



Subject: Minutes of the 139th meeting of the AASB
Venue: Ken Spencer Room, AASB offices
Level 7, 600 Bourke St, Melbourne
Time(s): Wednesday 16 July 2014 from 9.00 a.m. to 4.55 p.m.
Thursday 17 July 2014 from 9.00 a.m. to noon.

All agenda items except items 1(a), 6, 7 and 9 were discussed in public.

Attendance

Members Angus Thomson (Acting Chair)
Ian McPhee (Deputy Chair) (day 1)
Peter Carlson
Anna Crawford
Kimberley Crook
Regina Fikkers
Peter Gibson
Carmen Ridley
Brett Rix
Taryn Rulton
Ann Tarca

Apologies John O'Grady
Steve Mitsas
Marc Smit
Ian McPhee (day 2)

In Attendance:
Staff Glenn Brady (in part)
Mitchell Bryce (in part)
Nikole Gyles
Ahmad Hamidi Ravari (in part)
Kala Kandiah (in part)
Sue Lightfoot (in part)
Christina Ng (in part)
Lisa Panetta
Jim Paul (in part)
Joanna Spencer (in part)

Agenda and Declaration of Interests

Agenda Item 1

Declarations of Interest

Members indicated that, in the normal course of their day-to-day professional responsibilities, they deal with a broad range of financial reporting issues. Members have adopted the standing policy in respect of



declarations of interest that a specific declaration will be made where there is a particular interest in an issue before the Board. No such matters arose in this meeting.

Acting Chair's Report

Board Membership Changes

Angus Thomson, the Acting Chair, noted the retirement of Kevin Stevenson from the role of Chairman and CEO of the AASB on the 30 June 2014, noting that he has been appointed as Acting Chair for the lesser of three months and appointment of permanent new Chair.

In addition, the Acting Chair welcomed Kimberley Crook to the Board. Ms Crook, the Chair of the NZASB, was appointed as a Board Member from 1 July 2014.

FRC Meeting

The Acting Chair provided the Board with an update on the FRC meeting held on 20 June 2014.

The Acting Chair noted that, following Lynn Wood's term as the Chair of the FRC ending on 10 June 2014, the Acting Chair of the FRC is Michael Coleman. He advised the Board that in relation to AASB matters, the focus at the FRC meeting was on the AASB's (at that stage, forthcoming) Research Report No. 1 and the impact of the government's Regulatory Burden Measurement framework on the AASB.

CIFR Meeting

The Acting Chair provided the Board with an update on a meeting he attended, together with the Chair of the FRC Financial Reporting Taskforce, with the Centre for International Finance and Regulation (CIFR) CEO, on 13 June 2014. The Acting Chair noted that at the meeting the AASB's (forthcoming) Research Report was discussed as well as further opportunities for policy-based research.

PGPA Act

The Acting Chair noted that as from 1 July 2014, the *Public Governance, Performance and Accountability Act 2013* (PGPA Act) takes over from the *Financial Management and Accountability Act 1997* (FMA Act). The Acting Chair provided the Board with an overview of the key requirements of the PGPA Act.

Other

The Acting Chair also noted:

- (a) agenda paper 3.7 is the Statement of Intent that responds to the government's Statement of Expectations;
- (b) the changes to FRLI lodgement fees from 1 July 2014;
- (c) the proposed 2015 AASB Board Meeting dates;
- (d) presentations conducted by staff since the last Board Meeting; and
- (e) staff movements that are occurring, including welcoming David (Taekhyun) Ji who will be the AASB's 2015 Graduate Intern.



Apologies, Minutes and Approvals Out of Session

Agenda Item 2

Apologies

Apologies were noted for John O'Grady, Steve Mitsas and Marc Smit for both days of the meeting. An apology was also noted for Ian McPhee for day 2 of the meeting.

Minutes

The Board approved the minutes of the one hundred and thirty-eighth meeting held on 28-29 May 2014.

Approvals Out of Session

The Board had before it a memorandum from Lisa Panetta dated 1 July 2014 re Voting Summary – Board only (agenda paper 2.2).

The Board noted that since 13 May 2014, the Board has approved out of session the following pronouncements:

- (a) AASB 14 *Regulatory Deferral Accounts*
- (b) AASB 2014-1 *Amendments to Australian Accounting Standards*
- (c) AASB 1056 *Superannuation Entities*
- (d) AASB 2014-2 *Transition to and between Tiers, and related Tier 2 Disclosure Requirements*

In addition, Exposure Draft ED 250 *Investment Entities: Applying the Consolidation Exception* was approved under the Board's policy of delegated authority for the Chairman to issue the IASB documents where there is no significant additional Australian material.

