

## **REPORT ON INTERNATIONAL FORUM OF ACCOUNTING STANDARD-SETTERS (IFASS) — 6-7 March 2014**

IFASS met in New Delhi on 6-7 March 2014 and discussed the agenda items set out below.

### **Background**

IFASS is an informal network of national accounting standard setters from around the world, plus other organisations that have a close involvement in financial reporting issues. It is a forum at which interested stakeholders can discuss matters of common interest. The group is chaired by Tricia O'Malley, a former Chair of the Canadian Accounting Standards Board and former member of the International Accounting Standards Board (IASB).

The public meeting was attended by representatives of standard setters from, Australia, Austria, Belgium, Canada, France, Germany, Hong Kong, India, Indonesia, Italy, Japan, Jordan, Lebanon, Mexico, Nepal, New Zealand, Norway, Pakistan, Peoples Republic of China, Republic of Korea, Sierra Leone, Singapore, South Africa, Spain, Sudan, Switzerland, Syria, Taiwan, the United Kingdom, the United States, Yemen and Zimbabwe. Representatives of the Asian-Oceanian Standard-Setters Group, European Financial Reporting Advisory Group (EFRAG), International Accounting Standards Board (IASB), International Public Sector Accounting Standards Board (IPSASB), Pan African Federation of Accountants (PAFA) and the Arab Society of Certified Accountants also attended. A complete list of participants is attached. A number of observers were present.

### **Welcome**

Tricia O'Malley, IFASS Chairman, welcomed participants to New Delhi and thanked the Institute of Chartered Accountants of India for hosting the meeting. Mr. K Raghu, President of the Institute, responded by welcoming attendees to India and stated that the Institute was very pleased to host the gathering.

## **1. IASB Work Plan and IFRS Foundation Developments**

### **General discussion on the status of projects**

- 1.1 Peter Martin, Director, Accounting Standards, Canadian Accounting Standards Board, and Alan Teixeira, IASB Senior Director of Technical Activities, provided a high-level update on the projects listed in the IASB Work Plan and, other noteworthy matters (see Appendix A attached to Paper 1.1).
- 1.2 Comments by the IASB representatives on the IASB's Work Plan included the following:
  - Regulators have been heavily involved in the insurance contracts project. In particular they are focused on financial stability issues.
  - The IASB plans to resolve all the major issues related to insurance contracts by June 2014. The IASB will be meeting with the FASB later in March to ascertain if issues

related to converging their respective insurance contracts projects can be solved. Regulators are calling for the IASB to finalize its standard as soon as possible.

- Both the IASB and FASB will discuss the leases project in March and they are anxious to finalize their standards (hopefully by the end of 2014).
- Excellent progress is being made on producing a discussion paper on rate regulation.
- The revenue recognition project is close to being finalised.
- The IASB and FASB are in discussions regarding the membership and operations of the joint transition resource group focused on the upcoming final converged standard on revenue recognition. No firm proposals have yet been made to the Due Process Oversight Committee. The problem is to obtain adequate representation without allowing the group to become too large and unwieldy. The activities of the group will be as transparent as possible, including producing podcasts of its activities. The group will not have decision-making powers; that belongs to the Boards.
- The IFRS for SMEs project is working out well. The goal is not to have too many changes. The project is on target.
- Commenting on the post-implementation review of standards, Mr. Teixeira said that the process is a review of unanticipated consequences and whether the standard in question is working as intended. There should not be an expectation that the IASB will re-commence the process from scratch. He said that to date post-implementation reviews of IFRS had not disclosed any major failings.
- The conceptual framework Discussion Paper produced a very gratifying response (220 letters).

### 1.3 Representatives' comments included the following:

- The IFASS Chairman commented that regulators should be reminded that the insurance contracts, and other, standards are meant for general purpose financial statements and not necessarily for regulatory purposes.
- A representative from the FASB said that one reason for forming the joint transition resource group on revenue recognition is to limit differences in interpretation of the revenue recognition guidance across industries within application books being developed by the American Institute of CPAs and the major accounting firms in the U.S and around the world. Companies in the U.S. are keen to minimize the potential changes to their existing industry-specific recommended accounting methods for revenue recognition and, therefore, are likely to want to interpret the same words in the revenue recognition guidance differently.
- A representative from the FASB said that, whereas the IFRS for SMEs is a single document, the guidance for private companies in the U.S. will comprise alternative accounting treatments for those companies within U.S. GAAP.

- A representative from Germany commented that post-implementation reviews are done too soon after the implementation of a standard, with little empirical evidence. The IASB Vice-Chairman commented that the IASB's policy is to review standards three years after implementation. The IASB will consider the adequacy of this time frame.

**Interpretation and implementation guidance (the criteria used by IFRIC to place issues on its agenda and whether it gets useful feedback from stakeholders)**

- 1.4 Liesel Knorr, from the German standard setter, and Alan Teixeira led the discussion on this topic (see Papers 1.2 and 1.3). Ms. Knorr commented that her jurisdiction gets many requests for input and that it has a committee to deal with standards and interpretations. She said IFASS should consider if more major amendments, minor amendments or just maintenance is required.
- 1.5 Representatives' comments included the following:
- A representative from France said her jurisdiction is reviewing the way it deals with interpretation and implementation issues. She expressed the view that the IFRS Interpretations Committee (IFRIC) is not dealing with enough issues. The representative from Norway agreed that IFRIC is reluctant to issue interpretations. He said that Norway values being asked its opinion on topical issues.
  - A representative from South Africa said that it was very time consuming to deal with the requests from IFRIC. She said her jurisdiction responds to all requests and that most of the input is provided by practitioners.
  - A representative from the IASB said that IFRIC receives substantial input. IFRIC deals only with issues where there is evidence of diverging treatments. IFRIC will not deal with one-off differences in a single jurisdiction. IFRIC always considers if concerns are able to be resolved by the exercise of professional judgement.
  - A representative from EFRAG said that leaving issues to the exercise of judgement could result in differing interpretations.
  - A representative from Japan said that, although his jurisdiction regularly provides comments to the outreach requests from the IASB staff, national standard setters always have the option not to respond. Accordingly, IFASS should be careful in requesting the IASB staff to screen questions in advance.
  - A representative from New Zealand said that accounting practitioners in her jurisdiction receive feedback requests from multiple sources. She suggested that the global accounting firms have more access to stakeholders than national standard setters.
  - The Chairman suggested that sometimes stakeholders use the IFRIC process to try and get a favourable ruling when they have a difference of opinion with a practitioner or a regulator.

