



Project:	n/a	Meeting	AASB May 2026 (M220)
Topic:	Documents open for comment to other organisations	Agenda Item:	7.1
		Date of the Agenda Paper:	22 April 2026
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		Decision-Making:	Low
		Project Status:	n/a

Objective of this paper

- 1 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

- 2 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.
- 3 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.
- 4 Appendix A provides a summary of documents open for comment that the Board has previously considered.

Documents currently open for comment

- 5 The IFRS Interpretations Committee and IPSASB currently have documents open for comment that have not been previously considered by the Board. The IPSASB has a forthcoming document noted below that will soon be open for comment that has not been previously considered by the Board.

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
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: Reassessment of Control (IFRS 10)	30 March 2026		29 May 2026	<p>The IFRS IC considered a question on whether an entity must reassess control of an investee under IFRS 10 paragraph 8 when the investee’s governing document is amended.</p> <p>The fact pattern described an entity that was involved in setting the purpose and design of an investee when the investee was established, and controlled the investee. Later, the governing document of the investee was amended in a way that could result in a change in the investee’s relevant activities and the rights of the entity and other parties relating to those activities.</p> <p>The request asks whether this amendment is a trigger for the reassessment of the control.</p>

Originating organisation	Document	Date of release	AOSSG input	Comments due	Staff recommendation for AASB approach
					<p>Feedback suggested that in this fact pattern, the entity would reassess whether it retains control of the investee under IFRS 10 Paragraph 8. No diversity was indicated. The IFRS IC proposes no standard-setting activity.</p> <p>Staff recommendation</p> <p>Staff undertook targeted outreach with Australian stakeholders, who indicated that the type of amendments described in the fact pattern are not common in Australia. In analysing this fact pattern, most stakeholders were of the view that the control reassessment would occur under IFRS 10. Staff consider that the IFRS IC's conclusion is reasonable and is consistent with the Australian feedback shared with the IFRS IC. Therefore, staff recommend not to comment on the IFRS IC TAD.</p>
					<p>Q1 Do Board members agree with the staff recommendation not to comment on the Tentative Agenda Decision Reassessment of Control?</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
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				

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
IPSASB	Consultation Paper (CP) <i>Presentation of Financial Statements</i>	Q2 2026	120 days from the date of publication	<p>The CP would set out the IPSASB’s preliminary views, accompanied by an illustrative Exposure Draft to help constituents visualise those proposals as a draft IPSAS Standard intended to replace IPSAS 1 <i>Presentation of Financial Statements</i>.</p> <p>The CP would also outline the IPSASB’s preliminary views on how the principles in IFRS 18 <i>Presentation and Disclosure in Financial Statements</i> should be applied to not-for-profit (NFP) public sector entities. Based on information currently available, these views will differ from the AASB’s preliminary views set out in ED 338 <i>Application of AASB 18 and AASB 107 by Superannuation and Not-for-Profit Entities and Operating Cash Flow Reconciliation</i> (which closed on 27 February 2026). The IPSASB supports more unmodified application of IFRS 18 requirements than proposed in ED 338.</p> <p>Based on the largely supportive feedback received on ED 338, many of the IPSASB’s proposals are unlikely to be supported by Australian NFP public sector entities. Relevant feedback on ED 338 is discussed in Agenda Item 3 for this meeting.</p> <p>Given that the IPSASB intends to undertake an Exposure Draft process following consideration of feedback on the CP, staff recommend that the AASB not comment on the CP at this stage. Instead, staff recommend that the AASB monitor</p>

Originating organisation	Document	Expected date of release	Expected comment date	Staff recommendation for AASB approach
				<p>the IPSASB’s project and consider whether to provide formal feedback on any related future Exposure Draft in due course, after the AASB has completed its own work on the application of AASB 18 by Australian NFP public sector entities.</p> <p>Q1: Do Board members agree with the staff recommendation not to comment on the forthcoming IPSASB CP?</p>
IPSASB	Exposure Draft (ED) <i>IPSAS Practice Statement: Making Materiality Judgments</i>	Q2 2026	120 days from the date of publication	<p>The ED would propose non-mandatory guidance, adapted from <i>IFRS Practice Statement 2: Making Materiality Judgments</i>, to assist NFP public sector entities in making materiality judgements when preparing financial statements in accordance with IPSAS Standards. The ED is expected to include examples tailored to public sector circumstances.</p> <p>In developing <i>AASB Practice Statement 2: Making Materiality Judgments</i>, the AASB incorporated Australian-specific examples reflecting the information needs of primary users of Australian NFP entities’ general purpose financial statements. Staff therefore consider that there might be merit in monitoring the IPSASB’s project to assess whether any of the IPSASB’s proposals could be useful to Australian NFP entities.</p> <p>Having regard to current staff resourcing constraints, staff recommend undertaking targeted outreach with key public sector stakeholders to understand their views on the IPSASB’s proposals before deciding whether to respond to the ED. In forming this recommendation, staff note that key stakeholders, such as the Heads of Treasuries Accounting and Reporting Advisory Committee (HoTARAC) and the Australasian Council of Auditors-General (ACAG), could provide feedback directly to the IPSASB.</p> <p>Q2: Do Board members agree with the staff recommendation to undertake targeted outreach with key public sector stakeholders and defer consideration of a formal response to the ED upon considering stakeholder feedback?</p>