Other Business

Agenda Item 3

The Board noted:

- (a) Memorandum from Lisa Panetta and Nikole Gyles dated 1 July 2014 re AASB Work Program – Standard Setting Directorate (agenda paper 3.1);
- (b) AASB Standard Setting Work Program and Meeting Pipeline as at 1 July 2014 (agenda paper 3.1.1) [Board only];
- (c) AASB Research Centre Work Program as at 1 July 2014 (agenda paper 3.1.2) [Board only];
- (d) AASB Sub-committee membership as at 1 July 2014 (agenda paper 3.2) [Board only];
- (e) Memorandum from Lisa Panetta and Nikole Gyles dated 1 July 2014 re Sub-committee Membership and Project Staff Changes (agenda paper 3.2.1) [Board only];
- (f) Memorandum from Mitchell Bryce dated 1 July 2014 re July 2014 Communications Report Highlights (agenda paper 3.3) [Board only];



- (g) Communications Report for the period 14 May 2014 – 1 July 2014 (agenda paper 3.3.1) [Board only];
- (h) Letter from AASB Chairman to IPSASB Chairman dated 30 May 2014 re IPSASB Exposure Draft ED 54 *Reporting Service Performance Information* (agenda paper 3.4);
- (i) Letter from AASB Chairman to IASB Chairman dated 6 June 2014 re IASB Discussion Paper DP/2013/1 *A Review of the Conceptual Framework for Financial Reporting*: Supplementary Paper to AASB's Submission (agenda paper 3.5);
- (j) Letter from DG & AB MAXWELL Consulting Accountants re: Definition of Residual Value [AASB 116 sub 1] (agenda paper 3.6);
- (k) Letter from AASB Chairman to Joe Hockey, Treasurer dated 27 June 2014 re Statement of Intent of the Australian Accounting Standards Board (agenda paper 3.7);
- (l) Letter from Chief Financial Officer, Sydney Water to AASB Chairman dated 8 July 2014 re Clarification on the use of cost approach under AASB 13 *Fair Value Measurement* (agenda paper 3.8);
- (m) Letter from AASB Acting Chair to IFRS Interpretations Committee Chairman dated 10 July 2014 re Agenda decisions – IAS 32 *Financial Instruments: Presentation* (agenda paper 3.9);
- (n) Letter from AASB Acting Chair to IASB Chairman dated 8 July 2014 re IASB Request for Information – *Post-implementation Review: IFRS 3 Business Combinations* (agenda paper 3.10); and
- (o) AFR Article: Private Sector Accounts Not Reliable: AASB dated 14 July 2014 (agenda paper 3.11) [Board only].

IFRS Interpretations Committee

Agenda Item 4

The Board had before it a memorandum from Nikole Gyles and Mitchell Bryce dated 1 July 2014 re IFRS Interpretations Committee Update (agenda paper 4.1).

The Board received an update on the recent AASB staff responses to IFRS Interpretations Committee staff outreach requests. The Board had no comments on the staff responses to the outreach requests.

The Board also received an update on the preliminary outcomes of the 15-16 July 2014 IFRS Interpretations Committee meeting. The Board directed staff to bring an analysis of the forthcoming July 2014 *IFRIC Update* to the September 2014 meeting.

Action:

Staff



Emerging Issues

Agenda Item 5

Clarification of Acceptable Methods of Depreciation and Amortisation

The Board had before it:

- (a) a memorandum from Mitchell Bryce dated 10 July 2014 re Emerging Issue: Clarification of Acceptable Methods of Depreciation and Amortisation (agenda paper 5.1); and
- (b) International Financial Reporting Standard *Clarification of Acceptable Methods of Depreciation and Amortisation* (Amendments to IAS 16 and IAS 38) (agenda paper 5.2) [Board only].

The Board considered whether to incorporate the amendments to IAS 16 *Property, Plant and Equipment* and IAS 38 *Intangible Assets* in the IFRS *Clarification of Acceptable Methods of Depreciation and Amortisation* (May 2014) in the corresponding Australian Accounting Standards (AASB 116 *Property, Plant and Equipment* and AASB 138 *Intangible Assets*) and, if so, whether any not-for-profit entity modifications are warranted. Those IFRS amendments state it would be inappropriate for a 'revenue-based' depreciation or amortisation method to be applied in depreciating property, plant and equipment or amortising intangible assets, unless this presumption can be rebutted in relation to intangible assets with particular characteristics.

