



To:	AASB Members	Date:	19 January 2010
From:	Joanna Spencer	Agenda Item:	10.3
Subject:	Tentative and Final IFRIC Agenda Decisions	File:	

Action

Consider the tentative and final IFRIC agenda decisions published in the January 2010 issue of *IFRIC Update* (Agenda paper 10.3.1), and decide on a course of action, if any.

Staff Recommendations

The summary of each issue's background and the wording for each of the IFRIC's Tentative and Final Agenda Decisions can be found in the *IFRIC Update* January 2009 (Agenda paper 10.3.1). The following table summarises the AASB staff's recommendations regarding each agenda decision.

If the Board disagrees with any of the IFRIC's tentative decisions, we would need to communicate that to the IFRIC by 13 February 2010.

Tentative Agenda Decisions	
Topic	Recommendation
IAS 21 <i>The Effects of Changes in Foreign Exchange Rates</i> – Determination of functional currency of an investment company	AASB staff agree with the IFRIC staff recommendation that this issue should not be added to the agenda.
IAS 32 <i>Financial Instruments: Presentation</i> – Shareholder discretion	AASB staff agree with the IFRIC staff recommendation that this issue should not be added to the agenda as the current project on <i>Financial Instruments with Characteristics of Equity</i> is expected to address the distinction between equity and non-equity instruments.
IAS 36 <i>Impairment of Assets</i> – Interaction with transition requirements of IFRS 8	AASB staff agree with the IFRIC staff recommendation that this issue should not be added to the agenda.
IAS 39 <i>Financial Instruments: Recognition and Measurement</i> – Unit of account for forward contracts with volumetric optionality	AASB staff agree with the IFRIC staff recommendation that this issue should not be added to the agenda.

Memorandum

Final Agenda Decisions	
Topic	Recommendation
IFRS 2 <i>Share-based Payment</i> – Transactions in which the manner of settlement is contingent on future events	AASB staff agree with the IFRIC staff recommendation that this issue should not be added to the agenda but should be dealt with as part of a post-implementation review of IFRS 2.
IFRS 4 <i>Insurance Contracts</i> and IAS 32 <i>Financial Instrument: Presentation</i> - Scope issue for investments in REITs	AASB staff agree with the IFRIC staff recommendation that this issue should not be added to the agenda.
IAS 18 <i>Revenue</i> – Receipt of a dividend of equity instruments	AASB staff agree with the IFRIC staff recommendation that this issue should not be added to the agenda.
IAS 27 <i>Consolidated and Separate Financial Statements</i> – Combined financial statements and redefining the reporting entity	AASB staff agree with the IFRIC staff recommendation that this issue should not be added to the agenda.
IAS 27 <i>Consolidated and Separate Financial Statements</i> – Presentation of comparatives when applying the ‘pooling of interests’ method	AASB staff agree with the IFRIC staff recommendation that this issue should not be added to the agenda.
IAS 32 <i>Financial Instruments: Presentation</i> – Application of the ‘fixed-for-fixed’ condition	AASB staff agree with the IFRIC staff recommendation that this issue should not be added to the agenda as the current project on <i>Financial Instruments with Characteristics of Equity</i> is expected to address issues relating to the fixed-for-fixed condition.
IAS 38 <i>Intangible Assets</i> – Amortisation method	AASB staff agree with the IFRIC staff recommendation that this issue should not be added to the agenda.