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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: 16 November 2007, London

Project: Business Combinations II

**Subject: Effective Date of revised IFRS 3 and amended IAS 27
(Agenda paper 11)**

Background

1. The effective date for the revised IFRS 3 *Business Combinations* and the amended IAS 27 *Consolidated and Separate Financial Statements* was discussed by the Board at its meeting in April 2007 (see agenda paper 2D from that meeting). At that time, the Board had made a commitment that it 'will not require the application of new IFRSs under development or major amendments to existing standards before 1 January 2009.'
2. In its paper, the staff noted that a period of 18 months between publication of the revised standards and their application date would 'provide sufficient time for translation, implementation, and for some jurisdictions to enact the standards into law.' The staff also noted that some respondents had requested a longer period to prepare for implementation.
3. The Board decided that the effective date should be 1 January 2009, with early adoption permitted. That decision was published in the April edition of *Update*. The IFRS community was, therefore, given an expectation that there would be a (transition) period of approximately 18 months between the date the IFRSs would be published and the date their application would be mandatory.

Publication and recommendation

4. The revised IFRS 3 and the amended IAS 27 were approved by the Board on 30 June 2007. Publication of the revised IFRS 3 and the amended IAS 27 has taken longer than expected, for reasons related principally to the additional administrative burdens of a

joint project and the preparation of a Feedback Statement. As a consequence the revised IFRSs will not be published until at least the end of November—five months after balloting.

5. Because of the delay in publishing the documents, the staff is recommending that the effective date for the revised IFRS 3 and the amended IAS 27 be changed to 1 July 2009. The staff emphasises that this recommendation is on the basis of restoring the transition period to that reported in *Update* in April 2007. It is not on the basis that an 18 month transition period is, or should be, a requirement for other projects. The application date for each new or amended IFRS will continue to be decided on a case-by-case basis.
6. **Does the Board agree that the effective date for the revised IFRS 3 and the amended IAS 27 should be changed from 1 January 2009 to 1 July 2009?**