



# AUASB Board Meeting Summary Paper

---

**AGENDA ITEM NO.**           **8(c)**  
**Meeting Date:**               10 June 2014  
**Subject:**                     Convergence with IAASB Standards and Harmonisation with NZ Standards  
**Date Prepared:**             28 May 2014

---

**Action Required**

**For Information Purposes Only**

---

## Agenda Item Objectives

1. To provide conditional approval to the proposed revisions to the convergence and harmonisation policies paper.

## Background

1. The NZAuASB has initiated revision to the (joint) policies paper, applicable from 1 July 2012, on convergence with IAASB's standards and harmonisation with the AUASB's standards.
2. The objective of the revision is to clarify the "compelling reasons test" which triggers modifications to the IAASB's standards or the respective AUASB and NZAuASB standards.
3. The AUASB discussed the suggested changes to the policies document at their 7 April 2014 meeting. The AUASB requested that where a modification is triggered because the IAASB standard does not reflect, or is not consistent with, legislative arrangements in Australia or New Zealand, the criteria expressed in paragraph 12 (3) a. should be incorporated into paragraph 11 and Appendix 1 of the policies paper.
4. This request was forwarded to the NZAuASB staff and their changes are shown in Agenda Item 8(c).3, paragraph 11 and Appendix 1. The NZAuASB staff have advised that, due to time constraints the NZAuASB were unable to consider and approve the revised paper.
5. Agenda Item 8(c).1 demonstrates how the NZ-initiated changes would appear in the Australian version of the policies paper. The marked up items show:
  - (a) Changes already considered by the AUASB at the 7 April 2014 meeting; and
  - (b) The latest changes to paragraph 11. and Appendix 1.

---

*This document contains preliminary views and/or AUASB Technical Group recommendations to be considered at a meeting of the AUASB, and does not necessarily reflect the final decisions of the AUASB. No responsibility is taken for the results of actions or omissions to act on the basis of reliance on any information contained in this document (including any attachments), or for any errors or omissions in it.*

**Matters to Consider**

***Part A – General***

- 1. N/A

***Part B – NZAuASB***

- 1. The AUASB is requested to provide conditional approval to the Australian version of the policies paper [Agenda Item 8(c).1]—the condition being that the NZAuASB approves the NZ version of the same document.

***Part C – “Compelling Reasons” Assessment***

- 1. N/A

The proposed changes conform to IAASB modification guidelines for NSS?

Y  N

**AUASB Technical Group Recommendations**

- 1. The Australian version of the revised policies paper should be approved subject to the NZAuASB approval of the NZ equivalent document.

**Material Presented**

Agenda Item 8(c)	AUASB Board Meeting Summary Paper
Agenda Item 8(c).1	Principles of convergence and harmonisation policies paper [Confidential Aus. version (Marked Up Version)]
Agenda Item 8(c).2	Draft Template [Confidential Aus. version, (Clean Version) ]
Agenda Item 8(c).3	Principles of convergence and harmonisation policies paper [Confidential NZ. version (Marked Up Version)]
Agenda Item 8(c).4	Draft Template [Confidential NZ. version, (Marked Up Version)]

---

**Action Required**

No.	Action Item	Deliverable	Responsibility	Due Date	Status
1.	Conditional approval of revisions to policies paper	Approval	AUASB	10 June 2014	o/s

---