

AWARENESS

Accounting and Auditing Developments - ISSUE 5 - JUNE 2010

AUDIT OFFICE UPDATE

Auditor-General's Report to Parliament: Volume Two 2010 - Focusing on Universities

Universities

New South Wales' ten universities recorded a combined operating surplus of \$494 million compared to a deficit of \$76.9 million last year, reflecting the improvement in global financial markets. This was largely due to investment gains of \$38.0 million in 2009 compared to \$405 million of losses in 2008.

Despite this, financial risks remain for universities. With the recovery in global financial markets remaining fragile, universities with overseas operations and those needing to fund capital works programs, are at most risk. Capital funding is estimated at \$2.0 billion for 2010 and 2011.

There is increasing reliance on overseas students who now contribute nearly 20 per cent or \$1.1 billion of total revenue. Revenue from overseas students has increased 56 per cent in five years.

There are also concerns about the ageing of academic staff. One quarter of academic staff employed in New South Wales universities are aged 55 years or over. Forty one per cent are 50 years or older. Universities face a potential loss of skills as academic staff retires.

Fraud Control

Sixty-six per cent of large New South Wales Government agencies and universities have effective or highly effective fraud control measures.

The most common types of frauds reported were: theft, including cash, consumerables and intangible assets; procurement fraud, such as false invoicing and credit card misuse; payroll fraud and fraudulent expenditure claims.

Further information

The full report is available on the [Audit Office of New South Wales website](http://www.audit.nsw.gov.au).

CONTENTS

AUDIT OFFICE UPDATE	1
ACCOUNTING UPDATE	2
AUDITING UPDATE	4
ETHICS UPDATE	5
LEGISLATIVE UPDATE	6
AUSTRALIAN SECURITIES & INVESTMENTS COMMISSION (ASIC) UPDATE	6
DEPARTMENT OF PREMIER AND CABINET UPDATE	7
THE TREASURY UPDATE (NEW SOUTH WALES GOVERNMENT)	8
INTERNATIONAL UPDATE	9
MISCELLANEOUS PUBLICATIONS	12
AUDIT OFFICE BETTER PRACTICE GUIDES	16
ACRONYMS AND ABBREVIATIONS	17
COPIES OF REPORTS AND PUBLICATIONS	18



THE AUDIT OFFICE
OF NEW SOUTH WALES

Public Accounts Committee: Fifth Report on the Examination of the Auditor-General's Performance Audits

In this [report](#), the Public Accounts Committee examined the following Auditor-General's Performance Audit reports.

Signal Failures on the Metropolitan Rail Network

The Committee recommended that RailCorp negotiate with the COMET/Nova International Benchmarking group to publish industry averages for publicly reporting on RailCorp's performance.

Recycling and Reuse of Waste by the NSW Public Sector

The Committee recommended that the Department continue to identify high waste generating reporting-exempt agencies in order to encourage them to provide data on their WRAPP performance.

Improving Literacy and Numeracy in NSW Public Schools

The Committee recommended that the Department ensure that all schools set literacy and numeracy targets, develop strategies for meeting those targets, and report against those targets.

Source: NSW Parliamentary Website.

ACCOUNTING UPDATE

Australian Accounting Standards Board (AASB) Exposure Drafts

[ED 195](#) *'Defined Benefits Plan (proposed amendments to AASB 119)'*

This exposure draft reflects IASB ED 2010/3 'Defined Benefit Plans - proposed amendments to IAS 19' (previously reported in the May 2010 edition of [Awareness](#)).

Submissions to the AASB and IASB are due by 9 August 2010 and 6 September 2010 respectively.

Source: AASB website.

[ED 196](#) *'Fair Value Options for Financial Liabilities'*

This exposure draft reflects IASB ED 2010/4 'Fair Value Option for Financial Liabilities'.

It proposes that gains and losses from changes in the credit risk of a financial liability measured at fair value be included in other comprehensive income.

This exposure draft is part of the first phase of revising IAS 39 'Financial Instruments' and follows work already completed on the classifying and measuring financial assets (IFRS 9/AASB 9).

The IASB has released a [questionnaire](#) to seek input from analysts on the proposals in the exposure draft on the use of fair value options.

Submissions to the AASB and IASB are due by 2 July 2010 and 16 July 2010 respectively.

Source: AASB website, [media release](#) (13 May 2010).

[ED 197](#) *'Presentation of Items of Other Comprehensive Income (proposed amendments to AASB 101)'*

This exposure draft reflects IASB ED 2010/5 'Presentation of Items of Other Comprehensive Income (proposed amendments to IAS 1)'.