- The Chairman commented on the danger of jurisdictions writing their own guidance if authoritative interpretations are not issued by IFRIC. She said that the Group had previously agreed that jurisdictions should share local interpretations.
- A representative from Hong Kong said that his jurisdiction has issued one local interpretation only, to cover an exceptional circumstance. He said that jurisdictions would issue fewer local interpretations if IFRIC dealt with more issues.
- A representative from France said that there have been many requests for input from the IASB recently. The IASB should now step back and ask stakeholders for their views on this process during next year's agenda consultation exercise.
- The representative from Australia said that, to reduce costs and give stakeholders a period of calm, her jurisdiction now batches and issues amendments to, and new, standards on a quarterly basis. A representative from the IASB commented that the IASB has done some batching. The IASB Vice-Chairman noted that although stakeholders are asking for a period of calm, at the same time they are asking the IASB to attend to their concerns.
- A representative from South Africa said that it should not be said that a particular item rejected by IFRIC, because it is unlikely that it will reach a consensus, is not an issue. Sometimes items rejected by IFRIC on the grounds that it will not reach a consensus, or that the issues should be dealt with by the IASB, are lost in the process. The Chairman suggested that such items should automatically be referred to the IASB. Possibly there should be a standing item on the IASB's agenda on a regular basis to deal with such referrals.

- 1.6 Mr. Teixeira stated that IFRIC is now being responsive to stakeholders' concerns. He said the Committee is comprised of professionals, each of whom has particular strengths. IFRIC always checks to see if there is diversity in the treatment of issues brought before it. He also said there is a certain amount of back-and-forth between the IFRIC and the IASB; maybe this can be reduced.
- 1.7 The Chairman said that national standard setters want to be kept in the loop. They would also like to know who else is being contacted by IFRIC on a particular issue, such as the International Organisation of Securities Commissions and the global accounting firms. Questions to stakeholders should be clear and unambiguous; efforts should be made to ascertain if an issue is widespread and if there is diversity in its treatment. Proportionality should be kept in mind. If the answer to a concern is obvious and does not require IFRIC's attention, stakeholders should be so advised without delay. There is a need to add procedures to IFRIC's tool kit to enable it to deal adequately with issues that fall between narrow interpretations and broad projects. These suggestions should be considered before the IASB's 2015 agenda consultation process.
- 1.8 The IASB Vice-Chairman commented that a broad review of standards would be a major undertaking that could overwhelm current practice. It would be difficult for IFRIC to deal with issues that are more than narrow scope. This matter should be considered as part of the 2015 agenda consultation process.

- 1.9 A representative from EFRAG offered to prepare proposals for the IASB's consideration prior to the 2015 agenda consultation process. The Chairman thanked EFRAG for volunteering for this task.

## 2. Report back on IFASS member projects

### **Bulletin – Role of the Business Model in financial reporting**

- 2.1 Filippo Poli, Deputy Research Director, EFRAG, made a presentation exploring the implications of the business model for financial reporting (see PowerPoint presentation marked Paper 2.1A).
- 2.2 Representatives' comments included the following:
- A representative from Japan stated that the broad concept of the business model is very important, and should be considered when developing accounting standards; in particular when determining the measurement basis for assets or liabilities. For example, when determining whether to require fair value measurement for an asset or a liability, the concept of the business model is critical. Although the concept can be defined at the standards level (as is defined in IFRS 9), he was sceptical as to how to define the concept in the conceptual framework.
  - A representative from New Zealand said that it is useful to think about the business model in setting accounting standards. She said it is necessary to think broadly about this issue. The value of an asset often derives from its use, so current measurements are a way of expressing cash-generating capacity of an asset through its use. The concept of current value for assets held for use should not be rejected automatically.
  - A representative from the FASB said he was not in agreement with including the concept of the business model as a unique concept in the conceptual framework. The framework already requires that financial reporting faithfully represent the economic phenomena of a business; therefore, he believes the business model is already sufficiently dealt with in the conceptual framework by that qualitative characteristic. He believes those calling for including the business model in the conceptual framework are doing so primarily because of its potential implications for original and subsequent measurements. He believes to address these concerns that the conceptual framework should include a measurement chapter that specifies the issues to be considered in selecting different measurement methods (the issue in selecting between fair value and historical cost measures is deciding when it is decision-useful to recognise unrealized gains and losses). This should be done directly rather than trying to define the business model.
  - A representative from the U.K. commented that most users like the notion of disclosing an entity's operating profit.
  - A representative from Spain said that her jurisdiction referred to the business model regarding the IFRS 9 issue, but that there are constraints around this issue.
  - A representative from India said that his jurisdiction considers the business model when IFRSs do not give the right answer regarding the use of an asset.

### **Goodwill impairment and amortisation**

2.3 Marco Mattei and Tommaso Fabi, both from the Italian standard setter, Filippo Poli, EFRAG, and Tomo Sekiguchi, from the Japanese standard setter, provided an update on the status of the impairment and amortisation of goodwill project (see Paper and attachments, and PowerPoint presentation both marked Paper 2.2).

2.4 Representatives' comments included the following:

- A representative from India said that the broad feeling appears to be that goodwill is an asset and the reintroduction of the impairment and amortisation approach is the way forward.
- The representative from Mexico said that the effect of switching to an impairment model had a huge effect on the financial statements of some entities. Thought needs to be given to the effect that a change back to amortisation would have on entities' financial statements. A presenter said that options were being explored to solve the problems in the current model.
- A representative from South Africa stated that the analysis is slightly simplistic. He said that only core goodwill should be considered to be an asset. He questioned if it is appropriate to consider that goodwill is an asset when only two of the core components into which goodwill is separated are applicable. An overpayment can only be justified by subsequent events. If goodwill cannot be identified subsequent to a transaction, it might be an asset on day one, but not on day two.
- A representative from the U.K. did not find the argument that goodwill is an asset compelling. The analysis is simplistic and is trying to squeeze goodwill into the definition of an asset. It needs to be considered whether goodwill is the result of a purchase or just a balancing figure.
- A representative from Hong Kong said that this issue warrants attention.
- A representative from the FASB stated that eliminating the option that goodwill is not an asset is under analysed. Goodwill cannot be sold separately from the other assets of a business. In many cases, the extra cost paid for a business results from a testosterone-filled bidding process. The representative was not convinced that this excess payment meets the definition of an asset.
- The representative from Norway said it is timely to discuss this issue. He said too much preponderance is given to discussing whether goodwill is an asset. He asserted that goodwill can always be made to look like an asset. The real question is which method of accounting provides useful information. Too much weight is given to academic research (which is generally capital market driven) on this topic. The prime objective of financial reporting is to provide the market with knowledge possessed by insiders. If goodwill is impaired it must be written down. Such a write down provides information to the market. For example, it could indicate that the project was ill-founded. Mandatory amortisation should be limited. If management is of the view that the value of goodwill does not decrease, it should not be amortised. Management should be permitted to expense trademarks over time.
- A representative from Spain said that this project is timely. There is a need for a clear definition of goodwill and a single accounting treatment for it.

