



Project:	n/a	Meeting	Nov 2024 (M210)
Topic:	Documents open for comment to other organisations	Agenda Item:	10.1
		Date of the Agenda Paper:	22 Oct 2024
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		Decision-Making:	Low
		Project Status:	n/a

Objective of this paper

- The objective of this paper is to:
 - inform** the Board about consultative documents already issued or to be issued by other international standard-setting bodies; and
 - ask the Board to **decide** which consultative documents to provide feedback/comments on.

Reasons for bringing this paper to the Board

- The Board's strategy is to influence the work of the International Accounting Standards Board (IASB), the International Sustainability Standards Board (ISSB), the International Public Sector Accounting Standards Board (IPSASB) and other relevant international organisations with a goal of having the principles in the Standards issued by these organisations aligned, where relevant and possible.
- Historically, the Board has decided which consultation documents to comment on based on factors such as the relevance and importance of the consultation to the AASB's projects and strategies, the potential impact of the proposals on Australian constituents and the priority of projects as decided by the Board. This agenda paper will assist the Board in deciding which consultation documents it should comment on.

IASB and ISSB documents currently open for comment – decision needed from the Board as to whether to comment or to take other action

Originating organisation	Document	Date of release	AOSSG input	Comments due	Staff recommendation for AASB approach
IASB/ISSB	N/A				

IFRS Interpretations Committee’s Tentative Agenda Decisions currently open for comment – decision needed from the Board as to whether to comment or to take other action

Originating organisation	Document	Date of release	AOSSG input	Comments due	Staff recommendation for AASB approach
IFRS IC	Tentative Agenda Decision: Guarantees Issued on Obligations of Other Entities	19 September 2024		18 November 2024	<p>The IFRS IC received a request about how an entity accounts for guarantees that it issues.</p> <p>The request described three fact patterns in the context of an entity’s separate financial statements. In the fact patterns, an entity issues several types of contractual guarantees on obligations of a joint venture. These fact patterns include situations in which the entity guarantees to make payments to a bank, a customer, or another third party in the event the joint venture fails to meet its contractual obligations under its service contracts.</p> <p>The request asks whether the guarantees issued are financial guarantee contracts to be accounted for in accordance with IFRS 9 <i>Financial Instruments</i> and, if not, which other IFRS Accounting Standards apply to these guarantees.</p> <p>The Committee explained that the entity needs to first consider whether the guarantee is a financial guarantee contract, if not then an insurance contract. If neither, then other standards should be</p>

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					<p>considered. The IFRS IC could not conclude on the submission as the conclusion depends on highly specific facts. However, the IFRS IC decided that the principles and requirements in IFRS Accounting Standards provide an adequate basis for an entity to determine how to account for a guarantee that it issues. Consequently, the IFRS IC tentatively decided not to add a standard-setting project to the work plan</p> <p>Staff recommendation</p> <p>Prior to the IFRS IC publishing the tentative agenda decision, AASB staff performed targeted outreach and feedback indicated mixed views. Staff is of the view that even though the published Tentative Agenda Decision did not conclude on the fact pattern, it provides adequate guidance on the assessment that needs to be made when considering similar transactions. Therefore, staff recommend not commenting to the IFRS IC.</p> <p>Q1 Does the Board agree with the staff recommendation, not to comment on the Tentative Agenda Decision <i>Guarantees Issued on Obligations of Other Entities</i>?</p>
IFRS IC	Tentative Agenda Decision: Recognition of Revenue from Tuition Fees (IFRS 15)	19 September 2024		18 November 2024	<p>The IFRS IC received a request about the period over which an educational institution recognises revenue from tuition fees.</p> <p>Applying IFRS 15, the educational institution recognises revenue from tuition fees over time. The request asks whether the educational institution is required to recognise that revenue evenly over the academic year (10 months), evenly over the calendar year (12 months) or over a different period.</p>

