



30 Cannon Street, London EC4M 6XH, United Kingdom
Tel: +44 (0)20 7246 6410 Fax: +44 (0)20 7246 6411
E-mail: 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: November 2008, London

Project: Consolidation

Subject: Consolidation: Sweep Issues—Comment period for the exposure draft (Agenda paper 16F)

Staff recommendation

- 1 We recommend that the comment period deadline for the consolidation exposure draft is Friday, **20 March 2009**. Assuming that the Board publishes the exposure draft by 1 December 2008, this will give constituents 110 days to comment on the exposure draft.

Staff analysis

- 2 The IASB Due Process Handbook notes the following regarding the publication of an exposure draft:
 - 42 The IASB normally allows a period of 120 days for comment on an exposure draft. If the matter is exceptionally urgent, the document is short, and the IASB believes that there is likely to be a broad consensus on the topic, the IASB may consider a comment period of no less than 30 days. For major projects, the IASB will normally allow a period of more than 120 days for comments.

- 3 We considered the following when making our recommendation:
- a The consolidation project is a major project. The Board is proposing to publish a new IFRS to replace *IAS 27 Consolidation and Separate Financial Statements* and *SIC-12 Consolidation—Special Purpose Entities*.
 - b The Board did not publish a discussion paper. Therefore, the exposure draft is the first opportunity that constituents will have to comment on the project.
 - c The comment period coincides with year-end reporting for the majority of preparers throughout the world.
 - d Publication of an IFRS is urgent. The target publication date for an IFRS on consolidation is the second half of 2009.
 - e The exposure draft is not proposing a fundamental rethink of the approach to consolidation included in *IAS 27* and *SIC-12*.
 - f The development of the exposure draft has been undertaken in public, providing potential respondents with the opportunity to develop their thinking over the five months leading up to the publication of the exposure draft.
- 4 Because of a, b and c set out in paragraph 3, we think that it would be inappropriate to shorten the normal comment period for exposure drafts to any great extent. Similarly, because of d, e and f, we think that it would not be appropriate to lengthen the normal comment period. We think that bringing the comment period into the middle of March avoids a year and quarter end while still allowing respondents more than 100 days to prepare their comment letters.