It aims to improve consistency of how items of other comprehensive income are presented. The proposals include that:

- the profit or loss and other comprehensive income be in separate sections of a continuous statement
- items that will never be recognised in the profit or loss to be separated from items of other comprehensive income.

Submissions to the AASB and IASB are due by 2 August 2010 and 30 September 2010 respectively.

Source: AASB website, media release (1 June 2010).

AASB Meeting Highlights - 17 May 2010

At its meeting, the AASB discussed the following.

Differential Reporting

The Board considered the submissions and Roundtable discussions on ED 192 'Revised Differential Reporting Framework' and the consultation paper 'Differential Financial Reporting - Reduced Disclosure Requirements'. The Board tentatively decided that they should establish the revised differential reporting framework in two stages.

The first stage is to introduce the Reduced Disclosure Regime (RDR) as a second tier of reporting requirements for preparing general purpose financial statements (GPFs). The intention is to reduce the burden on some entities that currently apply full IFRSs as adopted in Australia. The Board tentatively agreed that in preparing GPFs:

- the following entities will continue to apply full IFRSs as adopted in Australia:
 - for-profit private sector entities that have public accountability
 - Federal, State, Territory and Local governments, including whole of government and the general government sector reporting levels
- the following entities could apply the RDR (or choose to apply full IFRSs as adopted in Australia):
 - public sector entities other than those mentioned above
 - for-profit private sector entities that do not have public accountability
 - all not-for-profit private sector entities.

The exposure draft gave regulators the power to remove the election of RDR. The Action Alert does not mention this power.

The second stage will further research the potential impact of requiring entities (which currently prepare special purpose financial statements) to produce GPFs.

The Board tentatively agreed that the application date of any mandatory revisions of the differential reporting framework should apply to annual reporting periods beginning on or after 1 July 2013, with early adoption available for 30 June 2010.

AASB Work Program

The Board agreed to update its [Work Program](#) in light of the recent update of the IASB Work Plan.

A [summary](#) of the Work Program will list topics for which an exposure draft and/or new or revised standard may be issued by the AASB before June 2011.

Source: AASB website, AASB [Action Alert](#), Number 134 (17 May 2010).

Department of Finance and Deregulation - Accounting Guidance Notes (AGN)

[AGN 2010/1](#) *'Accounting for Decommissioning, Restoration and Similar Provisions' ('Make Good')*

This AGN provides guidance on accounting for obligations to dismantle, remove and restore items of property, plant and equipment ('make good'). It explains the initial recognition and measurement of the provision and accounting for subsequent adjustments, including:

- unwinding of the discount
- changes to the estimated timing to make good
- changes in economic outflows required to settle the provision
- changes to the discount rate.

The AGN gives practical guidance and simple examples with journal entries. It addresses the disclosure requirements of AASB 137 'Provisions, Contingent Liabilities and Contingent Assets' as well as budget implications.

Source: [Department of Finance and Deregulation](#).

[AGN 2010/2](#) *'Accounting for Concessional Loans'*

This AGN provides guidance on accounting for concessional loans. It explains what a concessional loan is and explains how issuers of concessional loans should account for them. It does not address accounting by the recipients of concessional loans.

The AGN gives practical guidance and simple examples with journal entries. It explains how to calculate the initial carrying amount of the loan and how to account for the periodic unwinding of the concessional amount. It addresses the disclosure requirements of AASB 7 'Financial Instruments: Disclosures'.

Source: [Department of Finance and Deregulation](#).

AUDITING UPDATE

Auditing and Assurance Standards Board (AUASB) Exposure Draft

[ED 02/10](#) *Proposed Auditing Standard on Review Engagements ASRE 2415 'Review of a Financial Report - Company Limited by Guarantee'*

This exposure draft provides guidance on the practical implications for auditors on the proposed changes to the reporting requirements for companies limited by guarantee contained in the [Corporations Amendment \(Corporate Reporting Reform\) Bill 2010](#) (previously reported in the December 2009 edition of [Awareness](#)).

The draft legislation gives tier 2 entities (those with revenue under a certain threshold) a choice between an audit or a review of their financials.

Submissions are due to the AUASB by 24 June 2010.

Source: Accounting and Assurance News Today, Issue 21 (4 June 2010).

AUASB Meeting Highlights - 8 June 2010

At its meeting, the AUASB discussed the following.

Guidance Statement 017 'Prudential Reporting Requirements for the Auditor of a Life Company'

The Board considered a revised version of this guidance statement and requested further amendments. The final version will be considered for out of session approval and will be released in June 2010.