Originating organisation	Document	Date of release	AOSSG input	Comments due	Staff recommendation for AASB approach
					<p>Evidence gathered by IFRS IC indicates no diversity in accounting for revenue from tuition fees. Feedback suggests any differences in the period over which these educational institutions recognise revenue from tuition fees result from differing facts and circumstances and do not reflect diversity in accounting for revenue from tuition fees. Consequently, the IFRS IC tentatively decided not to add a standard-setting project to the work plan.</p> <p>Staff recommendation</p> <p>Prior to the IFRS IC publishing the tentative agenda decision, AASB staff performed targeted outreach and feedback received noted that there is no widespread effect in Australia. The AASB issued staff NFP FAQs on school fees and amended AASB 15 through AASB 2022-3 adding an illustrative example on school fees. However, the scenario dealt with in the IFRIC TAD is more specific than the matters dealt in the AASB literature. Staff, therefore, recommend not commenting to the IFRS IC.</p>
					<p>Q2 Does the Board agree with the staff recommendation, not to comment on the Tentative Agenda Decision <i>Recognition of Revenue from Tuition Fees (IFRS 15)</i>?</p>

IPSASB documents currently open for comment – decision needed from the Board as to whether to comment or to take other action

Originating organisation	Document	Date of release	Comments due	Staff recommendation for AASB approach
IPSASB	N/A			

Other relevant documents currently open for comment – decision needed from the Board as to whether to comment or to take other action

Originating organisation	Document	Date of release	Comments due	Staff recommendation for AASB approach
N/A	N/A			

Forthcoming documents for comment – decision needed from the Board as to whether to comment or to take other action

Originating organisation	Document	Expected date of release	Expected comment date	Staff recommendation for AASB approach
IASB	Forthcoming Exposure Draft on Dynamic Risk Management	H1 2025	TBC	<p>The IASB has developed an accounting model that will enable investors to understand:</p> <ul style="list-style-type: none"> • the effect of repricing risk management activities on the financial statements; and • how interest rate risk management affects amount, timing and uncertainty of cash flows. <p>The project was added to the standard-setting programme in May 2022, and the IASB is now working towards publishing an exposure draft. The exposure draft is expected to be issued in the first half of 2025.</p> <p>Staff recommend that the AASB provides comments to the IASB as the topic is relevant to Australian entities.</p>
				Q3: Do Board members agree with the staff recommendation to comment on the forthcoming IASB Exposure Draft on Dynamic Risk Management?
IASB	Forthcoming Request for Information on	H1 2025	TBC	The IASB began the Post-implementation Review of IFRS 16 <i>Leases</i> in June 2024. It is conducting outreach with consultative groups and other stakeholders to help

Originating organisation	Document	Expected date of release	Expected comment date	Staff recommendation for AASB approach
	Post-implementation Review of IFRS 16 <i>Leases</i>			<p>inform a request for information and expects to publish that request for information in the first half of 2025.</p> <p>Staff recommend that the AASB provides comments on the upcoming Request for Information as the topic is relevant to many Australian entities.</p> <p>Q4: Do Board members agree with the staff recommendation to comment on the forthcoming Request for Information on Post-implementation Review of IFRS 16 Leases?</p>
ISSB	Forthcoming Exposure Draft on Enhancing the SASB Standards	Q1 2025	TBC	<p>The ISSB is preparing the ED of proposed amendments to a set of SASB Standards the ISSB has prioritised as a part of its work plan. The ISSB will consider proposing targeted amendments to other SASB Standards to maintain consistent measurement of common topics across industries. The ISSB is also researching additional enhancements to the SASB Standards and Sustainable Industry Classification System that it could prioritise in the next phase of work.</p> <p>Staff recommend that the AASB recommends to the ISSB on the upcoming ED given the AASB’s intention to consider the suitability of introducing industry-based information requirements in AASB S2 in the near future.</p> <p>Q5: Do Board members agree with the staff recommendation to comment on the forthcoming Exposure Draft on Enhancing the SASB Standards?</p>

Appendix A

Current and forthcoming documents open for comment – decisions already made by the Board at previous meetings

