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**International  
Accounting Standards  
Board**

*This document is provided as a convenience to observers at IASB meetings, to assist them in following the Board's discussion. It does not represent an official position of the IASB. Board positions are set out in Standards.  
These notes are based on the staff papers prepared for the IASB. Paragraph numbers correspond to paragraph numbers used in the IASB papers. However, because these notes are less detailed, some paragraph numbers are not used.*

### **INFORMATION FOR OBSERVERS**

**Board Meeting: 17 July 2007/19 July 2007**

**Project: Conceptual Framework (Agenda paper 2)**

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### **Purpose of meeting and overview of papers**

1. In July, the Boards will discuss the following papers:

IASB AP#	FASB Memo #	Title
2A–2A.3	59–59C	Elements and Recognition (series of papers)
2B	60	Measurement 5: Measurement Concepts and Principles
2C	61	Measurement 5A: Evaluation of Measurement Basis Candidates Using Measurement Concepts and Principles
2D	62	Reporting Entity: Comment Period for Discussion Paper/Preliminary Views

2. The FASB will discuss all of the memos on July 11 and there will not be any education sessions. The IASB will discuss Agenda Paper 2A (elements) on Tuesday, July 17 and the other papers on Thursday, July 19.
3. The series of Papers 2A–2A.3/Memo 59–59C provide an update on the status of the Elements & Recognition phase (B) of the project. The main objective of the papers is to ask the Boards to confirm the staff's plan to set aside for now the work on the asset

and liability definitions, and to focus on other topics in Phase B, such as unit of account, recognition and derecognition. The papers also provide an update of deliberations and consultations on Phase B to date, with a particular emphasis on the definitions of an asset and a liability.

4. Paper 2B/Memo 60 discusses theories and definitions of measurement, measurement principles, and terms often confused with measurement. It concludes that the classical theory of measurement is appropriate as a foundation for accounting measurement and constructs a definition of accounting measurement based on that theory. That paper also sets forth several measurement principles and clarifies the difference between measurement and other processes such as estimation and calculation.
5. Paper 2C/Memo 61 links the discussion of measurement Paper 2B/Memo60 to the objective of Milestone II of the measurement phase, which is to evaluate the measurement basis candidates resulting from Milestone I. The first part of this paper distills a few evaluative criteria from Paper 2B/Memo60. The second part uses those criteria to evaluate the measurement basis candidates.
6. Paper 2D/Memo 62 discusses and asks the Boards to decide on the comment period for the initial discussion document on the concept of a reporting entity.