The Board noted concerns regarding the appropriateness of permitting a 'revenue-based' amortisation method to be applied to some intangible assets (including concerns about adopting different principles for tangible and intangible assets). The Board decided that, in view of the limited circumstances in which a 'revenue-based' amortisation method could be applied, those concerns do not warrant departure from incorporating the current text of IFRSs in Australian Accounting Standards.

The Board decided incorporating the IFRS amendments in Australian Accounting Standards would not give rise to not-for-profit-specific issues or GAAP/GFS harmonisation issues.

Accordingly, the Board directed AASB staff to prepare a ballot draft, for out-of-session voting, incorporating the amendments to IAS 16 and IAS 38, without modification, in AASB 116 and AASB 138.

Action:	Staff
	Board members

Other Emerging Issues

The Board noted the following issues have been raised with the Board in formal submissions:

- (a) a request for additional Australian-specific requirements for not-for-profit entities in relation to the definition of the residual value of an asset in AASB 116 *Property, Plant and Equipment*, and
- (b) a request for clarification of the use of the cost approach under AASB 13 *Fair Value Measurement* for not-for-profit entities.

The Board requested staff to prepare an analysis of these issues for consideration at its September 2014 meeting.



The Board also noted a change to the exemption from applying the equity method when AASB 128 *Investments in Associates* was reissued in 2011 as AASB 128 *Investments in Associates and Joint Ventures* in conjunction with the issuance of AASB 10 *Consolidated Financial Statements*. The exemption in the first AASB 128 required the ultimate Australian or any intermediate parent of the entity to produce consolidated financial statements available for public use that complied with IFRSs. The exemption in the revised AASB 128 refers instead to the ultimate or any intermediate parent of the entity.

The Board asked staff to prepare an analysis of this issue for consideration at its September 2014 meeting.

Action: Staff

Review

Agenda Item 6

The Board noted that the IASB will be convening its first Research Forum in Oxford on 2 October 2014 and that AASB staff attending the other meetings taking place in England around that time will also be attending the Forum, as will Board Member, Ann Tarca.

Ms Tarca noted that the Forum is intended to encourage collaboration between the IASB and the academic community to, among other things, help further the IASB's research agenda. Ms Tarca also noted that a 2015 Research Forum, to be held in Hong Kong, is in the planning stage.

Stapled Entities

Agenda Item 7

The Board had before it a memorandum from Kala Kandiah dated 1 July 2014 re Stapling Arrangements – Review of IFRS IC Agenda Decision (agenda paper 7.1);

The Board reviewed the IFRS Interpretations Committee's final agenda decision in relation to identification of the acquirer in accordance with IFRS 3 *Business Combinations* and the parent in accordance with IFRS 10 *Consolidated Financial Statements* in a stapling arrangement. The Board decided not to take any further action in relation to this issue at this stage.

Service Concession Arrangements

Agenda Item 8

The Board had before it:

- (a) a memorandum from Christina Ng dated 10 July 2014 re Service Concession Arrangements: Grantor's Perspective (agenda paper 8.1);
- (b) an information paper on Public Private Partnerships and Service Concession Arrangements (agenda paper 8.2); and
- (c) AASB Staff Issues paper on Revenue Recognition from Licences in the context of Service Concession Arrangements (agenda paper 8.3).



The Board considered a staff issues paper that considered the implications and suitability of applying, by analogy, the licence application guidance in IFRS 15 *Revenue from Contracts with Customers* to service concession arrangements that involve a grantor providing a licence for the 'right to charge users' to an operator in exchange for a service concession asset and related future services.

The Board did not make any decisions at this meeting on the suitability of applying IFRS 15's licence guidance to service concession arrangements. Instead, the Board directed staff to undertake further analysis, in particular, to consider:

- (a) whether a service concession arrangement from the grantor's perspective could be within the scope of IFRS 15, in particular, whether an operator in a service concession arrangement would be a customer of the grantor; and
- (b) the implications of applying the requirements in IFRS 15, either directly or by analogy, to service concession arrangements, including considering whether the asset promised to the operator should be accounted for as a licence or as some other form of good or service.

Action:

Staff

IPSASB

Agenda Item 9

The Board had before it:

- (a) a memorandum from Joanna Spencer dated 1 July 2014 re IPSASB Report – June 2014 meeting (agenda paper 9.1); and
- (b) the Report on the IPSASB June 2014 meeting by New Zealand's representative to the IPSASB (agenda paper 9.2).

