

STAFF PAPER

31 October 2013

IASB Meeting

Project	Narrow-scope amendment: IAS 16 <i>Property, Plant and Equipment</i> and IAS 38 <i>Intangible Assets</i>—Clarification of acceptable methods of depreciation and amortisation		
Paper topic	Cover note		
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Introduction

1. In December 2012 the IASB published the Exposure Draft (ED) *Clarification of Acceptable Methods of Depreciation and Amortisation* (ED/2012/5), which contained a proposal to amend IAS 16 *Property, Plant and Equipment* and IAS 38 *Intangible Assets* to prohibit a depreciation or amortisation method that uses revenue generated from an activity that includes the use of an asset.
2. The comment period ended on 2 April 2013. The IASB received 98 comment letters.
3. At the July 2013 and September 2013 meetings, the IFRS Interpretations Committee ('the Interpretations Committee') deliberated the comments received and provided some recommendations to finalise the proposed amendments.
4. The Agenda Papers for this meeting are as follows:
 - (a) **Agenda Paper 13A** presents a summary of the Interpretations Committee's recommendations to the IASB on the proposed amendments to IAS 16 and IAS 38.
 - (b) **Agenda Paper 13B** includes the proposed wording for finalising the proposed amendments to IAS 16 and IAS 38. It shows in:
 - (i) Section 1: the proposed amendments to IAS 16 and IAS 38, highlighting differences from the currently effective

Standard. New text is underlined and deleted text is struck through.

- (ii) Section 2: the revisions to the wording in the previously published Exposure Draft, following our recommendations in this paper.

Proposed timetable

5. We aim to finalise the narrow scope amendments to IAS 16 and IAS 38 in February 2014.
6. A proposed timetable to achieve that target is below.

Action	Date (2014)	Day
Circulate pre-ballot draft to the IASB	08-Jan	Wednesday
IASB Comments on pre-ballot draft due by	20-Jan	Monday
Circulate ballot draft to the IASB	27-Jan	Monday
IASB Comments on ballot draft due by	03-Feb	Monday
Circulate post-ballot draft	06-Feb	Thursday
IASB Comments on post-ballot draft due by	10-Feb	Monday
Publication of final document	13-Feb	Thursday