Originating organisation	Document	Expected date of release	Expected comment date	Staff recommendation for AASB approach
IPSASB	Exposure Draft <i>Definition of an Operation and Recognition of Acquired Liabilities and Contingent Liabilities</i>	Q2 2026	60 days from the date of publication	<p>The ED would propose narrow-scope amendments to IPSAS 40 <i>Public Sector Combinations</i>, to clarify the definition of an ‘operation’ in the context of acquisitions and amalgamations, and the treatment of acquired contingent liabilities and assets, drawing on the IASB’s amending Standards <i>Definition of Business</i> and <i>References to the Conceptual Framework</i>.</p> <p>Unlike AASB 3 <i>Business Combinations</i>, which applies only to market-based acquisitions of businesses, IPSAS 40 also applies to public-sector-specific combinations, including amalgamations, administrative restructures, and machinery-of-government changes. In Australia, these types of public sector combinations are addressed in AASB 1004 <i>Contributions</i> and AASB Interpretation 1038 <i>Contributions by Owners Made to Wholly-Owned Public Sector Entities</i>, rather than AASB 3.</p> <p>In 2023, the AASB had planned to undertake a Post-implementation Review (PIR) of AASB 1004 and Interpretation 1038. However, this work was deferred in order to prioritise the development of AASB S2 <i>Climate-related Disclosures</i>.</p> <p>Given that work has yet to commence on the PIR of AASB 1004 and Interpretation 1038, staff recommend that the AASB not comment on the ED. Staff will monitor the IPSASB’s project and consider, at a later date, whether the requirements and guidance in IPSAS 40 could inform Australian public sector accounting, taking into account any feedback arising from the future PIR of those Standards.</p> <p>Q3: Do Board members agree with the staff recommendation not to comment on the forthcoming IPSASB ED?</p>
IPSASB	Exposure Draft <i>Improvements to IPSAS Accounting Standards –</i>	Q2 2026	60 days from the date of publication	<p>The ED would propose narrow-scope amendments and improvements to IPSAS based on the following IASB amending Standards issued over 2023–2024 [with the corresponding Australian equivalent Standard shown in brackets]:</p> <ul style="list-style-type: none"> • <i>Supplier Finance Arrangements</i> [AASB 2023-1]

Originating organisation	Document	Expected date of release	Expected comment date	Staff recommendation for AASB approach
	Volume 10			<ul style="list-style-type: none"> • <i>Amendments to the Classification and Measurement of Financial Instruments</i> [AASB 2024-2] • <i>Annual Improvements to IFRS Accounting Standards—Volume 11</i> [AASB 2024-3] • <i>Contracts Referencing Nature-Dependent</i> [AASB 2025-1] • <i>Lack of Exchangeability</i> [AASB 2023-5] <p>When issuing these amending Standards in Australia, the AASB did not introduce any public-sector-specific modifications.</p> <p>Staff recommend that the AASB not comment on the ED. Staff will monitor the IPSASB’s project and consider, at a later stage, whether any public-sector-specific modifications or guidance developed by the IPSASB could be useful for Australian public sector entities.</p> <p>Q4: Do Board members agree with the staff recommendation not to comment on the forthcoming IPSASB ED?</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
IPSASB	Work Program Consultation 2024–2028	16 October 2025	4 May 2026	<p>The IPSASB is seeking stakeholder input on which financial reporting, post-implementation review and sustainability reporting projects the IPSASB should prioritise for the remainder of its 2024–2028 strategic period.</p> <p>At its October 2025 meeting, the Board decided not to comment on the IPSASB Work Program Consultation.</p>
IASB	Exposure Draft on Risk Mitigation Accounting	December 2025	31 July 2026	<p>The International Accounting Standards Board (IASB) has published the Exposure Draft <i>Risk Mitigation Accounting</i>, proposing to amend IFRS 9 <i>Financial Instruments</i> and IFRS 7 <i>Financial Instruments: Disclosures</i>. The IASB is proposing a new risk mitigation accounting model for companies managing repricing on a net basis. Entities would be required to disclose their strategy for managing repricing risk and the effects of their risk management activities.</p> <p>The IASB is also seeking feedback on the proposed withdrawal of IAS 39 <i>Financial Instruments: Recognition and Measurement</i>.</p> <p>The Board has already decided to comment on this ED in the past. The Australian equivalent of the ED was issued in December 2025 (AASB ED339).</p>
IPSASB	Exposure Draft ED 94 Linkages Between IPSAS Standards and the Government Finance Statistics Manual 2014 (Amendments to IPSAS 22)	17 February 2026	22 June 2026	<p>IPSASB ED 94 proposed adding non-authoritative implementation guidance to IPSAS 22 <i>Disclosure of Financial Information about the General Government Sector</i>. The proposed guidance discusses accounting policy options that would enable IPSAS Standards-based accounting data to be used for reporting under the Government Finance Statistics (GFS) Manual 2014.</p>

Originating organisation	Document	Date of release	Comments due	Summary
				At its February 2026 meeting, the Board decided not to comment on the ED.