ED 01/10 Proposed ASAE 3402 'Assurance Reports on Controls at a Service Organisation'

The Board considered responses to this exposure draft and approved with minor amendments the final version for release in June 2010.

Standard Business Reporting

The Board considered the final draft of an AUASB Bulletin on developments relating to Standard Business Reporting, including the use of XBRL. The Bulletin will be released in June 2010.

National Greenhouse and Energy Reporting Scheme (NGERS)

The Board received an update on the Department of Climate Change (DCC) programs involving auditing and assurance matters. The Board was informed that proposed NGERS auditing guidance is still to be finalised and issued by the DCC.

Assurance on Water Accounting Reports

The Board was briefed on recent discussions with the Water Accounting Standards Board regarding the joint development of a proposed Assurance Standard on water accounting reports. The development of a discussion paper on this subject by the two Boards is to commence in August.

GS 009 'Auditing Self Managed Superannuation Funds'

The Board received an update on recent discussions with the Australian Taxation Office regarding auditing requirements for self managed superannuation funds. The Board noted the proposal to update GS 009 to reflect the revised Clarity Australian Auditing Standards.

Discussion Paper 'Audit Quality'

The Board noted the comment letter provided to the Australian Treasury on this discussion paper.

International Matters

- The Board received a report on the IAASB National Standards Setters meeting (3-4 June 2010).
- The Board discussed key agenda items for the June IAASB meeting.
- The Board received an update report on other international auditing and assurance related matters.

Other Project Updates

The Board received updates on the following additional projects:

- Assurance Standards on Fundraisings and Comfort Letters.
- Agreed-upon Assurance Procedures.
- Local Government Audit Committee Guide.

ETHICS UPDATE

Accounting Professional and Ethical Standards Board (APESB) Meeting Highlights - 10 May 2010

At its meeting, the APESB discussed the following:

- proposed exposure draft APES 230 'Financial Advisory Services' - due for release by the end of July 2010
- proposed exposure draft APES 325 'Risk Management' to be developed as outlined in the proposed principles paper for consideration by the Board at its August 2010 meeting
- concerns raised by ASIC on ED 0X/10 'Code of Ethics for Professional Accountants'

- the 'Due Process and Working Procedures' document.

Source: APESB website, [meeting highlights](#) (10 May 2010).

LEGISLATIVE UPDATE

Goods and Services Tax

Division 81 of the GST Act will be replaced with a principles based legislative exemption. This is to provide a more effective and transparent approach to exempting Australian taxes, fees and charges from the GST. This will remedy the current situation where tax treatment of the tax, fee or charge is dependent on it being listed in a determination.

However, some organisations may not consider the proposed amendments increase certainty, as they will need to identify for themselves whether a tax, fee or charge is subject to GST. This may increase the need to obtain private rulings or external advice.

The proposed changes will have effect from 1 July 2011.

Source: [Blake Dawson GST bulletin \(18 May 2010\)](#).

AUSTRALIAN SECURITIES & INVESTMENTS COMMISSION (ASIC) UPDATE

National Regulation of Trustee Companies

From 6 May 2010, traditional services provided by trustee companies will be regulated as a financial service under the *Corporations Act 2001*. Trustee companies providing traditional services will be required to hold an Australian Financial Services (AFS) licence, and will be subject to the licensing and conduct obligations under Ch 7 of the *Corporations Act 2001*.

ASIC has updated policy and regulatory guidance to assist affected trustee companies in complying with the licensing and conduct requirements of the Act. These traditional services include administering deceased estates and powers of attorney.

Source: ASIC website, media advisory [10-93AD](#) (7 May 2010).

Information Sheet 111 - Information for Investors in Frozen Funds

This information sheet informs investors in 'frozen funds' about their rights in relation to the freezing of funds and to confirm which entities have received relief to assist in the redemption of funds.

Source: ASIC website, media advisory [10-109AD](#) (26 May 2010).

Director Faces Further Charges

A director of OPES Prime Stockbroking Limited (OPSL) has been charged with further offences arising from the investigation by ASIC into the company's collapse.

ASIC alleges that on a number of occasions the director caused the false recording of securities in the records of OPSL and Leveraged Capital, where he was also a director, so that securities were recorded as being held by more than one client at the same time. The result of this false recording was that the records of OPSL and Leveraged Capital were not a true reflection of the state of those companies' securities holdings and consequently, their respective financial positions. The value of these securities was in excess of \$50 million.

Source: ASIC website, media advisory [10-110AD](#) (28 May 2010).