The Board noted that the Australian representative to the IPSASB, Tim Youngberry, was unable to attend the IPSASB's June 2014 meeting.

The Board particularly noted that the IPSASB:

- (a) is near to finalising its Conceptual Framework, with final approval expected in September 2014;
- (b) discussed constituent comments received to its Exposure Drafts 48-52 on Interests in Other Entities. The IPSASB decided to retain an exemption, for parent entities that are not investment entities, from consolidating their controlled investment entities. The Board noted that this decision is contrary to the requirements of IFRS 10 *Consolidated Financial Statements* and the comments made in the Board's submission to the IPSASB on the EDs;
- (c) discussed its project on Social Obligations and proposed a two-step approach be taken. The first step will focus on cash transfers and the second step will focus on other social benefits. It is not proposed that two separate consultation papers be issued but, rather, the debate and conclusions from the first step could inform the debate on the second step; and



- (d) discussed its project on Public Sector Financial Instruments and proposed that the consultation paper address monetary reserve instrument transactions (e.g. gold, IMF instruments and currency on issue), statutory receivables, statutory payables and securitisation.

Revenue from Contracts with Customers

Agenda Item 10

The Board had before it:

- (a) a memorandum from Glenn Brady and Joanna Spencer dated 1 July 2014 re Revenue from Contracts with Customers (agenda paper 10.1);
- (b) a PowerPoint presentation on Revenue from Contracts with Customers (agenda paper 10.2);
- (c) AASB Staff Issues paper re AASB Interpretation 1042 *Subscriber Acquisition Costs in the Telecommunications Industry* (agenda paper 10.3); and
- (d) IFRS 15 *Revenue from Contracts with Customers* (agenda paper 10.4) [Board only].

Education Session

The Board received an education session on the requirements of IFRS 15, which is anticipated to be made as AASB 15 *Revenue from Contracts with Customers* in Q4 2014.

Subscriber Acquisition Costs in the Telecommunications Industry

- (a) The Board discussed whether the requirements of AASB Interpretation 1042 *Subscriber Acquisition Costs in the Telecommunications Industry* are within the scope of the contract costs requirements in IFRS 15. The Board decided that the requirements of AASB Interpretation 1042 ought to be superseded by AASB 15.
- (b) The Board decided to issue an 'adverse comment' ED, to be approved out of session by the Acting Chair, with a 30-day comment period proposing that AASB Interpretation 1042 be superseded by the anticipated forthcoming AASB 15

Action: Staff
Acting Chair

Revenue – Tier 2

Agenda Item 11

The Board had before it:

- (a) a memorandum from Mitchell Bryce and Nikole Gyles dated 1 July 2014 re Reduced Disclosure Requirements for Revenue from Contracts with Customers (agenda paper 11.1);
- (b) AASB Staff Issues paper – IFRS 15 *Revenue from Contracts with Customers* – RDR for Tier 2 entities (agenda paper 11.2) [Board only]; and
- (c) IFRS 15 *Revenue from Contracts with Customers* (agenda paper 11.3) [Board only].



The Board considered the changes in disclosure requirements in the final Standard IFRS 15 *Revenue from Contracts with Customers* from the IASB Exposure Draft ED/2011/6 (of the same title).

On considering the disclosure requirements of IFRS 15, the Board decided to amend a number of the Tier 2 disclosure requirements previously proposed by the Board.

The Board's tentative decision to provide further disclosure relief is reflective of:

- (a) the general changes to disclosure requirements in the final Standard IFRS 15 from ED 222 (paragraphs 115, 117, 118(b), 118(c), 118(e), 127(a) and the text “, by main category of asset (for example, costs to obtain contracts with customers, pre-contract costs and setup costs)” in paragraph 128(a)); and
- (b) consideration of the disclosures within the complete Standard (paragraphs 120-122 and 126).

In light of these amendments, and the number of changes in disclosure requirements between ED/2011/6 and IFRS 15, the Board decided that re-exposure of the proposed disclosure requirements is warranted prior to incorporating the Tier 2 reduced disclosure requirements in the anticipated forthcoming Standard AASB 15 *Revenue from Contracts with Customers*. The Board decided to issue an 'adverse comment' ED, to be approved out of session by the Acting Chair, with a comment period of approximately 40 days. The Board also requested staff to undertake further targeted outreach in relation to the revised proposals.

