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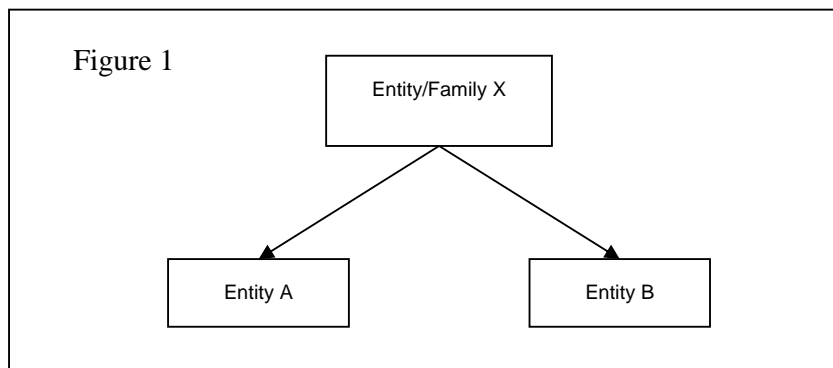
Project **Related Parties**

Topic **Revised definition of a related party – Appendix A**

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## Appendix A – Figures and tables used in staff analysis

- A1. This paper is an Appendix to Agenda Paper 2D. This paper is best printed in colour where available.
- A2. Figure 1 is a diagram that is referred to in the staff analysis. **Entity A** is the reporting entity unless specified. The reference to a **family** refers to **either a person or a close member of that person’s family**.



- A3. The tables below use the following key and they use colour coding to indicate when different requirements were introduced:

Key:

C – Control    JC – Joint Control    SI – Significant Influence

SVP – Significant Voting Power    KMP – Key Management Personnel

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This paper has been prepared by the technical staff of the IASCF for discussion at a public meeting of the IASB.

The views expressed in this paper are those of the staff preparing the paper. They do not purport to represent the views of any individual members of the IASB.

Comments made in relation to the application of an IFRS do not purport to be acceptable or unacceptable application of that IFRS—only the IFRIC or the IASB can make such a determination.

The tentative decisions made by the IASB at its public meetings are reported in IASB *Update*. Official pronouncements of the IASB, including Discussion Papers, Exposure Drafts, IFRSs and Interpretations are published only after it has completed its full due process, including appropriate public consultation and formal voting procedures.

- A4. In the case of an indirect horizontal relationship through **Entity X**. Under the proposed ED 2008 definition **Entity B** will be a related party of **Entity A** when the following relationships exist:

<b>Table 1</b>		<b>Entity X's level of influence over Entity B</b>		
		<b>C</b>	<b>JC</b>	<b>SI</b>
<b>Entity X's level of influence over Entity A</b>	<b>C</b>	Yes – 9(b)(i)	Yes – 9(b)(ii)	Yes – 9(b)(ii)
	<b>JC</b>	Yes – 9(b)(ii)	Yes – 9(b)(iii)	Yes – 9(b)(iv)
	<b>SI</b>	Yes – 9(b)(ii)	Yes – 9(b)(iv)	Not related
		Introduced in ED 2007	Introduced in ED 2008	Related per IAS 24

- A5. In the case of an indirect horizontal relationship through **Family X**. Under the proposed ED 2008 definition **Entity B** will be a related party of **Entity A** when the following relationships exist:

Table 2		Family X's level of influence over Entity B				
		C	JC	SVP	KMP	SI
Family X's level of influence over Entity A	C	Yes – 9(b)(vi) <sup>1</sup>	Yes – 9(b)(vi) <sup>1</sup>	Yes – 9(b)(viii) <sup>1</sup>	Yes – 9(b)(x)	Yes – 9(b)(viii) <sup>1</sup>
	JC	Yes – 9(b)(vi) <sup>1,2</sup>	Yes – 9(b)(vi) <sup>1,2</sup>	Yes – 9(b)(ix) <sup>1,2</sup>	Yes – 9(b)(x)	Yes – 9(b)(ix) <sup>1,2</sup>
	SVP	Yes – 9(b)(vi)	Yes – 9(b)(vi)	Not related	Yes – 9(b)(x)	Not related
	KMP	Yes – 9(b)(vi)	Yes – 9(b)(vi)	Yes – 9(b)(vii)	Not related	Not related <sup>3</sup>
	SI	Yes – 9(b)(vi) <sup>1</sup>	Yes – 9(b)(vi) <sup>1,2</sup>	Not related <sup>1,4</sup>	Not related <sup>3</sup>	Not related <sup>1,4</sup>
			Related per IAS 24 9(f)+(e)	Introduced in ED 2007	Introduced in ED 2008	

<sup>1</sup> Entity B is related to Entity A only when a person controls, jointly controls or significantly influences A and a close family member of that person controls, jointly controls, significantly influences or has significant voting power in Entity B.

<sup>2</sup> These were originally in the IAS 24 definition as per above but were inadvertently removed from the definition in ED 2007. ED 2008 reintroduced these and eliminated further inconsistencies.

<sup>3</sup> Removed from the definition in ED 2008.

<sup>4</sup> Removed from the definition in ED 2007.