



<b>To:</b>	<b>AASB members</b>	<b>Date:</b>	19 August 2014
<b>From:</b>	<b>Angus Thomson</b>	<b>Agenda Item:</b>	14.1 (M140)
<b>Subject:</b>	<b>Research Centre activities update</b>	<b>File:</b>	--

## Action

Note significant Research Centre activities since the July 2014 meeting.

### Application of standards

On 20 August, AASB Research Centre staff will meet with Diane Brown (Treasury), John Price and Doug Niven (ASIC) and Ross Barker (Chair of FRC Financial Reporting Taskforce) to discuss next steps following from the AASB's May 2014 tentative decision that the application paragraphs of Standards that apply to corporate non-reporting entities should be amended to apply to reporting entities/GPFs only.

The Board had noted in May that considerable consultation with stakeholders should be undertaken before commencing a formal due process of proposing the amendment to facilitate coordination in regard to possible implications of implementing the change

Staff plan to update the Board on the discussions at the Board meeting.

### Research Report on lodged financial statements

Staff are discussing potential follow-up research stemming from AASB Research Report No. 1 *Application of the Reporting Entity Concept and Lodgement of Special Purpose Financial Statements*, with a number of academics.

Staff plan to update the Board on the discussions at the Board meeting.

### Superannuation Entities

On 18 August, staff presented on AASB 105X *Superannuation Entities* to an Australian Actuaries Institute gathering in Melbourne and Sydney (via video). The main issues raised were in relation to defined benefit member liability measurement, insurance contracts and disaggregated information.

### Business Combinations Under Common Control (BCUCC)

Staff are in the process of responding to an informal request for information (by 25 August) from IASB staff to help them scope their work on the IASB's research project on BCUCC.

At its June 2014 meeting, the IASB discussed the scope of the research project on BCUCC and tentatively decided to give priority to considering transactions that involve third parties, for example, those undertaken in preparation for an initial public offering. Apparently, this is an area

# Memorandum

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of particular concern for securities regulators, and is an issue that the IOSCO<sup>1</sup> raised with the IASB some years ago.

IASB staff are particularly interested in knowing about the financial information to be made available by an entity that is undertaking an initial offering of its securities to the public generally, and especially when there is a group restructuring in preparation for an initial public offering.

AASB staff have so far spoken with representatives of the ASIC and a number of the large accounting firms.

Staff plan to update the Board on the discussions at the Board meeting.

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1 International Organisation of Securities Commissions