DEPARTMENT OF PREMIER AND CABINET UPDATE

The following recent Circulars and Ministerial Memoranda are available at www.dpc.nsw.gov.au.

Department of Premier and Cabinet Circulars

[C2010-16](#) *'Good Practice Grants Administration'*

The [Good Practice Guide to Grants Administration](#) has been updated to reflect recommendations in reports on ['Grants Administration'](#) and the ['Non-Government Organisation Red Tape Reduction'](#).

Departments should review their grants programs and administrative processes to improve transparency and reduce red tape for grant applicants and recipients.

Departments should consider consolidating administration of grants programs where this would improve expertise in grants administration, provide better economies of scale, reduce red tape, or improve program outcomes.

Other Department of Premier and Cabinet Circulars

- [C2010-11](#) 'Reserve Forces Day Parades'.
- [C2010-12](#) 'Nominations for the Public Service Medal'.
- [C2010-13](#) 'Breastfeeding Policy'.
- [C2010-14](#) 'Whole-of-Government cooperation in recovery operations to assist communities in the wake of an emergency'.
- [C2010-15](#) 'National Aboriginal and Islander Day Observance Committee'.
- [C2010-17](#) 'SES/Senior Officer Motor Vehicle Charges 2010 - 2011'.

Ministerial Memoranda

[M2010-05](#) *'Government Information (Public Access) Act 2009 - 1 July 2010 Commencement'*

The *Government Information (Public Access) Act 2009* (reported in the April 2010 edition of [Awareness](#)) will commence operation on 1 July 2010.

Central to this Act is the presumption that all Government-held information should be accessible to the public and that information should only be withheld if it is necessary to do so in the public interest.

The Act establishes a new model of openness under which formal applications for access to information should be a last resort for members of the public wishing to obtain Government information. Instead, the Act authorises and encourages the release of information proactively, limited only by legitimate public interest considerations.

An Office of the Information Commissioner has been established. The Information Commissioner will report directly to Parliament and be subject to oversight by a Joint Parliamentary Committee.

[M2010-06](#) *'Exemption from Procurement Policy for Disability Organisations'*

Amendments made to the Public Sector Management (Goods and Services) Regulation 2000 now allow NSW Government agencies to procure goods and services directly from disability employment organisations without the need for a competitive process. The exemption will cover organisations, approved by the Minister for Disability Services that focus on the provision of employment opportunities for people with a disability.

M2010-07 ‘Working Together: Public Sector Workplace Health and Safety and Injury Management Strategy 2010 - 2012’

The publication, [Working Together: Public Sector Workplace Health and Safety and Injury Management Strategy 2010 - 2012](#), has been endorsed by Cabinet.

It aims to improve public sector workplace safety and injury management systems, policy, procedures and outcomes. Successful implementation of the Strategy will reduce the incidence and severity of injury and illness to public sector workers, decrease the duration and cost of workers compensation claims and improve return to work outcomes.

The Strategy applies to all NSW Public Sector Agencies and State Owned Corporations.

M2010-08 ‘NSW Government Advertising Guidelines’

These [Guidelines](#) were updated following the Performance Audit on [Government Advertising](#). The key changes include:

- establishing a Cabinet Standing Committee on Communications and Government Advertising to approve all NSW Government advertising with a total budget of \$50,000 or more
- repeat or ongoing advertising, with a total budget of less than \$250,000, may be considered out-of-session by the Minister for Commerce
- the role of the Director, Strategic Communications and Government Advertising (SCGA) is to manage the advertising peer review process, centrally coordinate media buying and placement, as well as provide guidance on advertising processes and policies
- advertising over \$50,000 will be subject to peer review
- agencies are required to complete a cost benefit analysis or other economic appraisal for advertising with a budget of more than \$1.0 million
- Department of Services, Technology and Administration (DSTA) will publish quarterly reports on its website concerning annual total media advertising expenditure.

Additional information is available on the [DSTA website](#).

THE TREASURY UPDATE (NEW SOUTH WALES GOVERNMENT)

The following recent Treasury pronouncements are available at www.treasury.nsw.gov.au.

Treasury Policy and Guidelines Papers (TPP)

TPP 10-02 ‘Treasury Banking System - Cash Forecasting and Banking Arrangements’

This TPP aims to provide agencies with relevant information in relation to banking arrangements and cash forecasting requirements.

It covers:

- cash forecasting system requirements
- Treasury account category classifications
- account opening and closing procedures
- details of the performance and standard interest schemes
- interest rate information.

