

# Australian Infrastructure Financial Management Guidelines

Institute of Public Works Engineering Australia

## Instructions Update No 3, January 2012

### Summary

It is very pleasing for me to acknowledge the ongoing success of the Guidelines and the important role played by the half yearly Updates prepared for all subscribers. The author team reviews developments in accounting and auditing standards in June and December each year and where there are significant changes affecting the Guidelines, an update is prepared and made available on [www.ipwea.org.au/AIFMG](http://www.ipwea.org.au/AIFMG). This is Update 3 following the December 2011 review.

Since the first update of the *Guidelines* was issued in June 2010, there have been a number of significant developments in financial reporting and auditing. These developments are explained in updates to sections 7 and 11 of the Guidelines.

This Update provides a brief summary of each of the new and amended Australian Accounting Standards and explains which Standards operative for the first time for annual reporting periods ending on 31 December 2011 and those at future dates.

Water and issues around water are very much in the news. The decisions made by those in government for infrastructure management are significant. This Update includes the very latest initiatives by standard setters to develop appropriate financial reporting requirements and a conceptual framework that deal with the particular issues around accounting for water. At the same time, the Auditing & Assurance Standards Board (AUASB) is exploring the alternative approaches to best audit entities with the responsibility for the management of water. The AUASB is seeking responses from stakeholders as to the most appropriate auditing methodology to support an auditor in forming independent opinion.

Improving the commitment to governance is acknowledged as an important part of any entity. Hence, I draw your attention to the summary of the Public Sector Audit Committee Better Practice Guide included in Section 11 of this Update. This Better Practice Guide sets down the attributes of the best performing audit committees which in turn are essential for good governance.

The Glossary and financial sustainability indicators in Section 2 have been updated and are being considered as the basis for nationally consistent terminology and indicators.

Finally, it is important to stress that the overriding objective of these Updates is to clearly explain the latest developments in all of the disciplines affecting infrastructure financial management. Hence, I again invite you to send your comments and suggestions to me as Project Director as to how we might further improve future Updates.

Chris Champion  
National CEO  
IPWEA  
April 2012

## INSTRUCTIONS

Read this Update Information Sheet

### Download Update Instructions

- AIFMG Instructions Update 3 January 2012 (this document)

### Purchase or Download Update Sheets

- AIFMG Updated Pages Update 3 January 2012
- AIFMG Sections 7 and 11 Appendix B Attachments GAAP Accounting Standards Update 3

### Update the Guidelines Editions 1.0 (2009), 1.1 (2010) and 1.2 (2011)

- Find the pages updated by the Update, remove and replace with the double sided update pages and insert additional pages where required
- Insert Appendix B Attachments Update 3 pages after Update 2 pages for Sections 7 and 11.

Record the Update in the Document Control Table below.

Section	Remove Pages	Insert Pages	Updated by	Date
Quick Guide	Cover	Cover		
	iv	iv		
	3	3		
O	i - ii	i - ii		
	xxxi – xlvi	xxxi – xlvi		
2	2.1 – 2.2	2.1 – 2.2		
	2.5 – 2.6	2.5 – 2.6		
	2.9 – 2.18	2.9 – 2.19		
5	5.1 – 5.4	5.1 – 5.4		
7 Appendix B		after Appendix B Attachment Update 2, p 11		
11 Appendix B		after Appendix A Update 2, p 11.29		
12		12.66A – 12.66B after page 12.66		

Insert this completed Document Control Table page into the Guidelines after page ii.

Changes to the Guideline resulting from this update are detailed in the Detail of Amendments Made Update 3, January 2012.