



To:	AASB Members	Date:	20 January 2010
From:	Dean Ardern	Agenda Item:	6.1
Subject:	Responses to ED 179 <i>Superannuation Plans and Approved Deposit Funds</i>	File:	P19

Action

Consider remaining staff proposals in relation to the written comments received on ED 179 *Superannuation Plans and Approved Deposit Funds* and identify issues that should be subject to further staff research and:

- (a) be subject to specific redeliberations at a future meeting; or
- (b) be redeliberated when the Board considers the draft replacement Standard for AAS 25 *Financial Reporting by Superannuation Plans*.

Background

At its December 2009 meeting, the Board commenced its redeliberations on the proposals in ED 179. Agenda paper 6.2 provides staff analysis and views in relation to the main issues raised by respondents regarding the proposals in ED 179 that were not addressed by the Board at its December 2009 meeting. Accordingly, except for the marked-up text, Agenda paper 6.2 is identical to paragraphs 93-105 and 115-162 and the accompanying staff views in Agenda paper 6.2 to the Board's December 2009 meeting.

Agenda Paper 6.3 provides staff analysis and views in relation to comments received on ED 179 that are not directly related to a Specific Matter for Comment. (The issues discussed in Agenda paper 6.3 were not scheduled for discussion at the Board's December 2009 meeting.)

Agenda paper 6.4 provides a collation of the written comments received on ED 179. Please note that Agenda paper 6.4 is identical to Agenda paper 6.3 to the Board's December 2009 meeting. In the interests of minimising paper usage, staff have not attached copies of the submissions by respondents on ED 179 to this Agenda paper. Electronic copies of all submissions were provided to Board members in the December 2009 mailout. Board members who require copies of any or

all of the submissions on ED 179 should contact Dean Ardern [dardern@asb.gov.au or ph. (03) 9617 7621].

[Paragraph omitted from observer notes.]

Agenda paper 6.5 provides a tentative timetable for completion of a draft replacement Standard for AAS 25. The timetable in Agenda paper 6.5 has been developed from Agenda paper 6.4 to the Board's December 2009 and the Board's tentative decisions from that meeting.

Please note that the timetable in Agenda paper 6.5 is subject to a number of factors, including:

- (a) the particular issues the Board decides to redeliberate (the timeline in Agenda paper 6.5 assumes that only those issues identified by staff in Agenda papers 6.2 and 6.3 to this meeting as warranting redeliberation will be considered by the Board when it deliberates on the replacement Standard for AAS 25);
- (b) whether the Board decides to await the outcomes from APRA's enhanced superannuation statistics collections proposals in respect of sub-fund information (see below);
- (c) whether any 'sweep' issues arise during the course of the Board's redeliberations on the proposals in ED 179; and
- (d) whether the Board considers it appropriate for a sub-committee to review the draft replacement Standard prior to final deliberation by the Board (the timetable in Agenda paper 6.5 assumes that a subcommittee will be involved).

Issues arising from the Board's December 2009 meeting

'Sub-plan' reporting

At its December 2009 meeting, the Board decided, among other things, to give further consideration to the outcomes from APRA's enhanced superannuation statistics collections proposals in respect of sub-fund information, and whether the principles and guidance in respect of segregated financial disclosures should be aligned with the anticipated prudential reporting requirements in respect of sub-fund information.

In discussions with AASB staff, APRA staff have confirmed that APRA has deferred the update of its superannuation statistical collections and publications pending the outcome of the Review into the Governance, Efficiency, Structure and Operation of Australia's Superannuation System (the Cooper Review). The Cooper Review is expected to deliver its final report to the Commonwealth Government in June 2010. Accordingly, staff anticipate that the outcomes from

APRA's enhanced superannuation statistics collections proposals in respect of sub-fund information would not be known until some time after July 2010.

Question for members

Do you agree that the Board should await the outcomes from APRA's enhanced superannuation statistics collections proposals in respect of sub-fund information before commencing its redeliberations on the disclosure proposals in ED 179 in relation to segregated financial disclosures?

Estimated costs of applying the insurance contracts proposals

At its December 2009 meeting, the Board decided, among other things, that staff should consult with constituents to determine the nature and likely magnitude of the costs a superannuation plan or approved deposit fund might incur in applying the principles and requirements applicable to life insurance contracts under AASB 1038 *Life Insurance Contracts*.

Staff have contacted all of the respondents that raised concerns regarding the costs of applying the insurance contracts proposals and requested further information regarding the estimated costs of applying the proposals.

Attachments

- Agenda paper 6.2 Staff analysis and proposals in relation to the written comments received on ED 179 *Superannuation Plans and Approved Deposit Funds* that are directly related to a Specific Matter for Comment
- Agenda paper 6.3 Staff analysis and proposals in relation to comments received on ED 179 *Superannuation Plans and Approved Deposit Funds* that are not directly related to a Specific Matter for Comment
- Agenda paper 6.4 Collation of written comments on ED 179 *Superannuation Plans and Approved Deposit Funds*
- Agenda paper 6.5 Proposed timetable for completion of a draft replacement Standard for AAS 25 *Financial Reporting by Superannuation Plans*