It supersedes the previous NSW Treasury Technical Paper ‘Cash Forecasting and Banking Arrangements for the Treasury Banking System Agencies’.

Treasury Circulars (TC)

[TC 10/05](#) *Equal Employment Opportunity (EEO) Disclosure Requirements*

This circular advises agencies of changes to the minimum target for Aboriginal employment in the NSW public sector. It prescribes EEO reporting requirements for reporting years ending after 31 December 2009.

It applies to all New South Wales public sector agencies (including statutory State-owned corporations) required to prepare annual reports under the Annual Reports legislation. It supersedes the previous circular of the same name (TC 07/20).

[TC 10/06](#) *'2009-10 Financial Accounting Arrangements for the Crown Entity'*

This circular specifies the requirements and year-end timetable that departments and statutory bodies must follow for the Crown Entity to compile the consolidated 2009-10 financial statements to meet its statutory reporting obligations.

INTERNATIONAL UPDATE

International Accounting Standards Board (IASB)

Conclusion of the 2008-2010 Cycle of Annual Improvements to IFRSs

The IASB concluded its third annual improvements project with the issue of its latest standard, 'Improvements to IFRSs'.

The standard makes 11 minor amendments to six standards and one interpretation. The IASB has also added an additional change to IFRS 1 'First-time Adoption of International Financial Reporting Standards', applicable to entities with operations subject to rate regulation.

The AASB is expected to approve the improvements project standard at its next meeting.

Source: [IASB website](#), Accounting and Assurance News Today, Issue 18 (14 May 2010).

IFRS for SMEs Update (Issue 2010-3)

This monthly [issue](#) discusses:

- the outcomes of the nomination process for membership of the implementation group
- whether national guidance on applying the IFRS for SMEs is appropriate
- newly released additional training modules
- 'Train the trainers' workshop in Tanzania
- who has recently adopted IFRS for SMEs
- where to obtain IFRS for SMEs materials.

Source: Accounting and Assurance News Today, Issue 21 (4 June 2010).

IASB Meeting Highlights - 17-21 May 2010

At its meeting, the IASB discussed:

- annual improvements
- conceptual framework: qualitative characteristics
- consolidation
- emissions trading schemes
- financial instruments: hedge accounting
- IFRS Interpretations Committee update
- insurance contracts
- joint arrangements
- leases
- management commentary
- revenue recognition.

Source: IASB website, [IASB Update](#) (May 2010).

Joint IASB/FASB Meeting Highlights - 1 June 2010

At its meeting, the Boards discussed:

- consolidation
- insurance contracts
- leases.

Source: IASB website, [IASB Update](#) (1 June 2010).

International Financial Reporting Standards Interpretations Committee (IFRIC)

IFRIC Meeting Highlights - 6-7 May 2010

At its meeting, the IFRIC discussed:

- accounting for production stripping costs
- vesting and non-vesting conditions
- put options written over non-controlling interests
- agenda decisions - accounting for costs included in self-constructed assets; reversal of disposal group impairment losses relating to goodwill and valuation of plan assets
- tentative agenda decisions - going concern disclosures; income taxes and impairment of financial assets
- annual improvements
- work in progress - first time adoption; hyperinflationary economies and investment property.

Source: IFRIC website, [IFRIC Update](#) (May 2010).

International Accounting Standards Committee Foundation (IASCF)

IASCF Constitutional Review Report

Following the completion of the IASB's [constitutional review](#), the Trustees of the IASCF published a [report](#) explaining the governance enhancements that are effective from 1 March 2010.

The main governance changes include:

- regular public consultation on its technical agenda
- a commitment to a 'principles-based approach' to standard setting
- the inclusion of investors as recognised users of financial information
- amending due process requirements, especially for dealing with emergencies.

Source: IASB website; Accounting and Assurance News Today, Issue 19 (21 May 2010).

International Public Sector Accounting Standards Board (IPSASB)

IPSASB publishes 2010 Handbook of Pronouncements

The [2010 Handbook of International Public Sector Accounting Pronouncements](#) is available. It contains all current IPSASB pronouncements, including requirements and guidance for the accounting of financial instruments, intangible assets and agriculture.

Source: IFAC website, [media release](#) (6 May 2010).

International Federation of Accountants (IFAC)

Developing sustainable organisations

IFAC signed a memorandum of understanding with The Prince's Accounting for Sustainability (A4S) Project, which recognises the role of accountants in developing sustainable organisations.

