



# AUASB Board Meeting Summary Paper

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**AGENDA ITEM NO.**     **6**  
**Meeting Date:**         4 June 2012  
**Subject:**                Conformity between AUASB and NZAuASB Standards  
**Date Prepared:**        25 May 2012

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**Action Required**

**For Information Purposes Only**

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## Agenda Item Objectives

To consider and approve the draft paper on “principles of convergence with international standards”. The paper is consistent with that used by the New Zealand Board (NZAuASB).

## Background

In August 2009, an outcome framework for the creation of a Single Economic Market was announced by the Australian and New Zealand Prime Ministers.

The 2012 business plans of both the Australian and New Zealand Boards include broad strategies and initiatives aimed at the establishment of “harmonised” standards that use international standards as the common underlying standards.

The NZAuASB requested for their consideration, a “principles of convergence” paper as the high-level documentation of the NZ approach to standard-setting. The NZAuASB considered the paper at their February 2012 and April 2012 meetings and requested some changes.

The AUASB Technical Group used the amended NZ paper and adapted it for use in the Australian environment. The paper was considered at the AUASB’s April 2012 meeting, the Board requested a definition of “public interest” to be included.

The AUASB Technical Group liaises with their counterparts in NZ and prior to this June 2012 meeting, a revised NZ document was received [see Agenda Item 6.2].

The revised version of the document that was presented to the AUASB at the completion of the April meeting [see Agenda Item 6.3] has been updated to include:

- Comments by board members during the April meeting;
- Comments from 1 board member subsequent to the April meeting; and
- Changes made to the revised NZ document [see Agenda Item 6.2]

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Agenda Item 6.1 is now presented for the Board’s consideration and final approval.

The intention is that the high-level principles of convergence paper will provide a common approach for both Boards and a platform from which to develop further harmonisation policies and procedures.

### **Matters to Consider**

The AUASB is requested to consider and approve the attached draft paper on the principles of convergence with international standards.

The Board is specifically requested to:

1. Consider the changes to the document since the April meeting (highlighted in yellow); and
2. Determine whether the “public interest” extract in Appendix 1 should be:
  - a. Left in full as presented to the April meeting;
  - b. Reduced as shown in Agenda Item 6.1 (see deleted text highlighted in yellow); or
  - c. Include only the first paragraph in the footnote (as opposed to an appendix).

### **AUASB Technical Group Recommendations**

- The paper should be approved.
- “Public interest” should be included by way of reference only to the IFAC definition.

### **Material Presented**

Agenda Item 6	AUASB Board Meeting Summary Paper
Agenda Item 6.1	Draft paper on principles of convergence (Aus)
Agenda Item 6.2	Draft paper on principles of convergence (NZ)
Agenda Item 6.3	Draft paper form AUASB’s 16 April meeting

### **Action Required**

No.	Action Item	Deliverable	Responsibility	Due Date	Status
1.	Consider proposed policies and procedures	Directions	AUASB	27 February 2012	√
2.	Consider proposed policy (based on NZ paper)	Directions	AUASB	16 April 2012	√
3.	Approve proposed policy document	Approval	AUASB	4 June 2012	o/s

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