

**Report by the ASCG on the
91st meeting of the IFRS Technical Committee and
13rd meeting of the Joint Technical Committees
on 19th and 20th October 2020**

91st meeting of the IFRS Technical Committee

At the beginning of its meeting, the IFRS Technical Committee started its deliberation of the draft comment letter on the IASB Discussion Paper **IASB DP/2020/1 Business Combinations – Disclosures, Goodwill and Impairment**. The discussion focused on the draft responses on the topics of disclosures on subsequent performance, the composition of goodwill and the addition of disclosure objectives; feasibility of making the impairment test significantly more effective and reintroduction of amortisation. The IFRS Technical Committee will continue the discussion of the draft comment letter in a future meeting.

Further, the IFRS Technical Committee was informed about the issues and results from the **IFRS Interpretations Committee's (IFRS IC) video conference** in September 2020. As regards the tentative agenda decision on IFRS 16, the outcome was deemed appropriate. However, and despite not being asked, the IFRS Technical Committee considered the impact of the corporate wrapper on the accounting constituting a relevant question that deserves being addressed. Therefore, a short comment letter shall be submitted to the IFRS IC.

Finally, the IFRS Technical Committee debated the EFRAG **Draft Endorsement Advice on IFRS 17 Insurance Contracts**. During its debate, it became clear that the current position taken by EFRAG was deemed inadequate as there is no conclusion as to whether IFRS 17 shall be endorsed *despite* the criticisms on the annual cohort requirement or not be endorsed *because of* those reservations. Overall, the IFRS Technical Committee considered the entire discussion on the IFRS 17 endorsement creating a crucial situation that touches on the application of IFRSs in Europe in general and, hence, on entities of all industries. With a clear and full support of achieving the endorsement of IFRS 17 unchanged in mind, the IFRS Technical Committee's discussion was concluded by the finding that it is essential for companies of any industries to participate in the debate on the endorsement of IFRS 17 and to also stimulate other peers in Germany and in other countries throughout the EU.

13rd meeting of the Joint Technical Committee

The Joint Technical Committee deliberated the **IFRSF Consultation Paper on Sustainability Reporting**. Initially, the background of this consultation was described. The proposals in the paper have the potential to affect strategic aspects of the ASCG. Subsequently, the Committee was informed about the basic ideas of the consultation paper.

During its discussion, the Joint Technical Committee took the general view that unique and global standards in this regard are essential and that a standard-setting body similar to the IASB was desirable in the mid- or long-term. However, it should be taken into account that there are already institutions and standard-setting mechanisms in place in this area. This

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should be taken into due consideration when establishing and further developing a new body and respective standard-setting processes, in order to receive widespread support for the Foundations' intention.