



Memorandum

To:	AASB members	Date:	7 October 2014
From:	Angus Thomson	Agenda Item:	15.1 (M141)
Subject:	Research Centre activities update	File:	--

Action

Note significant Research Centre activities since the September 2014 meeting.

Business Combinations Under Common Control (BCUCC)

The IASB has been discussing the scope of its research project on BCUCC and tentatively decided to give priority to considering transactions that could impact on third parties, for example, those undertaken in preparation for an IPO.

IASB staff requested information from national standard setters 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 IPO.

In responding, the key issue noted by AASB staff was that there are the different views on identifying transactions that occur under common control, which appear to relate mainly to different views as to the meaning of 'transitory control'.

Superannuation Entities

AASB staff presented on a comparison of IAS 26 *Retirement Benefit Plans* and AASB 1056 *Superannuation Entities* to the International Forum of Accounting Standard Setters on 1 October with a view to gauging the level of interest in having the IASB revise IAS 26. The general view was that, although IAS 26 is badly out-of-date, the topic should not be a high priority for the IASB at this time.

Differential Reporting

At its September meeting, the Board noted the liaison that had taken place with representatives from the Commonwealth Treasury, the ASIC and the Chair of the FRC Financial Reporting Taskforce on progressing work related to the application of accounting standards to entities required by the *Corporations Act 2001* to lodge financial statements, but which do not regard themselves as reporting entities.

In this context, staff have been undertaking research on potential directions for a differential reporting framework, with a view to providing a paper for consideration at a future Board meeting (probably a meeting day with a focus on strategy).

Emission Trading Schemes

Staff continued to monitor legislative developments in regard to the Government's proposed Emission Reduction Fund (ERF) with a view to positioning the Board to assess financial reporting implications of the ERF when appropriate.

IPSASB Conceptual Framework

Staff provided detailed comments on a fatal flaw draft of the IPSASB's Conceptual Framework to IPSASB staff.