

## STAFF PAPER

March 2014

## IASB Meeting

|             |   |  |                     |
|-------------|---|--|---------------------|
| Project     | <b>Narrow-scope amendments to IFRS 10 <i>Consolidated Financial Statements</i> and IAS 28 <i>Investments in Associates and Joint Ventures</i></b> |  |                     |
| Paper topic | Investment Entities Amendments—Cover note   |  |                     |
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## Introduction

1. The IASB published *Investment Entities* (Amendments to IFRS 10, IFRS 12 and IAS 27) in October 2012 to provide an exception to the consolidation requirements in IFRS 10 *Consolidated Financial Statements* for investment entities.
2. The IFRS Interpretations Committee (the ‘Interpretations Committee’) received a request to clarify some issues related to the amendments in *Investment Entities* and discussed the issues in its November 2013 and January 2014 meetings, but the Interpretations Committee did not reach a consensus on some of the. As a result of the staff’s feedback to the IASB in its last meeting, the IASB asked the staff to bring papers on issues related to the amendments in *Investment Entities* to the March IASB meeting because of the need to clarify these issues quickly for implementation this year.
3. The agenda papers containing the proposed amendments to IFRS 10 are as follows:
  - (a) Agenda Paper 12B: Narrow-scope amendments to IFRS 10 *Consolidated Financial Statements*—an investment entity subsidiary that also provides investment-related services.

- (b) Agenda Paper 12C: Narrow-scope amendments to IFRS 10 *Consolidated Financial Statements*—exemption from preparing consolidated financial statements requirements in IFRS 10:  
Applicability to a subsidiary of an investment entity.
- (c) Agenda Paper 12D: Narrow-scope amendments to IAS 28 *Investments in Associates and Joint Ventures*—application of the equity method by a non-investment entity investor to an investment entity investee.

4. Given the 1 January 2014 effective date of *Investment Entities*, we think that it is important to provide clarifications of these issues during this year. Considering the timing urgency and the limited scope of these issues, if the IASB reaches tentative decisions on the proposed amendments at this meeting, we intend to bring a Due Process paper to the April meeting to ask the IASB to consider a shortened comment period.