The two organisations will work together on a range of key priorities designed to support the work of professional accountants in embedding sustainable practices into strategy, governance, performance management, and reporting processes including:

- raising awareness and facilitating collaboration across the global accountancy community
- establishing an international integrated reporting committee to develop a reporting model that reflects the importance of environmental and social factors on the long-term performance of an organisation
- incorporating the accountability for sustainability within professional training and education.

Source: [IFAC website](#), Accounting and Assurance News Today, Issue 18 (14 May 2010).

International Valuation Standards Council (IVSC)

Exposure Draft 'Proposed New International Valuation Standards'

This exposure draft proposes new International Valuation Standards (IVS) covering valuations for most types of asset, including financial instruments. The proposed IVS also reflect current developments in the IFRS, which increasingly require assets and liabilities to be valued.

Submissions to the IVSC are due by 3 September 2010 and the standards are expected to be published in January 2011.

Source: IVSC website, [press release](#) (2 June 2010).

Other International Updates

IFRS Regional Policy Forum

The 2010 IFRS Regional Policy Forum, 'Beyond the Global Crisis - Making Financial Reporting More Relevant to Stakeholders' Needs', was held in Singapore on 13 May 2010.

Forum participants discussed and exchanged perspectives on:

- the status of and current challenges faced by the IASB in the quest for global convergence and IFRS adoption
- the nexus between the global financial crisis and convergence
- the relevance of current financial reporting to central banks and bank supervisors in a post-financial crisis world and the future implications for financial reporting
- the various ways in which financial statement presentation can be improved to make them more useful for preparers, users, policy makers and regulators
- the increasing role of Asia-Oceania as a voice in the IFRS-setting process and active participation in the work of the IASCF and the IASB
- the Asian-Oceanian economies' IFRS adoption/convergence experience, spanning policy issues, challenges and implementation roadmaps.

Source: ASC website, [Communiqué](#) (13 May 2010); Accounting and Assurance News Today, Issue 19 (21 May 2010).

MISCELLANEOUS PUBLICATIONS

Quarterly Newsletter - Productivity Commission Update No. 47 - May 2010

This [newsletter](#) discusses the following:

Human capital: what is it and why is it important?

To sustain Australia's economic prosperity over the long term, the Council of Australian Governments (COAG) have adopted a new National Reform Agenda (NRA), which includes proposals to improve human capital development.

Contribution of the not-for-profit sector

The Productivity Commission assessed the contribution of the not-for-profit sector and proposed recommendations to improve the efficiency and effectiveness of the sector.

COAG report on Government Services 2010

This report discusses the efficiency and cost effectiveness of various government services, including: early childhood, education and training; police, court administration and corrective services; health; community services; housing; and fire and ambulance services.

Benchmarking Occupational Health & Safety

The Productivity Commission found significant differences across jurisdictions in occupational health and safety laws and regulations and the action of regulators.

Other

- Modelling of an urban water system.
- Government buyback of permanent water entitlements.
- Wheat export marketing arrangements.

Source: [Productivity Commission website](#).

ICAA Business Guidance Notes

[Guidance Note 4](#) 'The year-end process: planning' focuses on best practice in the year-end process that drives the delivery of annual reports to stakeholders. It examines the preparation phase and project management of year-end.

This guidance note covers:

- year-end instructions
- preparation of the template financial report
- getting an early handle on the key technical issues
- stakeholder management and engagement
- hard close
- resource planning.

[Guidance Note 5](#) 'Project managing the year-end: execution' offers advice on implementation and post year-end debrief. In particular, this guidance note covers:

- the importance of achieving milestones
- the need to update earlier identified issues for year-end developments
- the need to ensure new reporting changes are integrated into systems and procedures
- avoiding surprises by regularly communicating with stakeholders
- the need to roll forward from the last 'hard close'
- ensuring early engagement of senior management
- identifying resourcing and training requirements.

Source: [ICAA website](#).

Ernst and Young Publication 'Financial Reporting Certification'

This [publication](#) provides practical guidance to support financial statement certification provided to boards by CEOs and CFOs. This revised edition reflects:

- the impact of revisions to the ASX's 'Principles of Good Corporate Governance'
- changes in operating conditions and the perceived impact of events such as the global financial crisis
- feedback received.

Source: Ernst and Young website.

ISACA Emerging Technology White Paper 'Social Media: Business Benefits and Security, Governance and Assurance Perspectives'

Social media is can be a powerful, low-cost tool for enterprises to drive business objectives such as, enhanced customer interaction, greater brand recognition and more effective employee recruitment.

This [paper](#) discusses the:

- impact of social media
- business benefits
- risks, security and privacy concerns
- strategies for addressing social media risks
- governance, change and assurance considerations.

