



30 Cannon Street, London EC4M 6XH, United Kingdom
Tel: +44 (0)20 7246 6410 Fax: +44 (0)20 7246 6411
Email: iasb@iasb.org Website: www.iasb.org

**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: 22 June 2007, London

Project: Extractive Activities research project

Subject: User survey discussion – cover note (Agenda Paper 15)

Overview

1. The aim of this meeting is to:
 - (a) present and discuss the findings of the user survey that the research project team has conducted to develop a better understanding of the information needs of users involved in analysing minerals and oil & gas companies; and
 - (b) obtain feedback from the Board on the approaches available for reporting reserve and resource information on the balance sheet (either at fair value, current value or historical cost) and in note disclosures.
2. This Board discussion will assist the research project team to develop a discussion paper that targets and invites constituent comment on the key scope and directional issues that the Board will consider when making an agenda decision to proceed with the development of an IFRS for the financial reporting of minerals and oil & gas reserves and resources.

Analyst participation

3. Some analysts have been invited to participate in the Board meeting discussion on the user survey findings.

Outline of papers within the agenda paper package

4. Agenda Paper 15A presents the results of the user survey that was used to develop a better understanding of the information needs of users involved in analysing minerals and oil & gas companies.
5. Agenda Paper 15B identifies possible building blocks for a current value measurement model of minerals and oil & gas reserve and resource assets.
6. Agenda Paper 15C identifies an approach to accounting for exploration, evaluation and development activities that focuses on disclosure rather than recognition and measurement as the key method of providing decision useful information to financial statement users. The project team proposes that the discussion paper resulting from the current research project include both a current value approach and a disclosure focused approach.
7. Agenda Paper 15D identifies possible disclosure principles that may assist with identifying and developing disclosure requirements for minerals and oil & gas reserves and resources.
8. Please note that the guiding principles and building blocks of the current value, historical cost and disclosure models that are proposed in these agenda papers have been developed by the research project team after considering the themes that emerged from the user survey responses. The aim is to illustrate, for the purposes of initial discussion only, some of the potential features of these models. Users have not been directly consulted on the proposed features of these models. After this meeting, the research project team intends to begin consulting with users, preparers, auditors and securities regulators to refine the design of the accounting and disclosure models.