



Board Meeting Summary Paper

Subject: Update of Guidance Statement
AGS 1002 *Bank Confirmation Requests*

Date: 8 February 2010

AUASB
AGENDA
ITEM NO.

10

**Meeting Date:
22 February**

2010

Action Required

For Information Purposes Only

Agenda Item Objectives

To: consider the first draft of the revised Guidance Statement AGS 1002 *Bank Confirmation Requests*, following broad consultation with the banks and input from the joint accounting bodies, public sector and accounting firms via the Project Advisory Group.

Background

In February 2008, the Board considered a draft revised guidance statement to replace AGS 1002 *Bank Confirmation Requests* (1995), including revised Bank Confirmation Request forms (General and Treasury Operations). The Board requested further input from practitioners and the Australian Bankers Association (ABA).

With staff changes and competing work priorities, this project was unable to be progressed during the period March 2008 – January 2009, and was re-scheduled for ATG consideration in February 2009.

In June 2009, the Board approved the formation of a Project Advisory Group (PAG) comprising representatives from the banks, professional accounting bodies, accounting firms and the public sector to consider the relevant issues and develop draft guidance to address those issues.

Key milestones in the project have included:

- 14 Jul 09 PAG Meeting. (Limited representation from the banks)
- 8 Oct 09 Meeting with CEO, ABA and senior representatives of CBA, ANZ and BEN.
- 18 Nov 09 ABA Working Group formed – comprising representatives of ANZ, CBA, Citi, BEN, AMP Bank, NAB, HSBC, Rabobank and Westpac.
- 19 Nov 09 Draft guidance statement to PAG. Comments due 26 Nov 09.
- 4 Dec 09 Re-worked draft guidance statement provided to ABA Working Group. Comments due 22 Jan 10.

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Matters to Consider

The Board is requested to consider the issues detailed in Attachment A (Agenda Item 10.1).

The Board is also requested to consider the marked up version of the draft guidance statement (Agenda Item 10.3).

A clean version of the draft guidance statement is also included for the Board's information. (Agenda Item 10.2)

Staff Recommendation

That the Board:

1. provide comment on the draft guidance statement, including the revised Bank Confirmation Request forms, and
2. clear the draft guidance statement, subject to any changes requested by the Board, for approval by the Board in April 2010.

Material Presented

Agenda Item 10	Board Meeting Summary Paper
Agenda Item 10.1	Attachment to BMSP
Agenda Item 10.2	Draft guidance statement XXX (Clean Version)
Agenda Item 10.3	Draft guidance statement XXX (Marked Up Version)
Agenda Item 10.4	Extant AGS 1002 <i>Bank Confirmation Requests</i> [electronic only]

Action Required

No.	Action Item	Deliverable	Responsibility	Due Date	Status
1	Clear the draft guidance statement for finalisation and approval in April 2010	Board clearance	AUASB	22 Feb 2010	O/S

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