

Senate Economics Legislation Committee
ANSWERS TO QUESTIONS ON NOTICE
Industry, Tourism and Resources Portfolio
Budget Estimates 2005-2006, 30-31 May 2005

AGENCY/DEPARTMENT: IP AUSTRALIA
TOPIC: ACCOUNTING STANDARDS FOR INTELLECTUAL PROPERTY ASSETS
REFERENCE: HANSARD 30/05/05, PAGE E106

QUESTION No.35
(Hansard 30/05/05, p.E106)

Senator Lundy asked about:

Can you provide the Committee with details of any substantive developments in relation to financial reporting protocols around intellectual property assets, even in establishing policy or issuing guidelines? Is it anticipated that in next year's PBS there will be a line item valuing intellectual property assets?

ANSWER

There has been no detail provided in relation to reporting requirements for the 2006-07 PBS as yet. This is to be expected given that the formal process for preparation of the PBS does not generally commence until the February preceding the budget.

- *Is there a requirement to disclose additional information under the new Australian Equivalents to International Financial Reporting Standards (AEIFRS) for year-end statements?*

At the present time there is no information on new disclosure requirements in relation to IP assets. While there are some changes in the treatment of certain intangible assets under the new standards they relate to specific types of IP generally not encountered in respect of an Australian Government agency. IP Australia's intangible assets are almost entirely off-the-shelf and internally developed software and the treatment of these items is not significantly affected.

- *Will budget documents require additional disclosure, regardless of whether or not there is a requirement to disclose additional information under AEIFRS for year-end statements?*

Given the push for consistent 'budget versus actual' analysis it is unlikely that there will be a requirement to disclose additional information above what is required in the accounting standards. The Department of Finance and Administration will provide guidance on the budget reporting requirements in the process leading up to the 2006-07 Budget.