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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: 15 November 2007, London

Project: Amendments to IAS 24 Related Party Disclosures

Subject: Redeliberations: Cover note (Agenda paper 5)

INTRODUCTION

1. At its meeting in October, the Board began its redeliberation of amendments to IAS 24 proposed in the exposure draft [ED] *State-controlled Entities and the Definition of a Related Party*, published in February 2007, in the light of the comments received. The Board discussed the main issues raised in the comment letters regarding project objective and scope and state-controlled entities at that meeting.
2. At this meeting, the staff presents three papers and they are:
 - (a) Agenda paper 5: Cover note;
 - (b) Agenda paper 5A: Definition of a related party; and
 - (c) Agenda paper 5B: Definition of a related party transaction and Other issues.
3. The comment letters recommended some other rewording and clarifications that the papers presented during redeliberations do not cover. The staff will consider this when drafting the final Standard.

4. The staff summarises project history following the ED and provides a provisional plan for next steps in the following table.

A SUMMARY OF PROJECT HISTORY FOLLOWING THE ED AND A PROVISIONAL PLAN

| Meeting date /Submission and issuance date | Issue |
|---|--|
| September 2007 | <p>Redeliberation overview</p> <ul style="list-style-type: none"> • Discuss the comment letter summary • Affirm the project plan |
| October 2007 | <p>Redeliberation: Project objective and scope</p> <ul style="list-style-type: none"> • Extending the proposed exemption to other cases • Fundamentally reconsidering the definition of a related party • Others <p>Redeliberation: State-controlled Entities (Question 1 of the ED)</p> <ul style="list-style-type: none"> • Issues related to an indicator approach • Entities that are jointly controlled by a state |
| November 2007 | <p>Redeliberation: Definition of a related party (Question 2 of the ED)</p> <ul style="list-style-type: none"> • Level of influence of a member of key management personnel • The definition of ‘state’ and state-controlled entities • Others <p>Redeliberation: Definition of a related party transaction and Other issues (Questions 3 and 4 of the ED)</p> <ul style="list-style-type: none"> • ‘Transactions or commitments to do something’ in the paragraph 20(j) of the ED • Disclosure of key management personnel compensation • Effective date & transitional provision • Consequential amendments to IFRS 8 • Others |
| December 2007 | Follow-up issues (if needed) |
| January 2008 | Submission of pre-ballot draft |
| February 2008 | Submission of ballot draft and post-ballot draft |
| March 2008 | Issuance of a final Standard |