



<b>Project:</b>	<b>AASB Agenda Consultation</b>	<b>Meeting:</b>	AASB June 2021 (M181)
<b>Topic:</b>	<b>Draft ITC XX AASB Agenda Consultation 2022-2026</b>	<b>Agenda Item:</b>	4.0
		<b>Date:</b>	7 June 2021
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		<b>Decision-Making:</b>	High
		<b>Project Status:</b>	Draft consultation paper

## Objective of this paper

- 1 The objective of this agenda item is for the Board to consider the draft AASB Invitation to Comment ITC XX AASB Agenda Consultation 2022-2026.

## Attachment

Agenda Paper 4.1 Draft ITC XX AASB Agenda Consultation 2022-2026

## Background and reasons for bringing this paper to the Board

- 2 The [AASB's Due Process Framework](#) requires a formal agenda consultation process to be undertaken at least every five years (para 6(a)). The AASB's previous domestic agenda consultation process was conducted in 2015 as [ITC 34 AASB Agenda Consultation 2017-2019](#), following the IASB's Agenda Consultation process. As such, the AASB Agenda Consultation was due in 2020. However, as a result of COVID-19 pandemic, the AASB delayed the domestic agenda consultation to this year.
- 3 The purpose of the domestic agenda consultation is to seek views from Australian constituents on the projects the AASB should be addressing that are primarily domestic in nature. The domestic work program of the AASB addresses external reporting issues in relation to:
  - (a) public sector entities;
  - (b) not-for-profit (NFP) entities; and
  - (c) Australian specific issues relating to for-profit entities.
- 4 At the [February 2021 meeting](#) the AASB decided to undertake a domestic agenda consultation process to request views from constituents on the AASB's work program and its priorities for the period 2022-2026. Consequently, at the [April 2021 meeting](#), the Board deliberated the scope of the agenda consultation for stakeholder feedback.
- 5 In March 2021 the IASB released a [Request for Information on its Third Agenda Consultation](#). The Request for Information is seeking views on what IASB should prioritise from 2022 to 2026. Comments to the IASB's Third Agenda Consultation is due by 27 September 2021. The corresponding AASB Invitation to Comment, ITC 44 Request for Comment on the IASB Request for Information on Third Agenda Consultation, was issued in April 2021. The ITC 44 comment period closes 16 August 2021.

- 6 The Board decided at the [November 2020](#) and [February 2021](#) meeting to make a AASB submission to the IASB's *Third Agenda Consultation*. Therefore, while the primary focus of this paper is the domestic Agenda Consultation process, the agenda consultation process will include a submission to the IASB on the *IASB Third Agenda Consultation*.
- 7 This paper presents the Board the draft AASB Invitation to Comment ITC XX *AASB Agenda Consultation 2022-2026*. Subject to the Board's decision, the ITC will be finalised and issued in Q3-Q4 2021.
- 8 The current draft ITC is a work-in-progress document. Staff are finalising the research program and it will be included in the draft ITC for the September 2021 meeting for feedback. Further, staff are undertaking targeted outreach to stakeholders on potential standard-setting and research projects for inclusion in the ITC (alongside with the outreach on *IASB Third Agenda Consultation*). Preliminary views received could give rise to changes to the draft ITC.
- 9 The purpose of this paper is to seek Board's views on the draft ITC questions. The ITC aims to gather stakeholder feedback so that the Board could make informed decisions when determining the balance of the AASB work program, including setting priorities and allocating resources appropriately.

### **Draft ITC questions**

- 10 In preparation for the upcoming AASB domestic agenda consultation 2022-2026, staff have drafted the AASB Invitation to Comment ITC XX *AASB Agenda Consultation 2022-2026* (ITC), including questions for respondents to comment.
- 11 At the [April 2021 meeting](#), the Board decided to invite comments on whether its 2022 to 2026 work program should:
  - (a) retain any of the current inactive AASB projects (Section 2.1 of the drafted ITC):
    - (i) For-profit sector projects
      - Remuneration reporting
      - Supply chain financing arrangements – Reverse Factoring
      - Crowd-sourced equity funding
      - CCIV legislative review
    - (ii) NFP sector projects
      - Definition of fundraising
      - Long term discount
    - (iii) Other project
      - Co-operatives and mutual entities; and
  - (b) add the AASB's proposed topics (Section 2.2 of the drafted ITC):
    - Sustainability reporting
    - Service performance reporting
    - Digital financial reporting.
- 12 As part of the agenda consultation, the Board also invites stakeholders to suggest other external reporting topics for considerations.
- 13 To assist the Board setting the 2022 to 2026 work program, the draft questions in the ITC expect respondents to provide the reasons (and other relevant supporting information) why the suggested project(s) or topic(s) should be included in the work program.
- 14 With the objective of this agenda consultation in mind, Section 3 of the ITC provides three questions to invite respondents to comment.

**Question for Board members:**

Question 1: Do Board members have any comments on the draft ITC questions?

**Project timeline and next steps**

15 Following is the project timeline and next steps:

July – August 2021 Staff to undertake targeted outreach to stakeholders on potential projects for inclusion in agenda consultation ITC (alongside outreach on *IASB Third Agenda Consultation*)

September 2021 Board to consider any sweep issues  
Publish ITC for 120-day comment period (comments due early February 2022)

Oct – Dec 2021 Outreach events, including:

- Discussion forums
- Webcasts
- Presentations at conferences / discussion groups
- Other targeted outreach meetings / roundtables

April 2022 Summary of feedback received presented to AASB meeting (note that this was previously planned for February 2022; however, staff think that it would be valuable to have additional time for stakeholder consultation prior to finalising the feedback)

June 2022 AASB work program recommendations presented to the Board

September 2022 Sweep issues (if needed)  
Publish Feedback Statement

**Question for Board members:**

Question 2: Do Board members have any questions or concerns in relation to the project timeline and next steps?