

TEXT OF E-MAIL FROM MICHELLE SANSOM TO DUE PROCESS OVERSIGHT COMMITTEE (DPOC)
Date: 13 October 2015

Report to the Due Process Oversight Committee—December 2015

The IASB will hold its next meeting in the week commencing 14 December 2015 in London. There are four papers to be brought to the attention of the DPOC:

- Agenda Paper 12A: Narrow-scope amendments to IFRS 2 Share-based Payment Classification and Measurement of Share-based Payment Transactions (final amendment)
- Agenda Paper 13A: Definition of a business—Summary of Due Process Followed
- Agenda Paper 13B: IFRS 11 Joint Arrangements—Remeasurement of previously held interests—Transition and due process steps followed
- Agenda Paper 23: Effective date of amendments to IFRS 10 and IAS 28—Due process and permission to publish

Copies of the agenda papers are attached to this email.

Agenda Paper 12A: Narrow-scope amendments to IFRS 2 Share-based Payment Classification and Measurement of Share-based Payment Transactions (final amendment)

In November 2014, the IASB published an Exposure Draft of draft amendments to IFRS 2 *Share-based Payment*. At its November 2015 meeting, the IASB tentatively decided that it should proceed with finalising the proposed amendments, having considered the recommendations from the Interpretations Committee.

At its December meeting, the IASB will consider the due process steps undertaken on this project. These are set out in Appendix A of agenda paper 12A.

The IASB staff are recommending that the proposed amendments are finalised without re-exposure.

The amendments are expected to be issued in Q1 of 2016 and, therefore, it is proposed that they should be effective from 1 January 2018.

Agenda Paper 13A: Definition of a business—Summary of Due Process Followed

At its October 2015 meeting, the IASB decided to propose changes to IFRS 3 *Business Combinations* to clarify the definition of a business and related application guidance. These proposals arise from the Post-implementation Review of IFRS 3.

The IASB expects to publish the Exposure Draft in Q2 2016.

At its December meeting, the IASB will consider the due process steps undertaken on this project. These are set out in Appendix A of agenda paper 13A. The staff will also seek approval for a 120-day comment letter period, the minimum normal period.

Agenda Paper 13B: IFRS 11 Joint Arrangements—Remeasurement of previously held interests—Transition and due process steps followed

At its October 2015 meeting, the IASB decided to propose amendments to IFRS 3 and IFRS 11 *Joint Arrangements*. These arose from requests for clarifications from the Interpretations Committee.

The IASB decided that these amendments should be included with the proposed amendments relating to the Definition of a Business project highlighted above. Accordingly, the Exposure Draft is expected in Q2 2016 and the IASB is asked to approve a 120-day comment letter period.

At its December meeting, the IASB will consider the due process steps undertaken on this project. These are set out in Appendix A of agenda paper 13B.

Agenda Paper 23: Effective date of amendments to IFRS 10 and IAS 28—Due process and permission to publish (final amendment)

In August 2015, the IASB published an Exposure Draft Effective Date of Amendments to IFRS 10 and IAS 28 ('the ED'). The ED proposed (a) indefinitely deferring the effective date of the amendments to IFRS 10 and IAS 28 issued in September 2014 and (b) considering those amendments to IAS 28 as part of the comprehensive research project on equity accounting instead.

The IASB requested and received permission from the DPOC to publish the ED with only a 60-day comment period. That comment period ended on 9 October 2015.

At its meeting in November 2015 the IASB considered the analysis of comment letters. The IASB tentatively decided to finalise the proposals in the Exposure Draft. All 14 IASB members agreed with this decision.

At its December meeting, the IASB will consider the due process steps undertaken on this project. These are set out in Appendix A of agenda paper 23.

The IASB staff are recommending that the proposed amendments are finalised without re-exposure.

The amendments are expected to be issued by the end of this year, ie before the amendments issued in September 2014 become effective on 1 January 2016.

This report is primarily for information and to provide the DPOC with assurance that the IASB is reviewing the due process steps and fulfilling the requirements of the Due Process Handbook as these projects progress.

If you have any questions please do not hesitate to contact me.