

STAFF PAPER

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FASB | IASB Joint Education Meeting

Project	2021 Agenda Consultation (FASB) / Third Agenda Consultation (IASB)		
Paper topic	Cover Paper		
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Purpose of this paper

1. Both the IASB and the FASB (the Boards) are currently seeking feedback from stakeholders on their future agendas. The purpose of this meeting is to provide both boards with an opportunity to share comments and ask questions about these agenda consultations.
2. The Boards are not being asked to make any decisions.

Summary of the meeting papers

3. This cover paper accompanies the following Agenda Papers:
 - (a) *FASB Agenda Paper 24A: Invitation to Comment Agenda Consultation.*
 - (b) *IASB Agenda Paper 24B: Request for Information Third Agenda Consultation.*
 - (c) *IASB Agenda Paper 24C: Third Agenda Consultation—Feedback to date.*This paper sets out a summary of the initial feedback the IASB has received on its Request for Information Third Agenda Consultation. The comment letter deadline for the Request for Information is 27 September 2021; therefore, this paper only reflects preliminary feedback and does

not include all feedback expected to be received on the Request for Information.

Brief introduction to the agenda consultations

The IASB's agenda consultation

4. The IASB undertakes a public consultation on its activities and its work plan every five years (agenda consultation). The objective of this agenda consultation is to gather views on:
 - (a) the strategic direction and balance of the Board's activities;
 - (b) the criteria for assessing the priority of financial reporting issues that could be added to the work plan; and
 - (c) new financial reporting issues that could be given priority in the Board's work plan.
5. In March 2021, the IASB published a Request for Information on its agenda consultation to obtain broad stakeholder feedback. The IASB expects to start discussing feedback on this Request for Information in the fourth quarter of 2021. In the second quarter of 2022, the Board expects to publish a feedback statement summarising that feedback, and its activities and work plan for 2022 to 2026.
6. In preparing for the agenda consultation, the IASB conducted outreach (mainly with its advisory bodies and standing consultative groups) to identify potential projects to describe in the Request for Information. The IASB's objective in describing potential projects is to provide a common understanding of the financial reporting issues that could be addressed in a potential project to elicit more focused feedback. The list of potential projects is not intended to be exhaustive and does not represent a draft work plan for the IASB. Stakeholders are welcome to suggest other financial reporting issues for the IASB to explore.

The FASB's agenda consultation

7. In December 2020, FASB Chair Richard R. Jones announced that the FASB would undertake an agenda consultation process in 2021 (the 2021 Agenda Consultation) to assist the Board in deciding where to focus its standard-setting efforts going forward. To begin the 2021 Agenda Consultation process, the FASB staff sought input from numerous stakeholder groups and FASB advisory groups to identify

priority areas of improvement to financial reporting. Throughout the first half of 2021, the FASB staff and Board members met with more than 200 stakeholders, approximately one third of which were investors or other financial statement users. In addition to investors, a cross-section of stakeholders participated in that preliminary outreach including preparers, practitioners, and academics—from public companies, private companies, and not-for-profit entities. During those outreach meetings, stakeholders identified more than 40 topics of potential improvements for the FASB to consider as part of its standard-setting efforts.

8. During this initial outreach, stakeholder input on the FASB's future standard-setting activities generally fell within one of the following types of projects:
 - (a) Greater disaggregation and granularity of financial reporting information are needed, either on the face of the financial statements or the notes to financial statements, to provide investors with better, more useful information that will directly influence their decisions and behaviours.
 - (b) Emerging transactions need to be considered, such as in cases in which there is no specific topical authoritative accounting or disclosure guidance or the current accounting outcomes are not intuitive, to reduce diversity in practice and to retain the relevancy of the Accounting Standards Codification®.
 - (c) Specific areas of existing GAAP need to be re-evaluated to reduce unnecessary cost and complexity.
 - (d) Enhancements to and education on certain FASB standard-setting processes would help increase transparency and communication.
9. In June 2021, the FASB staff issued an Invitation to Comment (ITC) to obtain broad stakeholder feedback. The ITC does not include Board views; the Board will consider the feedback received in response to this ITC when making decisions about potential changes to its agenda. Those decisions include which topics, if any, should be added to the FASB's agenda (and in what order) and whether the [current agenda projects](#) remain a priority to stakeholders or could be reimaged. The feedback on the ITC is essential in ensuring that the FASB continues to allocate its finite resources to achievable standard-setting projects that fulfill its primary mission of improving financial accounting and reporting standards and addressing topics that are of the highest priority to its stakeholders.

Questions

Question 1

The FASB and IASB staff observe several similar topics in both Boards' consultations. Do FASB or IASB members have any questions or comments about financial reporting issues that could be added to each Board's work plan?