

Monthly Report to the Due Process Oversight Committee July 2018

Dear DPOC members

The International Accounting Standards Board (Board) will hold its next meeting in London the week commencing 16 July 2018. The Board will discuss one due process matter, which is summarised below.

Agenda paper 11A: Disclosure Initiative: *Definition of Material*

The Board will review the due process steps taken in the Definition of Material project to decide if the staff can start the balloting process in order to issue a final amendment to IAS 1 *Presentation of Financial Statements* and IAS 8 *Accounting Policies Changes in Accounting Estimates and Errors*.

The Board published an exposure draft in September 2017 with a 120 day comment period. The objective of the project is to improve the understanding of the definition of material, including aligning the wording of the definition of material in IFRS Standards with the *Conceptual Framework for Financial Reporting*.

The Board considered the feedback to the exposure draft at its meetings in April 2018 and June 2018. In response to the exposure draft the Board received 71 comment letters.

The Staff are not recommending re-exposure of the proposals as changes between the proposals in the exposure draft and the final amendment are not considered fundamental changes.

Subject to the Board agreeing to start the balloting process, staff plan to commence the drafting with the aim of issuing the amendments in November 2018. The effective date for the amendments will be 1 January 2020.

Agenda paper 11A is attached to this email; Appendix sets out the due process steps undertaken.

This report is primarily for information and to provide you with assurance that the Board is fulfilling the requirements of the *Due Process Handbook* as the project progresses.