

**Report by the ASCG on the
68th meeting of its IFRS Technical Committee
23rd and 24th July 2018 in Berlin**

The meeting started with an update on the current status of the IASB **Disclosure Initiative**. In this context the IFRS Technical Committee was informed about the IASB's latest tentative decision regarding the *Principles of Disclosure* project and the *Definition of Material* project. In addition the IFRS Technical Committee discussed the new project about targeted standards-level review of disclosures.

Subsequently, the IFRS Technical Committee deliberated the issues and decisions of the **IFRS Interpretations Committee** reached at its June 2018 meeting. The Technical Committee accepted all final and tentative agenda decision – except that on accounting for currency exchanges in Venezuela. The decision appears not providing meaningful clarification, while the issue itself is not deemed being in urgent need of resolving from the German constituency's point of view.

Further, the IFRS Technical Committee was informed about current discussions concurrently taking place in respect of **IFRS 17 Insurance Contracts**. The discussion focused on EFRAG's work plan towards the draft endorsement advice and on the emerging of which implementation challenges appear most urgent. In October, the IFRS Technical Committee will deliberate the draft endorsement advice, which is expected to have been published by that time, as well as the findings from the next TRG meeting.

The IFRS Technical Committee discussed the **EFRAG Draft Endorsement on Amendments to References to the Conceptual Framework in IFRS Standards**. In result of the discussion the IFRS Technical Committee decided not to object to the drafted recommendation.

The IFRS Technical Committee also received information about the first three chapters of the IASB DP/2018/1 **Financial Instruments with Characteristics of Equity** and discussed the questions raised by the IASB. The Committee will continue its discussion of the DP in the next meeting.

Finally, the IFRS Technical Committee discussed diversity in practice issues, observed by the Financial Reporting Enforcement Panel (FREP), regarding the consideration of preferred shares as defined in the German Corporation Act (*Aktiengesetz*) in context of the application of guidance in **IAS 33 Earnings per Share**. In result of the discussion, the IFRS Technical Committee will address to the IASB a need for clarifications to IAS 33.

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