Action:	Staff
	Acting Chair

Leases

Agenda Item 12

The Board had before it:

- (c) a memorandum from Nikole Gyles dated 1 July 2014 re Leases – project update (agenda paper 12.1);
- (d) AASB Staff Issues paper – Leases Project update (May/June 2014) (agenda paper 12.2);

The Board received an update on recent tentative decisions made by the IASB and the FASB on their Leases project and did not consider there were any issues arising out of those decisions that need to be raised with the IASB at this stage.

Insurance Contracts

Agenda Item 13

The Board had before it:

- (a) a memorandum from Sue Lightfoot dated 1 July 2014 re: Insurance Contracts (agenda paper 13.1); and
- (b) a letter from AASB Acting Chair to the IASB Chairman dated 14 July re IASB Tentative Decision – Insurance Contracts Recognition of Contractual Service Margin (agenda paper 13.2).



The Board received an update on recent tentative decisions made by the IASB on its Insurance Contracts project.

The Board noted its July 2014 letter on IASB tentative decisions about allocating the contractual service margin based on the passage of time and the Board's concern about the impact for contracts exposing an insurer to risk on a non-linear basis.

The Board noted the following topics discussed by the IASB at its June 2014 meeting:

- (a) contracts with participating contracts;
- (b) discount rates when there is no observable market;
- (c) asymmetric treatment of reinsurance gains; and
- (d) level of aggregation.

The Board decided there were no further issues that need to be raised with the IASB at this stage.

Disclosure Initiative

Agenda Item 15

The Board had before it:

- (a) a memorandum from Lisa Panetta dated 1 July 2014 re Disclosure Initiative – issues for AASB's submission to the IASB (agenda paper 15.1);
- (b) AASB Staff Issues paper – ED/2014/1 *Disclosure Initiative* (agenda paper 15.2);
- (c) submissions received on ED 249 *Disclosure Initiative [subs 1-4]* (agenda paper 15.3); and
- (d) AASB ED 249 *Disclosure Initiative* [which incorporates IASB ED/2014/1] (agenda paper 15.4).

The Board considered the key issues to include in its submission to the IASB on its Exposure Draft ED/2014/1 *Disclosure Initiative* (incorporated in ED 249), after considering submissions received from constituents.

The ED proposes amendments to IAS 1 *Presentation of Financial Statements*, particularly to clarify the application of materiality and some presentation and disclosure requirements currently in IAS 1. In addition, the ED includes a further proposal that has arisen from a submission to the IFRS Interpretations Committee concerning the presentation of items of other comprehensive income arising from equity-accounted investments.

The Board expressed broad agreement with the ED's proposals, in particular with:

- (a) the proposed addition of paragraph 30A of IAS 1, which notes the potential detrimental effect of including immaterial information in the financial statements;
- (b) the proposed amendments to paragraph 31 of IAS 1, which effectively clarify that specific disclosures required by any IFRS need not be made when the information is immaterial;



- (c) the proposed deletion of the phrase 'as a minimum' from paragraph 54 of IAS 1 (however, as noted below, the Board decided to recommend giving priority to removing that phrase from the disclosure requirements in all IFRSs);
- (d) most of the proposed amendments to paragraphs 113 – 116 of IAS 1, which emphasise that the structure of the notes is determined through the exercise of judgement having regard to entity-specific circumstances (however, paragraph 114 of IAS 1 should be omitted);
- (e) the proposed deletion of paragraph 120 of IAS 1, which gives examples of accounting policies that, in certain circumstances, users would expect to be disclosed in accordance with paragraph 117 of IAS 1;
- (f) the proposed amendments to paragraph 82A of IAS 1 regarding the presentation of items of other comprehensive income (OCI) arising from equity-accounted investments (the Board's support for the proposal is subject to a need to clarify whether the line items for OCI of associates and joint ventures should be calculated before or after tax); and
- (g) the proposed transition provisions.

However, the Board decided to express concerns about:

- (a) a need for greater clarity regarding the proposed disaggregation, subtotal and reconciliation requirements proposed in the ED;
- (b) the proposed additions to paragraphs 54 and 82 of IAS 1, regarding when the line items specified in those paragraphs need to be disaggregated;
- (c) proposed paragraphs 55A(c) and 85A(c) of IAS 1, regarding inter-period consistency of the presentation of sub-totals on the face of the statement of financial position and the statement(s) presenting profit or loss and OCI. Those proposed paragraphs are not required because paragraph 45(a) of IAS 1 already adequately addresses the consistency of presentation of items;
- (d) the reference to 'comparability' in the proposed amendment to paragraph 113 of IAS 1, which addresses the manner in which notes are presented;
- (e) the reference to 'more relevant' disclosures in the first sentence of proposed paragraph 113A of IAS 1; and
- (f) the use of the term 'non-GAAP' measures in paragraph BC15 of the ED's Basis for Conclusions.

