



<b>Project:</b>	AASB Agenda Consultation	<b>Meeting:</b>	M179
<b>Topic:</b>	AASB Agenda Consultation process 2021	<b>Agenda Item:</b>	4.1
		<b>Date:</b>	10 February 2021
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		<b>Decision-Making:</b>	High
		<b>Project Status:</b>	Decide AASB domestic agenda consultation process

## Objective of this paper

- 1 The objective of this agenda item is for the Board to:
  - (a) decide the AASB domestic Agenda Consultation process,
  - (b) review the proposed project timeline and decide on the next steps.

## Reasons for bringing this paper to the Board

- 2 At its November meeting, the IASB confirmed that it intends to issue its 2021 Agenda Consultation in H1 2021 (expected March 2021) with comments due in July 2021.
- 3 The AASB's previous domestic agenda consultation process was undertaken in 2015 as ITC 34 *AASB Agenda Consultation 2017-2019*<sup>1</sup>, following the IASB's Agenda Consultation process. The AASB's Due Process Framework<sup>2</sup> requires that a formal Agenda Consultation process be undertaken at least every five years (para 6(a)).

## Structure

- 4 This Staff Paper is set out as follows:
  - (a) Background (paragraph 5-9)
  - (b) Scope of the AASB Agenda Consultation (paragraph 10-13)
  - (c) Proposed project timeline and next steps (paragraph 14)

## Background

- 5 The AASB's previous Agenda Consultation ITC 34 sought views on projects to add to AASB Work Program that were strategically aligned to the AASB's 2015-2019 Strategy, with a particular focus on taking a leadership role in shaping the Australian Reporting Framework; and broadening work beyond 'conventional' financial reporting.
- 6 To be added to the AASB Agenda, the projects needed to address financial reporting issues that relate to:

<sup>1</sup> [https://www.aasb.gov.au/ADMIN/file/content105/c9/ITC34\\_11-15.pdf](https://www.aasb.gov.au/ADMIN/file/content105/c9/ITC34_11-15.pdf)

<sup>2</sup> [https://www.aasb.gov.au/admin/file/content102/c3/AASB\\_Due\\_Process\\_Framework\\_09-19.pdf](https://www.aasb.gov.au/admin/file/content102/c3/AASB_Due_Process_Framework_09-19.pdf)

- public sector entities;
  - not-for-profit (NFP) entities; or
  - Australian-specific issues relating to for-profit entities.
- 7 The objective of the Agenda Consultation was also to include a number of research projects to demonstrate the AASB's commitment to utilising its Research Centre to facilitate and substantiate thought leadership on financial reporting issues.
- 8 A feedback statement was issued in early 2017 addressing the comments received in response to the consultation.<sup>3</sup>
- 9 AASB staff note that the Board met recently to discuss its strategic plan, with no major changes in focus proposed for the Board's overall strategy for the period 2016-2021<sup>4</sup>.

### Scope of the AASB Agenda Consultation

- 10 The AASB work program is currently very full, with a number of major high-priority domestic standard-setting projects in progress, including:
- (a) NFP Framework and related projects; and
  - (b) Fair value measurement for the NFP sector.
- 11 A number of these projects are due for completion in 2022.
- 12 Accordingly, staff propose that, if the Board decides to undertake a domestic Agenda Consultation process that the AASB should seek input on the Board's activities for the period 2022-2026.

### Questions for Board members:

Question 1: Do Board members agree to undertake a domestic AASB agenda consultation process in accordance with the AASB Due Process Framework?

Question 2: Do Board members agree with the staff recommendation that the scope of the AASB agenda consultation be in respect of the period 2022-2026?

### Proposed project timeline and next steps

- 13 If the Board agrees to undertake a domestic AASB agenda consultation process, the staff recommend the following broad project timeline and next steps:

April 2021	Consider scope of consultation ITC, including criteria for priority, approach to current projects and inclusion of potential projects
April - July 2021	Staff to undertake outreach to stakeholders on potential projects for inclusion in agenda consultation ITC (alongside outreach on IASB Agenda Consultation)
July 2021	Board to consider draft ITC questions
September 2021	Board to consider any sweep issues Publish ITC for comment (comments due mid-January 2022)

<sup>3</sup> [https://www.aasb.gov.au/admin/file/content102/c3/Agenda\\_Consultation\\_Feedback\\_Statement\\_2017.pdf](https://www.aasb.gov.au/admin/file/content102/c3/Agenda_Consultation_Feedback_Statement_2017.pdf)

<sup>4</sup> <https://www.aasb.gov.au/AASB-Board/AASB-Board-Strategy-and-Corporate-Plan.aspx>

October –  
December 2021 Outreach events  
February 2022 Summary of feedback received presented to AASB meeting  
April 2022 AASB work program recommendations presented to the Board  
July 2022 Sweep issues (if needed)  
Publish Feedback Statement

**Question for Board members:**

Question 3: Do Board members agree with the draft project timeline and next steps?