- A representative from the U.K. stated that in terms of management stewardship, it is appropriate to recognise goodwill immediately and that management should be held accountable for this payment. The Chairman commented that standard setters opted for an impairment-only approach to support the elimination of pooling of interests accounting; so, the accountability argument is a strong one for impairment only.
- A representative from France said that if the argument is made that goodwill is not an asset, could it be considered to be a deferred expense?
- A representative from the FASB said that it is necessary to state the problem clearly before a solution can be formulated. It is difficult to assert that an overpayment is a loss. Impairment is a problem in that it only applies to externally generated goodwill (which does not last forever). He stated that the market value of an entity tends to rise when an impairment charge is taken. Early impairment makes sense to the market.
- The representative from Jordan said amortisation is the most practical solution and is preferable to impairment.
- A representative from the FASB commented on the cost/benefit of having goodwill on the books. He said that, at best, there is limited benefit to the user. He said that cost cannot be justified if there is no benefit to the user. The day-one write off of goodwill should not be lightly dismissed.

2.5 Mr. Fabi said that a Discussion Paper would likely be published in the next few weeks and the topic will be brought back to the Group at its next meeting. The Chairman thanked the presenters and participants for a stimulating discussion.

### **3. International Public Sector Accounting Standards Board (IPSASB)**

#### **IPSASB's and IASB's Conceptual Frameworks**

- 3.1 Jeanine Poggiolini, a member of the IPSASB, provided a high-level comparison of the Boards' conceptual frameworks (see PowerPoint presentation marked Paper 3.1).
- 3.2 Replying to a question from a representative from Sierra Leone, as to whether users should be recognised by the IASB, the presenter stated that the IPSASB is focusing on providers, particularly resource providers. The IASB definition of users is too narrow; it should include resource providers.
- 3.3 A representative from New Zealand said that in her view the biggest issue concerned the elements of financial statements. She supported the move away from deferred outflows and deferred inflows and said there are questions around presentation as an alternative means of addressing the issue. The presenter said that the way forward is unclear. There are a number of concerns and other phenomena that the IPSASB thinks might be dealt with in the financial statements, possibly through presentation.
- 3.4 Ms. Poggiolini said that should a jurisdiction want to adopt its standards, the IPSASB has a full suite available. Compliance with the IPSASB's standards requires adoption of all its standards.

- 3.5 The IASB Vice-Chairman said that the IASB is very interested in the IPSASB's work. He thought that both organisations were not that far apart in their views on measurement. The IASB was not in favour of the concept of recognizing deferred outflows and inflows. The definition of who is a user is not a clear-cut issue.

**Update on the IPSASB's activities**

- 3.6 Ms. Poggiolini provided an update on the recent activities of the IPSASB, as detailed in the PowerPoint presentation marked Paper 3.1.

**4. Conceptual Framework Issues**

**The role and purpose of conceptual frameworks**

- 4.1 Kimberley Crook, from the New Zealand Accounting Standards Board, made a presentation on the role and purpose of the framework (see PowerPoint presentation marked Paper 4).
- 4.2 Representatives' comments included the following:
- A representative from EFRAG commented that this is a timely project. Many say that the framework should be aspirational, even though this is unlikely to transpire. EFRAG disagrees with this view. In EFRAG's view the conceptual framework should be in sync with the underlying model that is being applied at the standards level. There could be departures, but these should be considered and justified as exceptions. The framework, which should be a living document, is then likely to eliminate a lot of controversy in the standard-setting process and result in consistent standards.
  - A representative from France agreed with the comments of the EFRAG representative and suggested that departures from the framework's requirements should be justified and explained.
  - A representative from Japan stated that if the conceptual framework is designed to be too ambitious, it would give rise to a number of inconsistencies between the framework and individual standards. He said that if there are too many departures from the framework, stakeholders are likely to question the quality of either the conceptual framework or individual standards. He noted that there might be cases when a departure from the framework is justified, but there should not be too many instances.
  - The representative from Mexico agreed that departures from the framework should occur only in rare instances. The IASB might like to consider a project to eliminate existing departures, and not allow new departures.
  - The IFASS Chairman said it would be difficult to disallow departures from the framework. Occasionally, a compromise is required in order to move a project forward.

- The IASB Vice-Chairman commented that a review of existing standards runs the risk of opening up standards to deal with other concerns and could mushroom into a huge project.

#### **An approach to presentation and measurement**

4.3 Tom Linsmeier, a member of the FASB, presented a paper to propose a revised financial performance reporting model and to explore its potential implications for measurement (see Paper and PowerPoint presentation both marked Paper 4.2).

4.4 Representatives' comments included the following:

- A representative from Japan said that he agrees with the proposal that the financial performance statement should be given more priority than the balance sheet when determining an appropriate measurement basis. However, users often ask that fair value be depicted in the balance sheet, even though the use of fair value would not be considered to be relevant from an income statement perspective. Regarding operating income, the representative understood the importance of showing non-recurring items separately, but was not sure how they should be presented. He thinks that the value of the profit or loss figure will diminish if profit or loss is not all-inclusive. Accordingly, over the life of an entity, profit or loss for all periods should equal net cash inflow for all periods and all items of other comprehensive income should eventually flow through reported profit or loss. The presenter said that his presentation presented a unique perspective that looks only at the income statement as the driver. There is a natural follow on to the exercise to bring a balance sheet view to the analysis.
- A representative from New Zealand stated that the analysis needs to be looked at in conjunction with the work on measurement. She questioned if the intention is to produce a statement of historical financial performance, including all gains/losses for the period, or a pro-forma statement of performance that excludes certain items, to help predict future performance, or both.
- A representative from Korea agreed that the analysis should also look at measurement. The method of presenting operating income affects the comparability with previous periods. Separating out non-recurring items would help users. The IASB should define the term operating income on a priority basis.
- A representative from Germany said that under current practice, enterprises use their own definitions of operating income. A mandatory definition will result in more non-GAAP operating income measures. The same observation applies to non-recurring items. Accordingly, mandatory definitions will not improve matters.
- A representative from South Africa agreed with the German representative's view. The suggestion seems to be a throw-back to previous practices.
- The representative from Australia asked if the concept of wealth was explicit or implicit.
- A representative from India commented that the overall objective seems to be the setting of an overall measure of performance.
- A representative from Singapore said that the term "one-time" should not be used. The message is that impairment occurred a long time ago. When reporting fair value gains or losses in the profit and loss account as a result of working with an in-house

valuator, this is similar to selling assets or settling liabilities and doing a buy-back at the same price and returning the enterprise to its original position.

