

**Report by the ASCG on the  
97<sup>th</sup> meeting of the IFRS Technical Committee  
on 9<sup>th</sup> February 2021**

At the beginning, the IFRS Technical Committee discussed again the content of the IASB **ED/2020/4 Lease Liability in a Sale and Leaseback**. The proposals were not supported by the members of the IFRS Technical Committee. In the opinion of the IFRS Technical Committee, it would make more sense to discuss this topic in the context of the upcoming post-implementation review (PiR) of IFRS 16. However, if the IASB, due to the incomplete requirements of the standard and the diversity in practice identified, intended to provide a solution (possibly only in the short term) before the PiR, it should be significantly simpler than the proposals of the ED. As an alternative, the IFRS Technical Committee proposed the deferral of the profit attributable to the retained interest in the right-of-use asset over the expected term of the leaseback. Based on the discussions, a corresponding draft of the ASCG comment letter will be prepared and discussed at one of the next meetings of the IFRS Technical Committee.

Further, the IFRS Technical Committee continued its discussion regarding the **Request for Information (Rfi)** as part of the **Post-implementation Review (PiR) on IFRS 10, IFRS 11 and IFRS 12**. The discussion focused on the questions on IFRS 11 *Joint Arrangements* and IFRS 12 *Disclosure of Interests in Other Entities*.

The IFRS Technical Committee noted that the issues raised by the IASB in the Rfi had been subject to several agenda decisions of the IFRS Interpretations Committee. Therefore, the IFRS Technical Committee proposed to recommend that the IASB reconsider the agenda decisions on IFRS 10, IFRS 11 and IFRS 12 and determine whether they contain additional principles or guidance that should be included in the IFRS Standards on consolidation.

Overall, the IFRS Technical Committee noted that since the initial application of IFRS 11, "solutions" for the accounting issues raised by the IASB in the Rfi have been developed and are established in practice. Therefore, no significant application issues were identified that should be addressed in a standard setting project.

The IFRS Technical Committee will continue its discussion at its next meeting.

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