



Project:	International Projects	Meeting	AASB May 2017 (M157)
Topic:	Various	Agenda Item:	11.1
Contact(s):	Tim Austin taustin@asb.gov.au (03) 9617 7638 Shaun Steenkamp ssteenkamp@asb.gov.au (03) 9617 7640	Date:	19 April 2017
		Project Priority:	Medium
		Decision-Making:	Low
		Project Status:	Various

Introduction and objective of this paper

- 1 The objective of this paper is to decide whether to take any action in relation to key decisions made at recent international standard-setting meetings.

Link to project summary

http://www.aasb.gov.au/admin/file/content102/c3/AASB_Standard_Setting_Work_Program.pdf

Attachments

Agenda Paper 11.2 *IASB Update* March 2017

Agenda Paper 11.3 *IFRIC Update* March 2017

Summary of staff recommendations

- 2 The staff recommend the Board not take any action regarding recent IASB and IFRS IC meetings.

IASB meetings (see Agenda Papers 11.2)

- 3 At the IASB's March 2017 meeting, the key projects for discussion included:
 - (a) Wider Corporate Reporting;
 - (b) Goodwill and Impairment;
 - (c) Discount rates – present value measurements
 - (d) Insurance Contracts (oral update);
 - (e) Primary Financial Statements;
 - (f) *The Conceptual Framework for Financial Reporting*;

- (g) Dynamic Risk Management (education session)
 - (h) Financial Instruments with Characteristics of Equity.
- 4 AASB staff have not identified any issues in relation to the meeting for Board action at this stage.
- 5 The next IASB meeting is scheduled for 24-28 April 2017.

Question 1 to Board members

Do Board members agree with staff recommendation not to take any action in relation to the decisions made by the IASB at its March meeting (see Agenda Paper 11.2)?

IFRS Interpretations Committee (see Agenda Paper 11.3)

- 6 The IFRS Interpretations Committee (the Committee) met on 14 and 15 March 2017, during which it made final agenda decisions in relation to:
- (a) IFRS 10 *Consolidated Financial Statements*—Investment entities and subsidiaries;
 - (b) IAS 12 *Income Taxes*—Recognition of deferred taxes when acquiring a single-asset that is not a business;
 - (c) IAS 28 *Investments in Associates and Joint Ventures*—Fund manager’s assessment of significant influence; and
 - (d) commodity loans.
- 7 The Committee made tentative decisions regarding:
- (a) IFRS 1 *First-time Adoption of International Financial Reporting Standards*—Subsidiary as a first-time adopter;
 - (b) IFRS 9 *Financial Instruments*—Modifications or exchanges of financial liabilities that do not result in derecognition;
 - (c) IAS 12 *Income Taxes*—Interest and penalties related to income taxes;
 - (d) IAS 19 *Employee Benefits*—Discount rate in a country that has adopted another country’s currency;
 - (e) IAS 32 *Financial Instruments: Presentation*—Centrally cleared client derivatives;
 - (f) IAS 33 *Earnings per Share*—Tax arising from payments on participating equity instruments; and
 - (g) IAS 41 *Agriculture*—Biological assets growing on bearer plants.
- 8 AASB staff have not identified any issues in relation to the Committee meeting for Board action at this stage.

- 9 AASB staff have shared the Committee's tentative decision on item 7(c) with the ATO to obtain their views. Staff will update the Board if there are any concerns raised by the ATO on item 7(c).
- 10 The next Committee meeting is scheduled for 3 May 2017.

Question 2 to Board members

Do Board members agree with staff recommendation not to take any action in relation to the decisions made by the Committee at its May meeting (see Agenda Paper 11.3)?

Appendix A: IFRS Interpretations Committee staff outreach requests

Topic	Date request received	Date AASB staff responded
IFRS 3 and IFRS 9 – transaction price allocation <i>How to account for excess of transaction price over fair value of acquired assets that do not constitute a business</i>	10 March 2017	31 March 2017