- 4.5 The presenter suggested that it will not be easy to define operating income. He said the operating performance of an enterprise cannot be described using one number. It would be better to reorganise the profit and loss account or even to have two statements. He suggested his proposals would better serve the needs of users and investors.
- 4.6 The Chairman suggested that the objective of the exercise is to achieve a better understanding of an enterprise's recurring cash flows. She said it is necessary to challenge the objective of the exercise. It is pointless to revalue assets when there are impediments to their sale. She questioned worrying about discount rates for derivatives if the enterprise intends to hold them indefinitely. It is necessary to talk more robustly about measurement through presentation and meeting the objectives of financial reporting.

**Disclosure initiative – an overview**

- 4.7 Alan Teixeira provided an overview of the disclosure initiative (see PowerPoint presentation marked Paper 4.3a and Papers 4.3b and 4.3c). He asked participants to consider the following questions for the discussion at the disclosure initiative breakout session:
- The IASB is trying to take a bold stance, but should it be even bolder?
  - What factors are influential in participants' jurisdictions when considering materiality and what are the pitfalls?
  - How far should the IASB take this project?
- 4.8 Replying to a question from the representative from Mexico regarding simplification, Mr. Teixeira said that there are nine different words used without definition in IAS 1. It is necessary to provide a clear objective of what the IASB is trying to achieve regarding disclosure. He said that a plain-language solution is not feasible.
- 4.9 Replying to a question from a representative from South Africa as to whether the IASB staff is getting comments from standard setters regarding the XBRL taxonomy, the presenter said that not many were received. The taxonomy project is proceeding in parallel with the standards project. Standard setters should advise the IASB if they are of the view that the taxonomy project is driving standards projects. There has been great interest from stakeholders wishing to join an XBRL consultation group. There were 48 applications for six positions.
- 4.10 Replying to a question from a representative from India, Mr. Teixeira said that the building in of common practice elements in XBRL would not result in information overload.

## 5. Statement of Best Practice

### **Redraft of existing Statement outlining the relationship of IASB and NSSs**

5.1 The Chairman referred representatives to a draft of a *Charter – The IASB and other accounting standard setters*, which is attached to Paper 5.1. She stated that she had asked participants to comment on the draft marked Paper 4.1A, which was presented to IFASS at its meeting in September 2013. She said that she had received suggestions to clarify and extend the document. She also examined the draft Charter prepared by the French Standard Setter and presented to IFASS at its meeting in September (marked Paper 4.1B). She said that the differences between Papers 4.1A and 4.1B are outlined in Paper 5.1. She asked participants if they are satisfied with the process and the draft Charter in Paper 5.1, and if the draft should replace the Statement of Best Practice.

5.2 Representatives' comments included the following:

- A representative from the FASB commented on the excellent quality of the draft and said it should replace the Statement of Best Practice. The IASB Vice-Chairman seconded the proposal.
- A representative from Italy said that the current draft is a more balanced document than that presented to IFASS in its September 2013 meeting. Commenting on process, he said that independence is a matter of fact and cannot be challenged by the IASB. He also asserted that paragraph 50, which refers to a *Model for National Standard-Setters*, should be deleted. The Model should not overlap with other agreements. The Chairman commented that paragraph 50 is a compromise for those who think that local interpretations are forbidden. She said that all jurisdictions are autonomous and that the IASB has no ability to forbid them issuing local interpretations. She said she would consider inserting a paragraph describing how stakeholders should communicate with the IASB if a standard setter is contemplating issuing a domestic interpretation.
- Regarding local interpretations, a representative from Hong Kong asked that the document describe best practices to which all can subscribe. The Chairman indicated that this is in paragraphs 47-50. She said she would consider picking up the relevant paragraphs from the Model.
- A representative from Japan suggested that the second line on page 5 be amended to refer to the "... development of domestic standards or the endorsement of both..." The Chairman said this is not necessary, in that this is what national standard setters do regarding IFRSs. Paragraph 5 denotes the added responsibilities.
- The IASB Vice-Chairman suggested that it be made explicit in the first paragraph that IFASS participants and the IASB supports the document. The IASB will post the Charter on its website. A representative from Japan was unsure of the "knock-on effect" of stating that IFASS supports the Charter.

- 5.3 Regarding a question from a representative from Italy whether national standard setters should sign off on the document, the Chairman commented that not all have the ability to do so. It could be indicated that the Charter was agreed to, or supported by, participants. Others can also write in and advise the Group that they support the document.
- 5.4 Participants reached a consensus to express their support for the draft Charter and the Chairman said she would amend the draft and re-circulate the document.

#### **IFASS Charter**

- 5.5 The Chairman referred to the final draft of the IFASS *Charter*, marked Paper 5.2. The amendments, which were minimal, were detailed on the first page of Paper 5.2.
- 5.6 Participants reached a consensus to express their support for the draft IFASS *Charter*.

#### **Comment on both Charters**

- 5.7 The Chairman thanked everyone for all their efforts to ensure the successful completion of both Charters.

### **6. Updates on Major Agenda Projects**

- 6.1 Breakout sessions were held on the topics of leases, financial instruments and disclosure initiative (see Papers 6.1, 6.2 and 6.3).

### **7. Topical Issues**

#### **Issue 1 — Report-back on discount rate issues**

- 7.1 Liesel Knorr, from the German standard setter, provided a summary of past events regarding this topic (see PowerPoint presentation marked Paper 7.1). She stated that the discount rate issue is a work in progress and that there is a need to improve IAS 19.
- 7.2 Considering view A that all high-quality corporate bonds available worldwide denominated in the same currency as the post-employment benefit, should be considered, Ms. Knorr commented that some interpret this literally and would scour the world for these bonds. Others would narrow the search. Some would look at government bonds only and others would just search for high-quality bonds.
- 7.3 Representatives' comments included the following:
- A representative from South Africa commented that Zimbabwe uses the U.S. dollar. He asked if it would be fair presentation if a Zimbabwean preparer uses U.S. bonds to arrive at the discount rate, because interest rates in Zimbabwe are different from those in the U.S. Also, he questioned if this would change an entity's functional currency.

- A representative from Singapore said that the questions posed in the presentation should be viewed conceptually. The base case assumes that the reporting entity can set aside secure investments in the highest-quality instruments and let them grow (assets and liabilities accrue at the same rate) so there are no gains and losses. The use of high-quality corporate bonds is a proxy. If such bonds are used, some additional risk is taken on. He felt that the question as to whether an investment is of high quality is not relevant. The principle should be to assume the lowest risk. Ms. Knorr commented that the problem is that the text of IAS 19 is relatively explicit about high quality. Maybe the new words should not be inserted into IAS 19.83.
- A representative from Japan said that many find it difficult to understand the intention of the proposed changes in the Exposure Draft. It would be helpful to explain better the basis of what is intended.

