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Topic	<b>IASB planning and priorities (post-2011 agenda)</b>
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## Background

1. Today, the primary focus of the Board is on the completion of its current agenda, with a particular emphasis on *financial instruments, revenue recognition, leases and insurance contracts*. Those projects are scheduled for completion by 30 June 2011. Between now and March 2011 the Board also expects to complete projects on derecognition-related disclosures, consolidations, joint arrangements, employment benefit plans, fair value measurement and management commentary, as well as two chapters of the Framework and some narrower improvements to IFRSs.
2. By July 2011 the Board will therefore have completed much of its current agenda and will have three new members, including a new Chairman. Planning has begun to develop a new agenda for this future phase in the IASB's work.

## Constitutional review

3. In the second part of its constitutional review, the Trustees introduced a requirement that, in addition to consulting the Trustees and its advisory council annually on the current and future agenda, the IASB should undertake a three-yearly public consultation on its future technical agenda. The Trustees stated at the time that the requirement to give a formal opportunity for public

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This paper has been prepared by the technical staff of the IFRS Foundation 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 IFRS Interpretations Committee 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.

IASB Staff paper

comment addresses one of the major issues raised by stakeholders. The IASB must begin the first public review before 30 June 2011.

4. The purpose of this consultation is to solicit input to guide and help the IASB in setting the agenda. The IASB has full discretion to develop and pursue its technical agenda.

**Advice from the IFRS Advisory Council**

5. In November 2009, February 2010 and June 2010, the IFRS Advisory Council discussed strategic considerations in the light of the financial reporting environment. The Advisory Council discussed a range of issues, including (i) the characteristics of an effective financial reporting system, (ii) a consideration of the state of IFRS as it is expected to exist in June 2011 and (iii) potential targets and milestones for important accomplishments. The Advisory Council's discussions were undertaken on the basis that the Board's current agenda would be completed successfully by June 2011. The Advisory Council did not discuss the implications for the post-2011 work plan if delays were to occur, and encouraged the Board to monitor closely its progress in meeting the June 2011 deadline.
6. The Advisory Council wrote to the Board in August 2010 outlining the collective views of council members. That letter summarised its advice as follows:

**Basic policies**

- (a) Focus on serving those who have adopted or wish to adopt IFRS. Convergence is no longer a prime consideration.
- (b) Retain the current objective of serving the reporting needs of capital market participants for profit-oriented entities.

**Short- to medium-term objectives**

- (c) Provide a period of calm in issuing new standards to bed down the numerous new and revised standards coming into effect. Stand ready to assist in resolving implementation issues. Assess proposals for new standard-setting projects against strict selection criteria. Provide some capacity and flexibility to deal with unforeseen urgent issues without disrupting the work plan.

IASB Staff paper

- (d) Allocate significant resources to ensuring that the standards are interpreted and applied with an appropriate degree of consistency, and that they are producing the intended results. Post-implementation reviews become a significant activity.
- (e) Expedite completion of the conceptual framework project and developing a disclosure framework.
- (f) Monitor trends and developments that are likely to affect financial reporting in the future.

**Interaction with constituents**

- (g) Manage the relationship between IFRS and IFRS for SMEs. The first periodic update of IFRS for SMEs will be particularly challenging because of the recent spate of new or revised standards.
- (h) Continue and expand outreach activities with particular emphasis on users and emerging markets.

The Advisory Council believes that this approach would allow the new Board to become better oriented before making extensive longer-term commitments, and would ease the transition from the old to the new Board.

**Next steps**

7. The Board is currently developing a plan for the first of the new three-yearly public consultations on its agenda. The Board will be seeking input on the strategic direction that it should take in developing its future agenda as well as identifying potential new projects.
8. To give WSS participants a sense of what we mean by strategic direction, the Board's informal consultation has already suggested that the Board could focus on four general areas: implementation and maintenance (including post-implementation reviews); the conceptual framework (including a disclosure framework); a strategic review of the future shape of financial reporting (including its interaction with XBRL); and 'some' major projects.
9. The Board will be interested in hearing views as to whether these are the right areas for it to focus on and, if so, what should be the relative balance (or effort) among these areas.
10. The Board has already identified some projects that should at least be considered as potential agenda items. Some of these are topics that have been on the agenda but for which work has been suspended—eg earnings per share and

**IASB Staff paper**

common control. The Board has also published a discussion paper prepared by staff of national standard-setters on *extractive activities*, and it seems appropriate to consider this as a potential agenda topic. It is also possible that some projects that are currently on the agenda might be at a point where they should be assessed against other projects. In other words, are they still a priority? The Board is aware of other matters that some in the IFRS community would like the Board to address. The public consultation process should help the Board to identify whether its list of potential candidate projects is sufficiently comprehensive.

11. We encourage participants to think about the matters raised in this paper and hope that you will participate in the public consultation.