

## STAFF PAPER

February 2016

## IASB Meeting

Project	Insurance contracts		
Paper topic	Cover note		
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This paper has been prepared for discussion at a public meeting of the International Accounting Standards Board (the "Board") and does not represent the views of the Board or any individual member of the Board. Comments on the application of IFRS Standards do not purport to set out acceptable or unacceptable application of IFRS Standards. Technical decisions are made in public and reported in IASB Update.

1. At this meeting, the staff are asking the International Accounting Standards Board (the Board) for permission to begin the balloting process.
2. To assist the Board in this decision, the staff have prepared a package consisting of the following materials:
  - (a) Agenda Paper 2A (previously posted as Agenda Paper 2C at the January 2016 meeting) *Background to the insurance contracts project*, summarises the background and context of the IASB's project on insurance contracts,
  - (b) Agenda Paper 2B (previously posted as Agenda Paper 2D at the January 2016 meeting) *Overview of the new insurance contracts Standard*, provides an high-level overview of the Board's model for insurance contracts based on the decisions to date;
  - (c) Agenda Paper 2C *Comparison of the IASB's tentative decisions with the comment letter summary*, provides an overview of the ways in which the Board has addressed the comments received on the 2013 Exposure Draft *Insurance Contracts* (the 2013 ED);
  - (d) Agenda Paper 2D *The development of the requirements for the accounting for insurance contracts*, summarises the changes to the accounting treatment for the insurance contracts over the Board's previous three due process documents and including the tentative

decisions to date. It also summarises at a high level the response to each of those due process documents.

- (e) Agenda Paper 2E *Assessing the changes since the 2013 ED*, sets out staff's view, relative to the requirements of the *Due Process Handbook*, on why the Board need not re-expose the new insurance contracts Standard.
- (a) Agenda Paper 2F *Due process summary and permission to begin the balloting process for the insurance contracts Standard*, which summarises the due process steps undertaken throughout the project and asks the Board if it is satisfied that all the mandatory due process steps have been met in developing the new insurance contracts Standard, requests permission for the staff to begin the balloting process for a new Standard on accounting for insurance contracts and ask whether any Board member intends to dissent from the publication of the new insurance contracts Standard.

### Next steps

3. Assuming the Board agrees that all the mandatory due process steps have been met in developing the new insurance contracts Standard, the staff will begin the balloting process for the insurance contracts Standard. During the balloting process, which is likely to take about a year, the staff expect to complete the remaining due process steps described in Agenda paper 2F, including:
  - (a) asking the Board to determine the effective date of the insurance contracts Standard. The staff expect to do this when drafting has sufficiently progressed.
  - (b) any drafting quality assurance procedures including external review.
  - (c) preparation of documents such as the Effects Analysis that would accompany the new Insurance Contracts Standard.
4. In addition, the staff will consider the need for future Board discussion of issues that may arise during the balloting process.