



<b>To:</b>	<b>AASB members</b>	<b>Date:</b>	13 April 2011
<b>From:</b>	<b>Jim Paul and Raymond Yu</b>	<b>Agenda Item:</b>	3.1
<b>Subject:</b>	<b>Fair Value Measurement</b>	<b>File:</b>	

## Actions

- Receive oral report on finalised IFRS 13 *Fair Value Measurement* (if available)
- Consider potential implications of draft IFRS 13 for IAS 41 *Agriculture*

## Attachments

<b>Agenda Papers</b>	<b>Title</b>
3.2	Near-final draft of IFRS 13 <i>Fair Value Measurement</i> [confidential]
3.3	Staff Paper—Potential Implications of Draft IFRS 13 <i>Fair Value Measurement</i> for IAS 41 <i>Agriculture</i>

## Overview of Agenda Paper 3.3

Staff recommends that the Board writes to the IASB to recommend narrowing the context of the encouraged disclosure in paragraph 51 of IAS 41. Paragraph 51 encourages separate disclosure of the components of the change in the fair value less costs to sell of biological assets due to physical changes and due to price changes. Staff thinks this disclosure should only be encouraged in relation to biological assets with fair value determined through current volume/price multiples, and not for fair value estimates based on the present value of future cash flows.

This issue was identified in a brief review of IAS 41 prompted by the imminent release of IFRS 13, but is not created by the expected content of IFRS 13.

## Background

At its March 2011 meeting, the AASB considered an issues paper on whether to make any not-for-profit entity specific modifications to IFRS 13 and decided not to make any modifications.

A near-final draft of IFRS 13 was made available on a confidential basis by the IASB on 5 April 2011. The IFRS might be issued during the week of the AASB meeting. Staff will provide an oral status report at the meeting.