INFORMATION FOR OBSERVERS

SAC Meeting: **June 2007, London**

Project: **Potential Agenda Items**

                          (Agenda Paper 5)

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1.   At the SAC meeting, we will hold a preliminary discussion about items that are under consideration for the IASB's agenda. The current work plan (agenda) of the IASB has been provided as an attachment to Agenda Paper 2 for the SAC meeting.

The process of adding an item to the IASB's agenda

2.   Each year the IASB considers potential items for addition to its agenda. Generally we do this at the July board meeting, but because of the pressure of work towards meeting the objectives of the MoU we have delayed the agenda decisions for 2007 to the December board meeting.

3.   The IASB's discussion of potential projects and its decisions to adopt new projects take place in public IASB meetings. Before reaching such decisions the IASB consults the SAC on proposed agenda items and priorities.

4. The development of a single set of global standards relevant to users' needs is the foremost objective of the IASB. Accordingly, the IASB evaluates the merits of adding a potential item to its agenda primarily on the basis of the needs of users of financial statements.

5. The IASB considers the following factors when adding agenda items:

    (a) The relevance to users of the information involved and the reliability of information that could be provided

    (b) Existing guidance available

    (c) The possibility of increasing convergence

    (d) The quality of the standards to be developed

    (e) Resource constraints.

    Further details can be found in the Due Process Handbook paragraphs 19 to 26, and 52 to 61. The Due Process Handbook is available on the IASB website at http://www.iasb.org/Current+Projects/IASB+Due+Process.htm.

6. At the June SAC meeting there will be a preliminary discussion on a number of potential projects:

    (a) Intangible assets

    (b) Management commentary

    (c) Common control transactions.

7. The fully developed agenda proposals will be brought to the SAC November meeting to complete the consultation process. The reactivation of the work on emission rights will also be considered.

Questions for the SAC

8. What issues should be considered for addition to the IASB agenda? Please explain why.

9.   What are the relative priorities of the following potential agenda items? Why?

    (a)   Intangible assets

    (b)   Management commentary

    (c)   Common control transactions

    (d)   Emission rights

    (e)   Other issues raised by SAC members at the meeting