	Requirement	AASB Page	AUASB Page
Information on any capability reviews on the entity that were released during the period	If applicable, Mandatory	n/a	n/a
Management of human resources			
An assessment of the entity's effectiveness in managing and developing employees to achieve entity objectives	Mandatory	71	74
Statistics on the entity's employees on an ongoing and non-ongoing basis; including the following:	Mandatory	71	74
- statistics on full-time employees - statistics on part-time employees - statistics on gender - statistics on staff location			
Statistics on the entity's APS employees on an ongoing and non-ongoing basis; including the following:	Mandatory	71	74
- statistics on staffing classification level - statistics on full-time employees - statistics on part-time employees - statistics on gender - statistics on staff location - statistics on employees who identify as Indigenous.			
Information on any enterprise agreements, individual flexibility arrangements, Australian workplace agreements, common law contracts and determinations under subsection 24(1) of the <i>Public Service Act 1999</i> .	Mandatory	71	74
Information on the number of SES and non-SES employees covered by agreements etc. identified in paragraph 17AG(4)(c)	Mandatory	71	74
The salary ranges available for APS employees by classification level	Mandatory	73	76
A description of non-salary benefits provided to employees	Mandatory	77	77
Information on the number of employees at each classification level who received performance pay	If applicable, Mandatory	n/a	n/a
Information on aggregate amounts of performance pay at each classification level	If applicable, Mandatory	n/a	n/a
Information on the average amount of performance payment, and range of such payments, at each classification level	If applicable, Mandatory	n/a	n/a

Description	Requirement	AASB Page	AUASB Page
Information on aggregate amount of performance payments	If applicable, Mandatory	n/a	n/a
Assets management			
An assessment of effectiveness of assets management where asset management is a significant part of the entity's activities	If applicable, mandatory	n/a	n/a
Purchasing			
An assessment of entity performance against the <i>Commonwealth Procurement Rules</i>	Mandatory	119	119
Reporting consultancy contracts			
A summary statement detailing the number of new contracts engaging consultants entered into during the period; the total actual expenditure on all new consultancy contracts entered into during the period (inclusive of GST); the number of ongoing consultancy contracts that were entered into during a previous reporting period; and the total actual expenditure in the reporting year on the ongoing consultancy contracts (inclusive of GST)	Mandatory	120	120
A statement that “During 2024-25, [specified number] new consultancy contracts were entered into involving total actual expenditure of \$[specified million]. In addition, [specified number] ongoing consultancy contracts were active during the period, involving total actual expenditure of \$[specified million].”	Mandatory	120	120
A summary of the policies and procedures for selecting and engaging consultants and the main categories of purposes for which consultants were selected and engaged	Mandatory	120	120
A statement that “Annual reports contain information about actual expenditure on contracts for consultancies. Information on the value of contracts and consultancies is available on the AusTender website.”	Mandatory	120	120

Appendix E: List of Requirements

Description	Requirement	AASB Page	AUASB Page
Reportable non-consultancy contracts			
A summary statement detailing the number of new reportable non-consultancy contracts entered into during the period; the total actual expenditure on such contracts (inclusive of GST); the number of ongoing reportable non-consultancy contracts that were entered into during a previous reporting period; and the total actual expenditure in the reporting period on those ongoing contracts (inclusive of GST).	Mandatory	121	121
A statement that <i>“Annual reports contain information about actual expenditure on reportable non-consultancy contracts. Information on the value of reportable non-consultancy contracts is available on the AusTender website</i>	Mandatory	121	121
Additional information about organisations receiving amounts under reportable consultancy contracts or reportable non-consultancy contracts			
Additional information, in accordance with section 17AGA, about organisations receiving amounts under reportable consultancy contracts or reportable non-consultancy contracts.	Mandatory	121	121
Australian National Audit Office Access Clauses			
If an entity entered into a contract with a value of more than \$100,000 (inclusive of GST) and the contract did not provide the Auditor-General with access to the contractor’s premises, the report must include the name of the contractor, purpose and value of the contract, and the reason why a clause allowing access was not included in the contract.	If applicable, Mandatory	n/a	n/a
Exempt contracts			
If an entity entered into a contract or there is a standing offer with a value greater than \$10,000 (inclusive of GST) which has been exempted from being published in AusTender because it would disclose exempt matters under the FOI Act, the annual report must include a statement that the contract or standing offer has been exempted, and the value of the contract or standing offer, to the extent that doing so does not disclose the exempt matters.	If applicable, Mandatory	122	122

Description	Requirement	AASB Page	AUASB Page
Small business			
A statement that <i>“AASB-AUSB supports small business participation in the Commonwealth Government procurement market. Small and Medium Enterprises (SME) and Small Enterprise participation statistics are available on the Department of Finance’s website”</i>	Mandatory	119	119
An outline of the ways in which the procurement practices of the entity support small and medium enterprises	Mandatory	119	119
If the entity is considered by the Department administered by the Finance Minister as material in nature – a statement that <i>AASB-AUASB recognises the importance of ensuring that small businesses are paid on time. The results of the Survey of Australian Government Payments to Small Business are available on the Treasury’s website.”</i>	If applicable, Mandatory	n/a	n/a
Financial statements			
Inclusion of the annual financial statements in accordance with subsection 43(4) of the Act	Mandatory	80	80
Executive Remuneration			
Information about executive remuneration in accordance with Subdivision C of Division 3A of Par 2-3 of the Rule	Mandatory	100	101
Other mandatory information			
If the entity conducted advertising campaigns, a statement that <i>“During 2024-25, the AASB conducted the following advertising campaigns: [name of advertising campaigns undertaken]. Further information on those advertising campaigns is available on [entity’s website] and in the reports on Australian Government advertising prepared by the Department of Finance. Those reports are available on the Department of Finance’s website.”</i>	If applicable, Mandatory	n/a	n/a
If the entity did not conduct advertising campaigns, a statement to that effect	If applicable, Mandatory	122	122
A statement that <i>“Information on grants awarded to AASB during 2024-25 is available at [entity’s website]”</i>	If applicable, Mandatory	n/a	n/a
Outline of mechanisms of disability reporting including reference to website for further information	Mandatory	123	123

Appendix E: List of Requirements

Description	Requirement	AASB	AUASB
		Page	Page
Website reference to where the entity's Information Publication Scheme statement pursuant to Part II of FOI Act can be found	Mandatory	122	122
Correction of material errors in previous annual report	If applicable, Mandatory	132	133
Information required by other legislation	Mandatory	119	119

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