

# AGENDA PAPER

IFRS Foundation Trustees' meeting—Due Process Oversight Committee

London

10 April 2013

Agenda paper 3C

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**To:** Due Process Oversight Committee

**From:** Michael Stewart—IASB Director, Implementation Activities  
Alan Teixeira—Senior Director, Technical Activities

**Date:** 28 March 2013

**Re:** **Post-implementation review of IFRS 8 *Operating Segments***

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1. The IASB is planning to report on its post-implementation review (PIR) of IFRS 8 *Operating Segments* in June of this year. This is the first PIR conducted by the IASB.

## **Papers for discussion by the IASB**

2. The papers for this agenda item include drafts of the agenda papers relating to the PIR of IFRS 8 that will be discussed by the IASB at its April 2013 meeting for your review. These papers are:

- (a) Agenda Paper 3C (i) (IASB draft Agenda Paper 12A) *Sources of input to the PIR, due process and next steps*;

This paper discusses the three sources of input to the PIR process- public consultation, outreach and the review of academic literature. It discusses the adequacy of that input and, in particular, the mixed messages received from investors. It includes a due process protocol for the PIR of IFRS 8 and lays out the next steps in this process.

- (b) Agenda Paper 3C (ii) (IASB draft Agenda Paper 12B) *Messages received and feedback summary*;

This paper summarises the key messages received through consultation and the findings from academic research. It includes a draft feedback summary, detailing the messages received and our suggested responses. It also includes a brief comparison of our findings with those of the Financial Accounting Foundation ('the FAF') who have recently completed a PIR of their Standard on operating segments.

- (c) Agenda Paper 3C (iii) (IASB draft Agenda paper 12C) *Lessons learnt about the PIR process.*

This paper summarises the feedback received on the PIR process itself together with the staff's analysis of how lessons learnt in conducting this PIR might affect our approach to subsequent PIRs. It also includes a brief discussion of the effect that reviewing a converged Standard might have on the PIR process and how our process compares with that of the FAF.

3. For reference and as background we also include two agenda papers that were discussed at the January 2013 meeting of the IASB, which summarise the findings from the IASB's review of literature relevant to the application of IFRS 8:
- (a) Agenda Paper 3C(iv) (IASB January Agenda Paper 6B) *Review of academic literature to December 2012*; and
- (b) Agenda Paper 3C(v) (IASB January Agenda Paper 6C) *Appendices: Summary of relevant literature to December 2012.*

#### **Questions referred to the IASB about the PIR of IFRS 8**

4. The papers presented at the April 2013 meeting will ask a number of questions. The IASB will be asked whether it:

##### **Agenda paper 3C(i) *Sources of input to the PRR, due process and next steps***

- (a) thinks that the review work recorded in the paper is adequate with respect to the coverage of geographical regions and types of participants to ensure that representative views have been obtained?
- (b) has any questions on the due process protocol or the conduct of the PIR of IFRS 8?
- (c) thinks it has complied with the required due process?

##### **Agenda paper 3C(ii) *Messages received and feedback summary***

- (d) thinks the paper has identified all of the key messages received from the post-implementation review of IFRS 8?
- (e) Agrees with the suggested responses in the feedback summary?
- (f) has any further comments on the feedback received for inclusion in the response?

##### **Agenda paper 3C(iii) *Lessons learnt about the PIR process***

- (g) thinks that the paper has identified all of the key messages received about the post-implementation process?
- (h) agrees with the conclusions drawn about the transferability to other PIRs of the messages received?

- (i) has any further comments about the PIR process for inclusion in the report?

**Comments about the PIR of IFRS 8 for the IASB**

- 5. Following your meeting on 10 April, we will report any comments or suggestions that you make on these agenda papers, or on the post-implementation review of IFRS 8 more generally, to the IASB at its April 2013 meeting.