



# Memorandum

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|-----------------|--|---------------------|--------------------|
| <b>To:</b>      | <b>AASB members</b>                          | <b>Date:</b>        | <b>1 July 2014</b> |
| <b>From:</b>    | <b>Nikole Gyles and Mitchell Bryce</b>       | <b>Agenda Item:</b> | <b>4.1 (M139)</b>  |
| <b>Subject:</b> | <b>IFRS Interpretations Committee Update</b> | <b>File:</b>        |                    |

## Action

Receive an update on the IFRS Interpretations Committee (Committee) staff outreach requests, of which AASB staff have responded to where operable.

## IFRS Interpretations Committee July 2014 meeting

The Committee will next meet on 15-16 July 2014, during which the Committee will deliberate on a range of issues and is expected to make a number of tentative agenda decisions and final agenda decisions. Due to the timing of the Committee meeting, the AASB staff will bring the outcomes of the 15-16 July 2014 Committee meeting to the AASB at the 3-4 September 2014 Board meeting (M140).

## IFRS Interpretations Committee staff outreach requests (13 May 2013 – 1 July 2014)

| Topic  | Date request received    | Date AASB staff responded |
|--|--------------------------|---------------------------|
| <b>IAS 21 <i>The Effects of Changes in Foreign Exchange Rates</i></b><br><i>Outreach request for guidance on the translation and consolidation of the results and financial position of foreign operations in Venezuela under IAS 21.</i>  | 23 May 2014 <sup>1</sup> | N/A                       |
| <b>IFRS 12 <i>Disclosure of Interests in Other Entities</i></b><br><i>Outreach request in relation to clarification of two related issues in respect of the requirement to disclose summary financial information on material joint ventures and associates in paragraph 21(b)(ii) of IFRS 12.</i>   | 9 June 2014              | 1 July 2014               |
| <b>IAS 39 <i>Financial Instruments: Recognition and Measurement</i></b><br><i>Outreach request in relation to the accounting by the holder of equity instruments in the circumstance where the issuer exchanges the original equity instruments for new equity instruments with different terms. Specifically, this transaction involved equity instruments issued by a Central Bank and the exchange of the instruments was imposed on the holders as a consequence of a change in legislation.</i> | 12 June 2014             | 1 July 2014               |

<sup>1</sup> Committee staff outreach request sent directly to large firms within Australia.

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| Topic   | Date request received | Date AASB staff responded      |
|---|-----------------------|--------------------------------|
| <b>IAS 16 <i>Property, Plant and Equipment</i></b><br><i>Outreach request in relation to clarification of the accounting for sales proceeds from testing when the sales proceeds exceed the testing cost.</i> | 21 June 2014          | Not yet responded <sup>2</sup> |

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<sup>2</sup> Committee staff have requested feedback by 14 July 2014.