

**Report by the ASCG on the
60th meeting of its IFRS Technical Committee
27 and 28 July 2017 in Berlin**

At the beginning of its 60th meeting, the IFRS Technical Committee deliberated the issues and tentative decisions of the **IFRS Interpretations Committee reached at** its June 2017 meeting. The IFRS Technical Committee intends to comment on all of the four tentative agenda decisions. Furthermore, the IFRS Technical Committee considers the decisions on the issue of modifications of financial liabilities, taken by the IASB and the IFRS IC, being debatable. The intention to add clarifications within the Basis for conclusions to IFRS 9 only, without amending the main body of the standard, appears inappropriate. The IFRS Technical Committee suggests adding this issue to the next Annual Improvements cycle instead.

Next, the IFRS Technical Committee discussed the proposals of the Request for Information (RfI) that form part of the **Post-implementation Review (PIR) on IFRS 13 Fair Value Measurement**. The Committee decided to communicate its views orally and not to submit a comment letter, since the questions raised are primarily addressed to preparers or users.

In addition, the IFRS Technical Committee received an overview on **IFRS 17 Insurance Contracts** in preparation for EFRAG's endorsement process. Besides a general overview, the Committee discussed in detail the simplified measurement model (Premium Allocation Approach).

The IFRS Technical Committee continued debating its comment letter on the suggestions mentioned by the IASB's DP **Disclosure Initiative – Principles of Disclosure**. The discussion focused on disclosure of non-IFRS information, including disclosure of additional performance measures, and effective communication of significant accounting policies in financial statements.

Further, the IFRS Technical Committee deliberated the IASB's proposals regarding amendments to IAS 16 in the ED/2017/4 **Property, Plant and Equipment – Proceeds before Intended Use**. The Committee is unsure about the proposed deletion of the principle of deducting proceeds from costs, as it seems to be aimed at solving a particular issue for specific industries only whilst having worked reasonably well in most others.

The IFRS Technical Committee discussed **EFRAG's Discussion Paper Goodwill Impairment Test: Can it be improved?** and was also informed about the current status of the IASB's research project on goodwill and impairment. No decisions as regards form and content of a comment letter on EFRAG's paper have yet been taken.

Finally, the IFRS Technical Committee was informed about the **draft guidance on the IFRS for SMEs** concerning *Accounting for financial guarantees in parent's separate financial statements (Section 12, Issue 1)*. It was decided not to comment on this draft given the lack of relevance for its German constituency.

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