7.4 The Chairman closed the session by stating that an eye should be kept on IFRIC's proposal to amend IAS 19.83 through the annual improvements process.

**Issue 2 — Application issues related to IFRS 11 Joint Arrangements.**

- 7.5 Tommaso Fabi, from the Italian Standard Setter, updated the Group on the latest developments regarding the application issues related to IFRS 11 (see Paper 7.2 and PowerPoint presentation marked Paper 7.2.1). He said that new issues have arisen regarding the application of IFRS 11.
- 7.6 Peter Martin, from the Canadian standard setter, said that his board had discussed IFRS 11 prior to its adoption in Canada. Referring to the fact pattern in slide No. 8, he stated that that arrangement could be structured as a joint operation. He said that these arrangements were common in Canada, particularly in the oil and gas industry.

**Issue 3 — Macro hedging**

- 7.7 Sue Lightfoot, from the Australian standard setter, presented a paper on a new approach to accounting for open portfolios and posed a number of questions to the Group (see Paper and PowerPoint presentation both marked Paper 7.3). She stated that in her jurisdiction, the fair value exception is limited to banking institutions. Cash flow hedging is common.
- 7.8 Representatives' comments included the following:
- A representative from Canada referred to questions 2 and 3 and said that financial institutions in Canada make limited use of the IAS 39 macro hedging proposals. The major banks in Canada have differing views on hedge accounting. Insurance companies in Canada are discussing the proposals.
  - A representative from Germany said that, as far as she was aware, IAS 39 macro hedge accounting is not widely used in her jurisdiction. Other accounting approaches have not surfaced. She said that insurance companies are relatively interested in moving the proposals forward.
  - A representative from South Africa did not favour hedge accounting. He said that this process is meant to manage risk, but the procedure often creates additional

risk. Macro hedging is used by banks; the concern is that very few individuals in these banks, including the directors, really understand the process and attendant risks.

- A representative from Sierra Leone said that hedging reports on the risk position; it does not, in itself, create risk.
- The Chairman commented that entities in commodities markets, such as the oil and gas industry in Canada, appear to be happy with the new hedging requirements.
- A representative from EFRAG stated that EFRAG agreed with the objective set out in the Discussion Paper; that is, to reflect risk management practices. It is too early to say whether EFRAG would support the proposed model.
- A representative from the FASB expressed concern that, in the case of open portfolio investments, an opportunity might arise to manage earnings in an interest rate swap setting.
- A representative from the U.K. wondered if the disclosed information in the balance sheet on the revaluation of one element of risk would be understood by the user.
- A representative from Japan said that, based on limited outreach, he found that banks in Japan are not very interested in the proposals; however, there is interest in the insurance industry because the industry thinks that the proposals in the insurance contracts Exposure Draft would give rise to accounting mismatches and that macro-hedge accounting has the potential to fill gaps in the standards to reflect risks. In determining whether the provisions in the proposed standard should be made mandatory, the IASB might want to consider whether the classification and measurement model in the macro-hedge accounting Discussion Paper is designed to provide relevant information, or to provide a tool that would simply address the accounting mismatch.

7.9 A representative from the IASB commented that the Discussion Paper would be published in late March or early April 2014 and would have a six-month comment period.

7.10 The Chairman closed the session by asking the IASB to avoid inventing new jargon. She noted that this topic is a good candidate for discussion at the next IFASS meeting in September 2014.

**Issue 4 — Accounting for foreign currency embedded derivatives under international competitive bidding**

7.11 Avinash Chander, from the Indian standard setter, presented an issue regarding embedded derivatives accounting under IFRS 9 (see Paper and PowerPoint presentation both marked Paper 7.4).

7.12 Representatives' comments included the following:

- A representative from the IASB expressed the view that it is hard to define the concept of international competitive bidding. He and other participants agreed that the U.S. dollar is commonly used in these transactions.

- Participants agree that this issue should not be sent to IFRIC. A participant from Sierra Leone said that the issue is very clear and suggested that the Indian standard setter might like to consider issuing clarification guidance.

**Issue 5 — The equity method: A measurement basis or one-line consolidation**

7.13 Françoise Flores, from EFRAG, delivered a presentation on matters related to the equity method. She stated that the meaning of the equity method is unclear and asked participants to express their views on this topic (see Paper 7.5 and PowerPoint presentation marked Paper 7.5A).

7.14 Representatives' comments included the following:

- A representative from New Zealand concurred that the meaning is unclear. She was not sure of what steps to take in the interim. She suggested that thought could be given to looking at the equity method as a measurement basis, but that it might be hard to confine a project to this issue. A small-scope project could lead to a rethink of equity accounting and possibly develop into a large project. The challenge would be to contain the project.
- A representative from the FASB advised that, to his knowledge, the FASB has not been asked to consider equity accounting. He stated that there is no common understanding in the U.S. as to why equity accounting exists and what purpose it serves.

7.15 A representative from the IASB agreed with the New Zealand delegate's comments. He said that the IASB hopes to discuss issues related to the equity method with ASAF in June 2014 (such as, what is the equity method, what are the consequences, if it's a question of measurement, what about the effect on related parties, where should the result be recorded in the income statement, which method is fundamental?).

7.16 The Chairman stated that it might be worthwhile for the IASB to do outreach with users of financial statements with after-tax equity-pick-up numbers, asking if these numbers measure income or does they represent a form of consolidation methodology. She asked if the IASB should do a short-term project to indicate what the equity method is and a longer-term project to decide who should apply the method.

7.17 The Chairman closed the discussion by asking Ms. Flores to advise the Group of further developments, if any, at the next IFASS meeting.

**8. Reports from Regional Groups**

**Update on activities of the Asian-Oceanian Standard-Setters Group (AOSSG)**

8.1 The AOSSG Chairman, Clement Chan, provided an update on the Group's activities (see PowerPoint presentation marked Paper 8.1). In particular, he noted the following:

- The AOSSG's ASAF Working Party assists the AOSSG representative to receive the necessary feedback from the AOSSG members to present their views at ASAF meetings. There is a concern that the IASB is not convinced that it should be addressing accounting for Islamic organisations.
- A survey in 24 countries showed there was not a great appetite for those using Islamic accounting to switch to IFRSs.
- The IFRS Centre of Excellence in Nepal is progressing well and is a great help to jurisdictions wishing to adopt IFRSs.

8.2 Ian Mackintosh, IASB Vice-Chairman, commented that the IASB had formed a committee to address the question of accounting under Sharia law. Mr. Mackintosh stated that he was the Chairman of that Committee. He said he would ensure that relevant jurisdictions are made aware of the formation of the Committee. A relevant paper will be distributed to IFASS.

