



**Report by the ASCG
on the 37th meeting of its IFRS Committee
9th and 10th April 2015 in Berlin**

The IFRS Committee met on 9 and 10 April to continue its discussions on the EU Commission's Green Paper *Building a Capital Markets Union* and focused on question No. 8 raised by the Commission (which concerns a proposal for a common EU level accounting standard for SMEs listed on MTFs).

Furthermore, the Committee received a report about recent developments during the IASB's redeliberations of **ED/2013/6 Leases**. The update mainly dealt with the Board's considerations of the re-exposure criteria, which led the IASB to conclude that re-exposure was unnecessary. Additionally, the IFRS Committee was informed of one IASB member's intention to dissent from issuing the new standard and the reasons for it.

Further, the IFRS Committee discussed the IASB's analysis of the comment letters received on its Exposure Draft **ED/2014/4 Measuring Quoted Investments in Subsidiaries, Joint Ventures and Associates at Fair Value**. The feedback's message was in line with the IFRS Committee's comments on the ED.

The IFRS Committee deliberated the ongoing discussions regarding **IFRS 4 Insurance Contracts**. In particular, the IFRS Committee discussed the IASB's current debate about possible adaptations of the general model for contracts with participating features as well as the interaction of IFRS 4 Phase 2 and IFRS 9.

With respect to the **IASB's ED/2015/1 Classification of Liabilities Proposed amendments to IAS 1**, the IFRS Committee discussed its draft comment letters to the IASB and EFRAG. The IFRS Committee postponed the finalisation of the comment letters until its next meeting in May.

The upcoming IASB proposals for a revised **Conceptual Framework** were subject of further discussion. In this context, the IFRS Committee deliberated the proposed reintroduction of *prudence*, the IASB's decision not to reintroduce *reliability* as a qualitative characteristic of financial information, and clarifications regarding the role of *stewardship*.

The IFRS Committee was informed about some of the proposed **clarifications to IFRS 15 Revenue from Contracts with Customers** and Accounting Standards Update 2014-09 *Revenue from Contracts with Customers* (Topic 606) that had recently been discussed by the IASB and the FASB. Furthermore, the German member on the Transition Resource Group for Revenue Recognition provided an overview about the activities of the group.

Finally, the Committee received a report about the issues and the results of the **IFRS IC's March 2015 meeting**. The tentative decision on IFRIC 14/IAS 19 was deemed less relevant and non-critical for Germany. Nonetheless, it was decided that the staff should reach out to the ASCG's working group on pensions and report back. With respect to the expected draft interpretation on IAS 21, the IFRS Committee concluded that it would likely affect a large number of entities and that the Committee should thoroughly examine the issues at one of its next meetings.