

Agenda Consultation 2011

Ikuo Nishikawa/Atsu Kato
Immediate past chair of the AOSSG

1. Where we are

- CAC members exchanged views via face-to-face meetings, conference calls, and e-mail exchanges, to draft the letter.
- Islamic Finance WG underwent separate exercise to form their view (see Appendix III.)
- CAC asked the rest of members for additional comments.

Views expressed today broadly reflect members' views, although we may have to change the wordings based on the discussion today.

2. Diversity and consistency of views from Asian-Oceania region

- A number of jurisdictions are transitioning to IFRS Community, but members are at varying stages of transition (perceived as reflection of wider global *IFRS Community*): for example,
 - Some call for consistency of standards.
 - Some others call for a ‘period of calm.’
 - Many give a priority to implementation.
- Accordingly, members may call for different agendas, yet we have identified fairly consistent theme, both in terms of general directions and specific topics.

3. General message (1/2)

- A common theme is ‘to strike the right balance between conceptual grounding and pragmatism.’
- In considering future projects, the IASB first needs to confirm the underlying premise for future undertakings.
 - Number of staff
 - Frequency of board meetings
 - Respective roles for the IASB and IFRS Interpretations Committee
 - The level of commitment to global convergence
 - How to utilize its liaison office

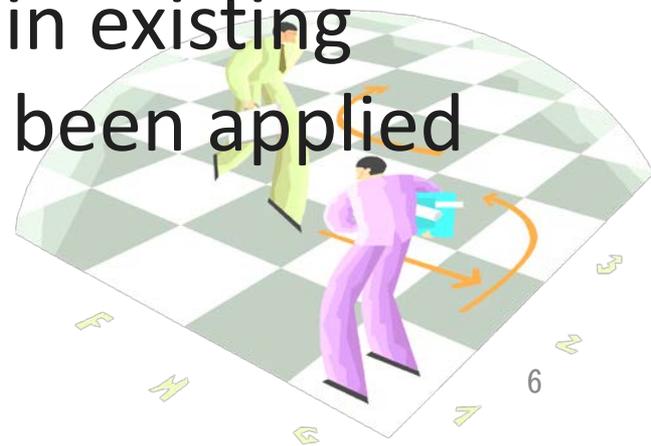


3. General message (2/2)

- The IASB may want to partner with national standard setters and regional groups (AOSSG), to overcome its resource constraint, yet additional mechanism should be needed (e.g., an agreement between the researcher and the IASB as to how to utilize the outcome would be essential.)
- Nevertheless, it is important to establish reasonable workload, as standard-setting should be anchored to capacities of all relevant stakeholders.

4. Strategic priorities

- AOSSG generally feels comfortable with strategic priorities in the paper, although it can be expressed in a different manner.
- Some strongly feel that maintenance of IFRS should be given a higher priority.
- Members question if post-implementation reviews should also cover certain existing standards that reportedly have been applied differently.



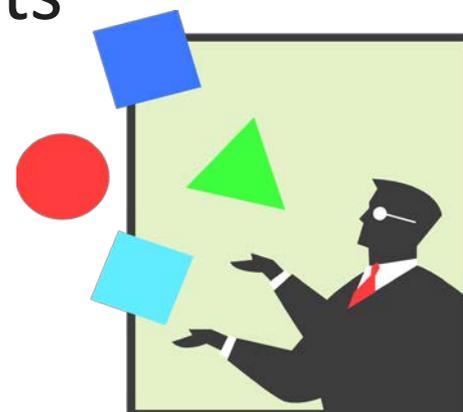
5. Top 3 priority

- Conceptual framework, in particular:
 - The notion of ‘OCI and recycling’/performance measure(s)
 - Presentation and disclosure
 - The notion of ‘control’
 - Other areas, such as definition of elements and recognition/derecognition
- Post-implementation review and implementation assistance
- Limited amendment to IAS41, *Agriculture*



6. Projects with higher priority

- Business Combination under common control
- Foreign currency translation
- Islamic transactions and instruments
- Emission Trading schemes
- Discount Rate
- Intangible Assets and Goodwill
- Limited amendment to IAS37
- Financial Instruments with characteristics of equity
- Rate regulated activities
- Extractive industries



7. Projects with lower priority

- Country-by-country reporting
- Interim reporting
- Earnings per share
- Equity method of accounting
- Inflation accounting



8. Next Steps

- The IASB should demonstrate how comments are rated in terms of priority, preferably using sophisticated approach.
- For example, the AOSSG rated in terms of relevancy and urgency, with availability of resource duly considered.
- The AOSSG also encourage the IASB to show relative positioning of the agenda consultation in the context of standard setting process.



8. Next Steps – diagram: Agenda consultation in the context of standard setting process

Contextual factors

- Trend of global economy
- Sophistication of business transactions
- Evolution of other corporate reporting model etc.