#### **Update on EFRAG activities**

8.3 Françoise Flores, Chairman of EFRAG, provided an overview of EFRAG's recent activities (see PowerPoint presentation marked Paper 8.2). In particular, she stated that she had provided the Group with the Philippe Maystadt's report entitled, *Should IFRS Standards be more "European"?* (See Paper 8.2 Appendix.) She said she would report back to the Group on developments at its next meeting in September 2014.

#### **Update on the activities of the Group of Latin American Accounting Standard Setters (GLASS)**

8.4 Felipe Perez-Cervantes, Chairman of the Mexican Financial Reporting Standards Board and member of the board of GLASS, commented on GLASS's activities (see PowerPoint presentation marked Paper 8.3). He said that Costa Rica and Honduras had joined GLASS, which now comprised 17 member countries. He commented on the objectives and challenges facing GLASS, which are detailed in his PowerPoint presentation.

#### **Update on the activities of the Pan African Federation of Accountants (PAFA)**

8.5 Vickson Ncube, PAFA Chief Executive Officer, commented on PAFA and its activities (see Paper 8.4). In particular, he emphasized the importance of standard setting for countries in Africa. He noted the following:

- Since IFASS's last meeting in September 2013, Zimbabwe and Botswana were apprised of the existence of IFASS. Efforts will be made to entice Mauritius, Malawi and Kenya to participate in IFASS activities.
- There will soon be a critical mass of standard-setting bodies in Africa.
- The PAFA secretariat will begin to run two standard-setting forums each year.

## 9. New IFASS member projects

### The statement of cash flows

- 9.1 Andrew Lennard, from the U.K. standard setter, stated that the aims of the U.K.'s Financial Reporting Council's (FRC) project on cash flows are to increase the understanding of the use and limitations of reporting cash flow, develop proposals for improvement and control mission creep (see Paper and PowerPoint presentation both marked Paper 9.1).
- 9.2 Representatives' comments included the following:
- A representative from Japan said that many stakeholders are complaining about information overload and he suggested that the FRC should be mindful not to lose focus when carrying out the research project. Referring to the issues identified in the project, he said that cohesiveness and the direct method of accounting are the most controversial areas in the project, and it would be helpful to understand better why these proposals were not well received by stakeholders.
  - The representative from Norway supported the project and commented as follows:
    - Consideration should be given to classifying cash flow related to taxes as a separate category.
    - Cash flow by segment should be considered. Aggregate cash flows are complex and segmented information would be more informative.
    - Regarding paragraph 2.13 of Paper 9.1 (whether additional cash flow information should simplify the work of analysts in calculating free cash flows), he said that that this might be controversial because it could provide proprietary information that is not currently disclosed. This requires further discussion.
  - A representative from the FASB also expressed support for the project. He said it is essential to investigate what users want from the cash flow statement, which has become so convoluted as to render it less useful than it could be. He said that the FRC should look at the objectives of, and the classifications in, the statement to make it more user-friendly. Of the issues identified, "cohesiveness" is the key. The FRC's insights on how to move forward would be very valuable.
  - A representative from India said it is better to focus on cash rather than cash equivalents. He wondered if the cash flow statement could be prepared in such a way to enable the provision of important indicators to users, thus obviating the proliferation of non-GAAP measures.
  - A representative from South Africa said that the question of materiality should be considered. He commented that it was sometimes appropriate to show gross numbers in the cash flow statement. At other times net numbers were preferable.
- 9.3 The Chairman said this was a necessary project. If users do not look at the cash flow statement, it is important to ascertain the reason.

### **Complexity of the annual report**

- 9.4 Françoise Flores, from EFRAG, commented on reports from stakeholders that financial statements have become too complex to the detriment of users' understanding of those statements. She discussed the various forms of complexity and stated that this situation requires attention (see Paper 9.2 and PowerPoint presentation marked Paper 9.2A). She wondered why the discussion at this week's ASAF meeting linked complexity to the conceptual framework project.
- 9.5 Representatives' comments included the following:
- In reply to a question from the representative from Mexico as to what is meant by the suggestion that the removal of "reliability" would aid in avoiding complexity, Ms. Flores said that the "reliability" hurdle for asset and liability recognition should be reinstated. There should not be recognition unless measurement is "reliable"<sup>1</sup>; disclosures cannot make an unreliable measure reliable. Aggregating unreliable measures is one source of complexity.
  - A representative from the FASB stated that complexity should not form part of the discussion around the conceptual framework. There is sufficient material in the conceptual framework to provide an adequate tool kit to think about complexity. The issue of complexity is a standard-setting problem and should be considered as part of the standard-setting process. The distinction between avoidable and unavoidable complexity is not that useful. The distinction is in the eye of the beholder. The Chairman noted that sometimes complexity can be considered "good" if it helps stakeholders achieve a desired outcome, and at other times "bad".
  - A representative from the U.K. commented that anti-abuse measures sometimes cause complexity. Standard setters must be wary about legislation written for "bad" preparers at the expense of "good" preparers. He said that complexity is not a conceptual issue and should not form part of the conceptual framework. The Chairman commented that the conceptual framework should detail issues that standard setters should consider for all standards. A representative from Sierra Leone suggested that this might fit into an implementation chapter.
  - A representative from Japan said that it would be desirable to develop a protocol to assist standard setters to identify issues when developing standards. Although the conceptual framework is not the focus of the project, it could be improved in some areas. For example, in the context of cost-benefit, it should be noted that if important information provided in the financial statements is complicated, users will likely incur additional costs to analyse such information.
  - The representative from the IPSASB said it is necessary to think about the role and objective of the conceptual framework and that the cost/benefit issue should be covered in the framework.
  - The IASB Vice-Chairman said that the new standards for financial instruments, insurance contracts and leases would all increase complexity and that the IASB is aware of this issue. He commented that inserting a discussion on complexity into

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<sup>1</sup> The participants in the discussion did not define precisely what they meant by the concept of "reliability" in relation to measurement.

the conceptual framework would likely not have any practical effect on the content of complex standards.

- The representative from Mexico suggested that prior to a standard being finalised, a team other than the one that developed the standard might be able to suggest a reduction in complexity.
- The representative from Norway stated that the current focus of the conceptual framework is on the needs of the standard setter. Standard setters should try and avoid complexity in setting standards. Cost/benefit is an important issue for both the standard setter and the user. He commented that IFRSs are written in the English language but that many preparers are not native English speakers. The introduction of new terms and concepts by the standard setter often creates difficulties for non-native English speakers. He added that anti-abuse measures should not be written into standards.
- A representative from South Africa noted that the increasing complexity of standards requires users of the standards and financial statements to have an increasingly high intelligence. Complexity also increases the chances of errors in the financial statements.
- A representative from Korea said that the issue of complexity should be considered in conjunction with the concept of materiality.