In addition, whilst acknowledging that there is further work planned to be undertaken by the IASB in its Disclosure Initiative project, the Board decided to encourage the IASB to facilitate entities being able to 'tell the story', and reduce the complexity and amount of disclosure of information in financial statements, by:

- (a) giving priority to the project of reviewing the disclosure requirements in all IFRSs and removing the term 'as a minimum' from the disclosure requirements in all IFRSs;
- (b) being less prescriptive about where (on the face or in the notes) relevant information is shown in a set of financial statements; and



- (c) focusing on disclosure of information specific to an entity's circumstances and the assumptions and choices made in applying IFRSs.

The Board decided that the submission should be finalised out of session by its Presentation of Financial Statements subcommittee and the Acting Chair.

Action:	Staff
	Subcommittee
	Acting Chair

Research Update

Agenda Items 16 & 19

The Board had before it two memoranda from Angus Thomson dated 1 July 2014 (agenda papers 16.1 and 19.1).

The Board noted progress on research projects and related matters since the Board's May 2014 meeting, including the following:

- (a) AASB 1056 *Superannuation Entities* was made by the Board;
- (b) a supplementary paper to the Board's submission on the IASB's Discussion Paper *A Review of the Conceptual Framework for Financial Reporting* was finalised and lodged with the IASB;
- (c) Research Centre staff discussed, in general terms, the IASB's research agenda with IASB staff;
- (d) AASB Research Report No. 1 *Application of the Reporting Entity Concept and Lodgement of Special Purpose Financial Statements* was finalised and published on the AASB website; and
- (e) the Board made a submission to the IASB on the post-implementation review of IFRS 3 *Business Combinations*.

The Board noted the key findings in AASB Research Report No. 1 and the basis for those findings. The Board also discussed initial thoughts on how the AASB might build on the existing research.

The Board also noted that AASB staff are scheduled to liaise with Australian Securities and Investments Commission staff, Treasury staff and the Chair of the FRC's Financial Reporting Taskforce in August on the Board's tentative decision that the application paragraphs of Standards that apply to corporate non-reporting entities should be amended to apply to reporting entities/general purpose financial statements only.

The Board further noted that the AASB's submission and supplementary paper on the IASB's Conceptual Framework DP are likely to be valuable resources for use in addressing the forthcoming IASB Conceptual Framework ED and a variety of other issues that can be related back to the matters of principle raised.



International Meeting Update

Agenda Item 17

The Board had before it:

- (a) a memorandum from Sue Lightfoot dated 1 July 2014 re: International Meetings (agenda paper 17.1);
- (b) ASAF Meeting Agenda – June 2014 (agenda paper 17.2); and
- (c) ASAF IASB Summary notes – June 2014 (agenda paper 17.3).

ASAF

The Board received a report on the IASB's Accounting Standards Advisory Forum (ASAF) meeting held in June 2014, in which AASB representatives participated.

The Board noted the topics discussed at the meeting included the Conceptual Framework, Insurance Contracts, the Disclosure Initiative, Accounting for Dynamic Risk Management, the Equity Method of Accounting and Business Combinations under Common Control.

AOSSG

The Board noted that a number of AOSSG members met in Tokyo on 5 June in a private meeting with the IASB. At that meeting the main focus of discussion was the post-implementation review of IFRS 3 *Business Combinations*.

IFRS Quality Control

Agenda Item 18

The Board had before it:

- (a) a memorandum from Sue Lightfoot dated 1 July 2014 re: IFRS Quality Control (agenda paper 18.1);and
- (b) EFRAG draft letter to the IASB (agenda paper 18.2).

The Board noted the European Financial Reporting Advisory Group's (EFRAG's) draft letter and invitation to comment on its proposal for enhancements to IFRS development processes. The Board decided not to comment on the EFRAG draft letter at this stage but to monitor the activities of IASB Transition Resource Groups.

The Board requested the Staff to contact the Chair of the Asian-Oceanian Standard-Setters Group (AOSSG) to suggest recommending that the IASB explicitly considers including representatives from first-time adopters of new standards from the AOSSG region in IASB Transition Resource Groups.

Action:

Staff



Close of Meeting

The Acting Chair closed the meeting at noon on Thursday 17 July 2014.

Approval

Signed by the Acting Chair as a correct record
this third day of September 2014