Enterprises seeking to integrate social media into their business strategy should adopt a cross-functional, strategic approach that addresses risks, impacts and mitigation steps, along with appropriate governance and assurance measures.

Source: ISACA website, ISACA media [update](#) (3 June 2010).

AUSkey

The Standard Business Reporting (SBR) program has announced the introduction of a new online security credential called AUSkey, which will assist the SBR program in achieving its primary goal of reducing business red-tape. It enables a business, which has an ABN, to access government online services without the need for different user IDs and passwords.

The [SBR blog](#) provides a summary of the AUSkey initiative and will post answers to any queries readers submit.

Source: Accounting and Assurance News Today, Issue 20 (28 May 2010).

Australian National Audit Office (ANAO) Publications

The publications below are available on the [ANAO website](#).

- Planning and Approving Projects - an Executive Perspective.
- Fraud Control in Australian Government Agencies.
- Effective Cross-Agency Agreements.
- Application of the Core APS Values and Codes of Conduct to Australian Government Service Providers.
- Medicare Australia's Administration of the Pharmaceutical Benefits Scheme.
- Campaign Advertising Review July 2009 - March 2010.
- IT Performance Review.
- Lightweight Torpedo Replacement Project.
- Emergency Management and Community Recovery Assistance in Centrelink.
- Administration of the Superannuation Co-contribution Scheme.
- The Management and use of Double Taxation Agreement Information Collected through Automatic Exchange.

ACT Auditor-General's Office Publications

The publications below are available on the [ACT Audit Office website](#).

- Report No.2/2010 'Student Support Services for Public High Schools'.
- Delivery of Budget Initiatives.
- Performance Reporting.

New Zealand Office of the Auditor-General Publication

The publication below is available on the [AOG website](#).

- Statement of Intent 2010-13.

Tasmanian Audit Office Publications

The publications below are available on the [TAS Audit Office website](#).

- Auditor-General's report No. 1 of 2010 'Local Government Authorities, Including Business Units and Other State Entities June 2009 and December 2009'.
- Special Report No. 87 'Employment of staff to support MPs'.
- Special Report No. 88 'Public Trustee: management of deceased estates'.

Queensland Audit Office Publications

The publications below are available on the [QLD Audit Office website](#).

- Report to Parliament No. 4 for 2010 'Results of Local Government Audits'.
- Report to Parliament No. 5 for 2010 'Performance Reviews - Using performance information to improve service delivery'.

Victorian Auditor-General's Office Publications

The publications below are available on the [VAGO website](#).

- Tertiary Education and Other Entities: Results of the 2009 Audits.
- Managing Teacher Performance in Government Schools.
- Control of Invasive Plants and Animals in Victoria's Parks.
- Partnering with the Community Sector in Human Services and Health.
- The Community Building Initiative.
- Administration of the Victorian Certificate of Education.
- Hazardous Waste Management.
- Personal Safety and Security on the Metropolitan Train System.
- Irrigation Efficiency Programs.

Independent Commission against Corruption (ICAC) Publications

The publications below are available on the [ICAC website](#).

- Investigation into a Housing NSW Officer's failure to declare conflicts of interest and secondary employment.
- Lobbying in NSW - an issues paper on the nature and management of lobbying in NSW.
- Investigation into the offer of a corrupt payment to an officer of Strathfield Municipal Council.
- Profiling the NSW public sector - Report 3 (May 2010).
- Corruption Matters, Issue 35 (May 2010).

Independent Pricing and Regulatory Tribunal (IPART) Publication

The publication below is available on the [IPART website](#).

- Final Determination and Report - Review of prices for Country Energy's water and sewerage services from 1 July 2010 to 30 June 2013.

AUDIT OFFICE BETTER PRACTICE GUIDES

The Audit Office produces guides to better practice to assist agencies. The following is a list of those guides and the publishing dates. All these guides are available on the Audit Office website at [Audit Office of New South Wales website](#).