9.6 Ms. Flores commented that participants should not be too quick to dismiss the complexity issue, which often gives rise to non-GAAP financial indicators. Standard setters need to require relevant information to avoid preparers presenting at least some of these measures. A representative from the FASB said that the issue of complexity is part of the FASB's due process. There are tools in the FASB's framework to advocate understandability and to look at cost/benefit considerations.

9.7 The Chairman stated that the suggestion to have an implementation chapter in the conceptual framework could include a discussion of cost/benefit issues and the process to be followed for developing good standards. She said that many jurisdictions have domestic standard-setting responsibilities, other than IFRSs. She asked those with protocols to assist them in developing such standards, including the IPSASB, to advise Ms. Flores as to how they deal with the issue of complexity when writing domestic standards.

### **The use of information by capital providers**

9.8 Filippo Poli, from EFRAG, said that his organisation and the Research Committee of the Institute of Chartered Accountants of Scotland have reviewed the literature relating to the use of information by capital providers and prepared a short paper summarising the implications for standard setters (see Paper 9.3 and PowerPoint presentation marked Paper 9.3A).

9.9 Mr. Poli said that retail investors generally use information provided by institutions and brokers rather than financial statements. On the other hand, institutional investors use the financial statements as part of a bigger package. So, possibly certain information should be in sources other than financial statements.

9.10 Representatives' comments included the following:

- A representative from New Zealand said that disclosure overload is caused by focusing on the needs of individual users. It should be noted that general purpose financial statements should focus on common information needs and cannot satisfy everyone's requirements, and maybe certain users should use information sources other than the financial statements.
- The Chairman said that if retail investors are getting processed information, maybe all that information should be in the general purpose financial statements.
- A representative from the U.K. said that providing more information for retail investors might result in that information being "dumbed down". He also said that some specific users have contractual powers that enable them to obtain required information from entities.

9.11 The Chairman said it is an interesting thought that information that a board might consider essential for users might be better disclosed in channels other than the financial statements. It should be borne in mind that requirements by regulators to compel the disclosure of the same information in the financial statements might result in disclosure overload. In addition to examining financial statements, the researchers should consider looking at the information packages that major companies provide to the analysts. Such an examination might indicate different ways of framing existing disclosures.

9.12 A representative from the IASB said that the Paper would be very helpful to the IASB. He asked that the IASB be kept informed as the project proceeds.

## **10. The Contribution of Accounting Standards to Economic Development**

10.1 Omodele Jones, from the Sierra Leone standard setter, discussed the opportunities and threats posed by accounting standards in the proper functioning of the capital markets (see PowerPoint presentation marked Paper 10.1).

10.2 Matters covered by the presenter included the following:

- Standards setters are in the information business, but there are increasingly gaps in the information provided. This results in macro-economic, micro-economic, macro-environmental threats and opportunities to the information market.
- The threats and opportunities are driven by social values and practices with systemic feedbacks across entities and economies.
- There is a danger that the accounting profession is focused on micro matters.
- There could be an increasing crisis of confidence in the work of standard setters.

10.3 A representative from France encouraged the presenter to develop this Paper further. She suggested that the issue of whether financial reporting could affect financial stability might be a topic for consideration.

## 11. Administrative Matters

### **IFASS meeting assessment – Brussels, 19-20 September 2013**

- 11.1 The Chairman referred representatives to Paper 11.1, which provided an analysis of the views of participants who attended the above meeting. She thanked Felipe Perez-Cervantes (Mexican Financial Reporting Standards Board), who chaired the group, Didrik Thrane-Nielsen (Norwegian Accounting Standards Board) and Clement Chan (Hong Kong Institute of Certified Public Accountants) for analysing and summarizing participants' responses and putting forward a number of recommendations.
- 11.2 The Chairman said that the same individuals had agreed to compile the assessment of the current meeting.
- 11.3 In completing their assessments of the current meeting, the Chairman asked representatives to provide her with specific comments on the following matters:
- Their assessments of each of the breakout sessions held during the current meeting.
  - Whether participants received the agenda papers in good time prior to the meeting. Indicate how long participants need to review the meeting papers.
  - Whether participants are content to have the meeting papers posted on the IASB's SharePoint website only, or whether the Group would like the secretariat to continue with the present practice of distributing the material to IFASS meeting participants. Material posted on SharePoint is available to all those who access SharePoint. The secretariat would have to be advised if material is to be restricted to meeting participants.
  - If a comprehensive paper is prepared for an agenda item, should it be accompanied by a lengthy set of slides, or would a shorter slide presentation suffice?
  - Whether participants would prefer shorter presentations with more time devoted to discussions.
- 11.4 Some participants indicated a preference that more discussion time be provided at meetings. This might mean that more breakout sessions should be organized. A participant asked that breakout sessions be so organized so that participants are able to attend sessions on more than one topic.
- 11.5 The Chairman said that, to date, she had tried to accommodate all requests for meeting time. Should demand escalate, she might have to ask participants to indicate which potential agenda items should be postponed to a future meeting.

**Location and date of H1 2015 IFASS meeting**

- 11.6 The Chairman said that Canada and Jordan had both graciously volunteered to host the first IFASS meeting on 2015.
- 11.7 Hatem Kawasmy, President, Jordanian Association of Certified Public Accountants, made a presentation on the merits of holding an IFASS meeting in Jordan (see PowerPoint presentation marked Paper 11.2A).
- 11.8 The Chairman indicated that Canada would be happy to postpone its invitation to host the IFASS meeting until March/April 2016. Participants then agreed that the H1 2015 IFASS meeting should be held in Jordan. On behalf of the Group, the Chairman thanked Mr. Kawasmy and his colleagues for offering to host the meeting.
- 11.9 Referring to the co-ordination of the IFASS meeting with the ASAF meeting in March 2015, the Chairman said it was preferable to hold the IFASS meeting before the ASAF meeting so that IFASS participants can provide input to the ASAF discussions. She said she would discuss potential dates with the IASB staff.<sup>2</sup>

**Planning for the joint WSS/IFASS meetings in September/October 2014**

- 11.10 The Chairman reminded participants that it was previously agreed that the World Standard Setters (WSS) and IFASS meetings should be co-ordinated to try and eliminate duplication in the respective agendas. Accordingly, the WSS will meet on 29-30 September and IFASS will meet on 30 September and 1 October.