Originating organisation	Document	Date of release	Comments due	Summary
IASB	Exposure Draft: ED2024/6 Climate-related and Other Uncertainties in the Financial Statements	July 2024	28 November 2024	<p>The IASB is exploring targeted actions to improve the application of the requirements in IFRS Accounting Standards related to reporting on the effects of climate-related and other uncertainties in the financial statements.</p> <p>At its June 2024 meeting, the Board decided to perform targeted outreach activities and provide comments to the IASB. The summary of stakeholder’s feedback and matters for inclusion to submission letter are discussed as Agenda Paper 3.1 of this meeting.</p>
IASB	Exposure Draft: ED2024/4 Translation to a Hyperinflationary Presentation Currency	July 2024	22 November 2024	<p>The IASB published an exposure draft to consider amendments related to non-hyperinflationary entities with a presentation currency that is hyperinflationary.</p> <p>At its June 2024 meeting, the Board decided not to comment on the ED.</p>
IASB	Exposure Draft: ED2024/5 Amendments to IFRS 19 Subsidiaries without Public Accountability: Disclosures	July 2024	27 November 2024	<p>The IASB issued the new Standard <i>Subsidiaries without Public Accountability: Disclosures</i> in May 2024. However, the Standard does not include any disclosure requirements added or amended in other IFRS Accounting Standards after 28 February 2021. Therefore, the IASB published an exposure draft to consider whether those new disclosure requirements should be added to the new Standard.</p> <p>At its June 2024 meeting, the Board decided not to comment on the ED.</p>

Originating organisation	Document	Date of release	Comments due	Summary
IPSASB	Exposure Draft ED 90 Amendments to IPSAS as a Result of the Application of IPSAS 46 Measurement	1 August 2024	29 November 2024	<p>In May 2023, the IPSASB issued a new Standard IPSAS 46 <i>Measurement</i>. At the time of issuing IPSAS 46, the IPSASB has yet to complete its work on assessing how COV should be incorporated across its pronouncements. The IPSASB published ED 90 to propose amendments to relevant IPSAS relating to the introduction of COV. This includes amending IPSAS 12 Inventories, IPSAS 21 Impairment Non-Cash Generating Assets, and IPSAS 31 Intangible Assets.</p> <p>At its Sep 2024 meeting, the Board decided not to comment on the ED.</p>
IPSASB	Exposure Draft ED 91 Limited-scope Updates to First-time Adoption of Accrual Basis International Public Sector Accounting Standards (IPSAS) (Amendments to IPSAS 33)	14 August 2024	13 December 2024	<p>The objective of ED 91 is to amend IPSAS 33 First-Time Adoption of Accrual Basis International Financial Reporting Standards by restructuring the existing authoritative guidance into a more understandable and user-friendly structure.</p> <p>At its Sep 2024 meeting, the Board decided not to comment on the ED.</p>
IASB	Exposure Draft: ED 2024/7 Equity Method of Accounting—IAS 28 Investments in Associates and Joint Ventures (revised 202X)	19 September 2024	20 January 2025	<p>The IASB developed answers to application questions about the equity method, as set out in IAS 28 Investments in Associates and Joint Ventures, using the principles derived from IAS 28. The ED proposes how to determine the carrying amount of investment, measure the cost when additional interest is purchased or disposed of, recognise gains and losses from upstream and downstream transactions, measure contingent consideration, and make additional disclosures.</p> <p>At its Sep 2024 meeting, the Board decided to comment on the ED.</p>

Originating organisation	Document	Date of release	Comments due	Summary
IASB	Exposure Draft on Provisions	November 2024	TBC	<p>At its June 2024 meeting, the IASB discussed proposed amendments to IAS 37 <i>Provisions, Contingent Liabilities and Contingent Assets</i>.</p> <p>At its Sep 2024 meeting, the Board decided to comment on the ED.</p>
IPSASB	<p>Forthcoming Exposure Draft (ED) on tangible natural resources</p> <p>The draft ED considered by the IPSASB at its July 2024 meeting can be accessed here.</p>	October 2024	TBC	<p>The IPSASB is developing an ED that would propose accounting treatment and disclosure requirements for tangible natural resources that do not fall within the scope of existing IPSAS. That is, the proposals are not expected to affect natural resources that are currently recognised under IPSAS 45 <i>Property, Plant, and Equipment</i>, IPSAS 12 <i>Inventories</i>, IPSAS 16 <i>Investment Property</i> or IPSAS 27 <i>Agriculture</i>.</p> <p>At its Sep 2024 meeting, the Board decided not to comment on the ED.</p>