

Dear DPOC Members,

The Board will hold its next meeting in London the week commencing 21 January 2019. We draw your attention to the following Agenda Papers:

- a) Agenda Paper 2: Insurance Contracts; and
- b) Agenda Paper 12C: Implementation Matters - Deferred tax related to assets and liabilities arising from a single transaction (Proposed amendments to IAS 12) – Due Process Steps

Agenda Paper 2: Insurance Contracts

At its October 2018 meeting, the Board considered the concerns and implementation challenges about the requirements in IFRS 17 *Insurance Contracts* identified by stakeholders during their implementation processes and commenced a process of evaluating the need for making possible amendments to the Standard. Accordingly, the Board established criteria for assessing any potential amendments to IFRS 17. In November 2018, the Board tentatively decided to defer the effective date of IFRS 17 by one year and to amend the fixed expiry date for the temporary exemption in IFRS 4 from applying IFRS 9 to 1 January 2022. In December 2018, the Board considered 13 of the 25 topics initially considered in October and tentatively decided to amend the requirements relating to the presentation of insurance contracts on the balance sheet.

At its January 2019 meeting the Board will continue to consider staff analysis and recommendations on other topics initially considered in October and be asked if there is a need to further amend IFRS 17 for each topic.

The Board will consider the remaining topics in February and March.

Agenda Paper 12C: Implementation Matters - Deferred tax related to assets and liabilities arising from a single transaction (Proposed amendments to IAS 12) – Due Process Steps

At its meeting in October 2018, the Board decided to propose a narrow-scope amendment to the requirements in IAS 12 *Income Taxes* relating to the recognition of deferred tax when an entity accounts for transactions, such as leases or decommissioning obligations, by recognising both an asset and a liability. Agenda paper 12C sets out the due process steps the Board has taken in developing the proposed amendment to IAS 12 and asks the Board to confirm it is satisfied that it has complied with the applicable due process requirements. The staff recommend a comment period of at least 120 days for the Exposure Draft of the proposed amendments in accordance with the *Due Process Handbook*.

The Agenda papers discussed above are attached for your information.