**Agenda items for the joint WSS/IFASS meeting in September/October 2014**

- 11.11 The Chairman listed the following as likely and potential agenda topics for consideration at either the WSS or the IFASS meetings in London on 30 September and 1 October:
- IASB Work Plan and IFRS Foundation developments.
  - IFRIC proposals to amend its procedures.
  - Goodwill impairment and amortisation – new developments.
  - Topical issues:
    - Discount rate (IAS 19).
    - Equity method.
    - Macro hedging.
  - New member projects.
  - Update on IPSASB activities.
  - Conceptual framework issues (including breakout sessions?).
  - Update on major IASB projects (via breakout sessions).
  - Regional group reports.

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<sup>2</sup> Subsequent to the IFASS meeting, it was agreed that IFASS would meet in Jordan on 23-24 March 2015 and that ASAF would meet in London on 26-27 March.

**Recognition of long-serving IFASS participants**

11.12 The Chairman said that the meeting wished to recognise and pay tribute to the following individuals who would be retiring soon from their respective standard-setting bodies:

- Kevin Stevenson – Australian Accounting Standards Board
- Peter Martin – Canadian Accounting Standards Board
- Ikuo Nishikawa – Accounting Standards Board of Japan

Ms. O'Malley said that the above three individuals were founding members of the National Standard Setters (the predecessor name for IFASS) and have made major contributions to these groups and to the IASB standard-setting process.

11.13 Sue Lightfoot, on behalf of Mr. Stevenson, wished the Group continued success in serving the public interest and expressed the wish that IFASS would continue to blossom and assist the IASB in developing standards. Ms Lightfoot said that Mr. Stevenson also thanked the IFASS Chair and secretariat for their efforts on behalf of IFASS. Messrs Martin and Nishukawa echoed Mr. Stevenson's sentiments.

**12. Conclusion**

12.1 The Chairman concluded the meeting by thanking the President and Council of the Indian Institute of Chartered Accountants and the entire team for their hard work and wonderful organisation in making this a very successful meeting.

Appendix A

**IFASS – 6-7 March 2013, New Delhi – LIST OF PARTICIPANTS**

	<b>Name</b>	<b>Organization</b>
1	Dr. Oussama Tabbara	Arab Society of Certified Accountants
2	Sue Lightfoot	Australian Accounting Standards Board
3	Gerhard Prachner	Austrian Financial Reporting and Auditing Committee
4	Sadi Podevijn	Belgian Accounting Standards Board
5	Peter Martin	Canadian Accounting Standards Board
6	Linda Mezon	Canadian Accounting Standards Board
7	Xu Huaxin	Ministry of Finance China
8	Françoise Flores	European Financial Reporting Advisory Group
9	Filippo Poli	European Financial Reporting Advisory Group
10	Isabelle Grauer-Gaynor	French Accounting Standard Authority
11	Gerard Gil	French Accounting Standard Authority
12	Dr. Liesel Knorr	Accounting Standards Committee of Germany
13	Dr. Christoph Huetten	Accounting Standards Committee of Germany
14	Clement Chan	Hong Kong Institute of Certified Public Accountants
15	Winnie Chan	Hong Kong Institute of Certified Public Accountants
16	Christina Ng	Asian-Oceanian Standard-Setters Group
17	Kumar Dasgupta	IASB
18	Ian Mackintosh	IASB
19	Mitsuhiro Takemura	IASB
20	Alan Teixeira	IASB
21	Tricia O'Malley	IFASS
22	Harry Klompas	IFASS
23	Dr. Avinash Chander	The Institute of Chartered Accountants of India
24	Sanjeev Maheshwari,	The Institute of Chartered Accountants of India
25	S. Santhanakrishnan	The Institute of Chartered Accountants of India
26	Djohan Pinnarwan	Indonesian Financial Accounting Standards Board
27	Aucky Pratama	Indonesian Financial Accounting Standards Board
28	Jeanine Poggiolini	IPSASB
29	Tommaso Fabi	Italian Standard Setter
30	Marco Mattei	Italian Standard Setter
31	Ikuo Nishikawa	Accounting Standards Board of Japan
32	Atsushi Kogasaka	Accounting Standards Board of Japan
33	Tomo Sekiguchi	Accounting Standards Board of Japan
34	Hatem Kawasmy	Jordanian Association of Certified Public Accountants
35	Sungsoo Kwong	Korea Accounting Standards Board
36	Daehyun Kim	Korea Accounting Standards Board
37	Jeonghyeok Park	Korea Accounting Standards Board
38	Dani Akl	The Lebanese Association of Certified Public Accountants
39	Sami ElMekati	The Lebanese Association of Certified Public Accountants
40	Amine Saleh	The Lebanese Association of Certified Public Accountants
41	Felipe Perez Cervantes	Mexican Financial Reporting Standards Board

42	Kimberley Crook	New Zealand Accounting Standards Board
43	Todd Beardsworth	New Zealand External Reporting Board
44	Narayan Bajaj	Nepal Accounting Standards Board
45	Parakaram Sharma	Nepal Accounting Standards Board
46	Jagannath Upadhyay	Nepal Accounting Standards Board
47	Harald Brandsås.	Norwegian Accounting Standards Board
48	Erlend Kvaal	Norwegian Accounting Standards Board
49	Hafiz M Yousaf	Institute of Chartered Accountants of Pakistan
50	Vickson Ncube	Pan African Federation of Accountants
51	Dr. Omodele R. N. Jones	Council for Standards of Accounting, Auditing, Corporate & Institutional Governance (Sierra Leone)
52	Tamba Momoh	Council for Standards of Accounting, Auditing, Corporate & Institutional Governance (Sierra Leone)
53	Kim Chiu Chua	Singapore Accounting Standards Council
54	Suat Cheng Goh	Singapore Accounting Standards Council
55	Siok Mun Leong	Singapore Accounting Standards Council
56	Garth Coppin	Financial Reporting Standards Council (South Africa)
57	Sue Ludolph	South Africa Institute of Chartered Accountants
58	Ana M <sup>a</sup> Martinez-Pina Garcia	Accounting and Auditing Institute (Spain)
59	María D Urrea Sandoval	Accounting and Auditing Institute (Spain)
60	Zein El Abdin El Borai Ahmed	Sudan
61	Philipp Leu	Swiss GAAP FER
62	Abdulkader Husrieh	Association of Syrian Certified Accountants
63	Dr. Chi-Chun Liu	Taiwan Financial Reporting Standards Committee
64	Anthony Appleton	Financial Reporting Council (U.K.)
65	Andrew Lennard	Financial Reporting Council (U.K.)
66	Daryl Buck	Financial Accounting Standards Board (U.S.)
67	Thomas J. Linsmeier	Financial Accounting Standards Board (U.S.)
68	Ameen Al Shami	Yemeni Association of Certified Public Accountants
69	Admire Ndurunduru	Public Accountants and Auditors Board (Zimbabwe)
70	Clive Munemo	Public Accountants and Auditors Board (Zimbabwe)