



Memorandum

To:	AASB members	Date:	24 May 2011
From:	Nikole Gyles and Kala Kandiah	Agenda Item:	15.1
Subject:	Revenue from contracts with customers – project update	File:	

Action

Receive an update on the recent tentative decisions made by the IASB and the FASB in their joint project to develop a Standard on *Revenue from Contracts with Customers* and consider if there are any issues that need to be raised with the IASB on those tentative decisions.

Background

In June 2010, the AASB issued ED 198 *Revenue from Contracts with Customers*, which incorporates the IASB's ED/2010/6 *Revenue from Contracts with Customers*. The comment period for the IASB's ED 2010/6 closed on 22 October 2010 (the comment period for AASB ED 198 closed on 24 September 2010). The IASB and FASB began redeliberating their proposals in January 2011.

At the April AASB meeting staff provided an update on the project incorporating tentative decisions made by the IASB up to 21-23 March 2011 and as a result sent a letter to the IASB expressing some concerns (see agenda paper 19.4).

Project update

At the forthcoming AASB meeting staff will provide an update on the tentative decisions made by the IASB and FASB at the following meetings:

- 11-12 May 2011 (special joint meeting with FASB) - this was an education session.

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- 17-20 May 2011 (IASB-FASB joint meeting) - amortisation and impairment of an asset recognised from the costs incurred to acquire or fulfil a contract with a customer and onerous contracts were discussed.
- 31 May – 2 June 2011 (IASB-FASB joint meeting) – topics to be discussed are not yet available.

Due to the timing of the IASB meetings, staff will table the project update.