Title of Guide	Date issued
Monitoring and Reporting on Audit Recommendations	May 2009
Implementing Successful Amalgamations	5 March 2008
Fraud Control Improvement Kit - Meeting your Fraud Control Obligations	20 July 2006
Fraud Control: Current Progress and Future Directions	9 February 2005
Shared Corporate Services: Realising the Benefits	3 November 2004
Management of Intellectual Property	October 2001
E-ready, e-steady, e-government: e-government readiness assessment guide	September 2001
Monitoring and Reporting on Performance Audit Recommendations	June 2001
Internal Financial Reporting	June 2001
Reporting Performance: A guide to preparing performance information for annual reports	November 2000
Contracting Out Review Guide	June 1999
Public Sector Corporate Governance - ready reckoner	April 1999
Methodology for the review of Residential Services for People with Disabilities	June 1998
On Board: guide to better practice for public sector governing and advisory boards	April 1998
The Corporate Credit Card: guidelines for internal control	January 1997
Debtors Administration	September 1996
Administration of Grants	December 1995
Joint operations in the Education Sector	September 1995
Fraud Control: developing an effective strategy: Volume 1: conceptual framework Volume 2: strategy Volume 3: diagnostics Volume 4: Fraud control self audit kit	March 1994 March 1994 March 1994 March 1998

ACRONYMS AND ABBREVIATIONS

AAS	Australian Accounting Standards
AASB	Australian Accounting Standards Board
AIFRS/AEIFRS	Australian Equivalents to International Financial Reporting Standards
APRA	Australian Prudential Regulation Authority
ASA	Australian Auditing Standard
ASEA	Australian Standard on Assurance Engagements
ASIC	Australian Securities and Investments Commission
ASAE	Australian Standard on Review Engagements
AOSSG	Asian-Oceanian Standard Setters Group
AUASB	Auditing and Assurance Standards Board
BRCWG	Business Regulation and Competition Working Group
ED	Exposure Draft
FASB	Financial Accounting Standards Board (USA)
FCAG	Financial Crisis Advisory Group
GAAP	Generally Accepted Accounting Principles
GFS	Government Finance Statistics
GG	Government Gazette
GG SS	Government Gazette Special Supplement
GGS	General Government Sector
GPFR	General Purpose Financial Report
IAASB	International Auditing and Assurance Standards Board
HoTARAC	Heads of Treasuries Accounting and Reporting Advisory Committee
IAS	International Accounting Standard
IASB	International Accounting Standards Board
IASC	International Accounting Standards Committee
IASCF	International Accounting Standards Committee Foundation
IFAC	International Federation of Accountants
IFRIC	International Financial Reporting Standards Interpretations Committee
IFRS	International Financial Reporting Standards
IPSASB	International Public Sector Accounting Standards Board
ISA	International Standards on Auditing
ISACA	Information Systems Audit and Control Association
ISQC	International Standards on Quality Control
IVSC	International Valuation Standards Council
PCAOB	Public Company Accounting Oversight Board

COPIES OF REPORTS AND PUBLICATIONS

All performance audit reports are available on The Audit Office web site at www.audit.nsw.gov.au and can be purchased from the New South Wales Government Information Service (telephone 9743 7200).

Publications of the Australian Auditing and Assurance Standards Board (AUASB) including auditing and assurance standards, guidance statements, and other guidance and exposure drafts are available direct from the AUASB as follows:

Australian Auditing and Assurance Standards Board
Phone: (03) 8080 7400
Fax: (03) 8080 7450
Postal Address: PO BOX 204 Collins Street West, Victoria 8007
Website: www.auasb.gov.au.

Publications of the Australian Accounting Standards Board (AASB), including Accounting Standards and Exposure Drafts are available direct from the AASB as follows:

Phone: (03) 9617 7600
Fax: (03) 9617 7608
Postal Address: PO BOX 204 Collins Street West, Victoria 8007
Website: www.aasb.com.au

Copies of International Federation of Accountants (IFAC) publications may be obtained direct from IFAC, 535 Fifth Avenue, 14th Floor, New York, NY 10017, USA (tel 212/286.9344 or fax 212/286.9570 or by visiting the IFAC web site at www.ifac.org).

Copies of International Accounting Standards, Exposure Drafts and International Accounting Standards Board (IASB) publications may be obtained direct from the IASB, 30 Cannon Street, London EC4M 6XH, United Kingdom (tel +44 (020) 7332-2730 or fax +44 (020) 7332-2749 or email publications@iasb.org or Internet www.iasb.org).

Copies of New South Wales Government legislation including changes to legislation can be purchased from the New South Wales Government Information Service. The legislation is also on the Internet at www.legislation.nsw.gov.au.

Treasury publications may be viewed by visiting the New South Wales Treasury web site at www.treasury.nsw.gov.au

Copies of Premier's Department Circulars and Premier's Memoranda may be viewed by visiting the Premier's Department website at www.dpc.nsw.gov.au.

The AWARENESS Newsletter is of a general nature only and is not intended to be a substitute for or relied upon as specific professional advice. No responsibility for loss occasioned to any person acting on or refraining from action as a result of any material in the publication can be accepted.