



Project:	AASB Agenda Consultation 2022–2026	Meeting:	AASB June 2022 (M188)
Topic:	Balance of the AASB’s activities	Agenda Item:	8.3
		Date:	6 June 2022
Contact(s):	Eric Lee elee@asb.gov.au Nikole Gyles ngyles@asb.gov.au	Project Priority:	High
		Decision-Making:	High
		Project Status:	Consider AASB’s work plan and proposed response to feedback

Objective of this paper

- 1 This paper provides the Board with an overview of the balance of the AASB’s upcoming activities and the proposed timeline of projects added to the 2022–2026 AASB work program.

Balance of AASB’s activities

- 2 All projects proposed for addition to the 2022–2026 AASB work program were assessed against the AASB strategic directions¹ and project prioritisation criteria after consultation with a broad range of stakeholders.
- 3 Overall, a significant portion of the 2022–2026 AASB work program will be dedicated to the Board’s commitment to completing current standard-setting and research projects (see [AASB work program](#)) and a series of post-implementation reviews (PIRs) (see [PIR work plan](#)).
- 4 The Board also expects to undertake time-sensitive projects that may arise after this agenda consultation, including responses to IASB, ISSB, IPSASB and other regulators’ developments pertinent to AASB work.
- 5 The completion of projects in the current work program will progressively provide the capacity to commence and undertake new projects added to the work program. The work program is expected to draw on the full capacity of the AASB available in the period 2022–2026.

Size of the projects

- 6 The table below summarises the estimated size of the new projects added to the work program, indicating the resources and time needed to undertake those projects.
- 7 Large projects are those projects that require significant resources, consultation and outreach activities. The duration for completing a large project typically requires more than 24 months and may be ongoing. A medium project typically requires at least 18 months to

¹ See Appendix A.

complete. Other projects that do not fall into the medium or large categories are considered small, such as narrow-scope projects.

	Large	Medium	Small
Standard-setting projects	<ul style="list-style-type: none"> • Sustainability reporting • Service performance reporting 	<ul style="list-style-type: none"> • Public sector long-term discount rates 	<ul style="list-style-type: none"> • Imputation franking credits
Research projects	<ul style="list-style-type: none"> • Intangible assets 		<ul style="list-style-type: none"> • Going concern disclosures
Monitor and influence			<ul style="list-style-type: none"> • Digital financial reporting

Sectors impacted

8 As the AASB has the role of setting accounting standards for all sectors, the balance of the AASB's activities also considers how each project is relevant to the sectors.

9 The table below is a summary of sectors that each project is related to:

Project	Sectors impacted
Standard-setting projects	
Public sector long-term discount rates	Public sector
Sustainability reporting	All sectors
Service performance reporting	NFP sector
Imputation franking credits	For-profit sector
Research projects	
Intangible assets	All sectors
Going concern disclosures	All sectors
Monitor and influence	
Digital financial reporting	All sectors

Priorities and urgency

10 The table below summarises the importance and urgency of each project that stakeholders suggest. Sustainability reporting has a high urgency because there have been rapid international developments on this subject. To keep pace with the expected ongoing international developments in sustainability, the Board decided to commence the project. The rest of the projects are not of high urgency. Stakeholders have not requested the AASB to resolve those matters immediately.

Project	Importance	Urgency
Standard-setting projects		
Public sector long-term discount rates	High	Medium
Sustainability reporting	High	High

Project	Importance	Urgency
Service performance reporting	Medium	Medium
Imputation franking credits	Medium	Medium
Research projects		
Intangible assets	High	Medium
Going concern disclosures	High	Medium
Monitor and influence		
Digital financial reporting	Medium	Low

Projected timelines

- 11 Considering all factors, including the discussion above, staff set out the expected timelines of the new projects added to the work program.
- 12 A project plan for each project added to the work program will be developed. The project plans are expected to cover the scope, resources required, research needs and expected timelines.
- 13 The table below sets out the expected timelines for the new projects:

Project	2022		2023				2024				Subsequent periods
	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	
Standard-setting projects											
Public sector long-term discount rates											
Sustainability reporting											
Service performance reporting											
Imputation franking credits											
Research projects											
Intangible assets											
Going concern disclosures											
Monitor and influence											
Digital financial reporting											

Question for Board members:

Question 1: Do Board members agree with the proposed timelines for the new projects?

Appendix A – AASB missions and strategic objectives

The purpose and vision of AASB are to contribute to stakeholder confidence in the Australian economy, including its capital markets, and trust in external reporting. The AASB’s missions are to:

- (a) develop, issue and maintain principles-based Australian accounting and external reporting standards and guidance that meet user needs and enhance external reporting consistency and quality.
- (b) contribute to developing a single set of accounting and external reporting standards for world-wide use.

The table below provides the AASB’s seven strategic objectives that contribute to the Board’s considerations when determining its activities.

AASB Strategic Objectives	
Strategy 1	Develop, issue and maintain principles-based, Australian accounting and reporting standards and guidance that meet the needs of external report users. For ‘publicly accountable’ entities maintain IFRS compliance; for others, use IFRS Standards (where they exist), and transaction neutrality (modified as necessary), or develop Australian-specific standards and guidance.
Strategy 2	With the Australian Auditing and Assurance Standards Board (AUASB), play a leading role in reshaping the Australian external reporting framework by working with regulators to develop objective criteria on: <ul style="list-style-type: none">• who prepares external reports (including financial reports)• the nature and extent of assurance required on these external reports.
Strategy 3	Actively influence IASB, International Public Sector Accounting Standards Board (IPSASB) standards and other international accounting and external reporting standards and guidance, by demonstrating thought leadership and enhancing key international relationships.
Strategy 4	Attain significant levels of key stakeholder engagement, through collaboration, partnership and outreach.
Strategy 5	Influence initiatives to develop standards and guidance that meet user needs for external reporting beyond financial reporting.
Strategy 6	Monitor and respond to emerging issues impacting the development of accounting and external reporting standards and guidance, including changing technologies.
Strategy 7	Develop guidance and education initiatives, or promote development by others, to enhance consistent application of accounting and external reporting standards and guidance.