

**Report by the ASCG on the  
100<sup>th</sup> meeting of the IFRS Technical Committee  
on 25<sup>th</sup> March 2021**

The IFRS Technical Committee continued its discussion regarding the draft comment letter on the **Request for Information (RfI)** published by the IASB as part of the **Post-implementation Review of IFRS 10, IFRS 11 and IFRS 12**. In this meeting the discussions focused on the following topics:

- Investment entities,
- Change in the relationship between an investor and an investee, and
- Partial acquisition of a subsidiary that does not constitute a business.

Regarding the accounting requirements for changes in the relationship between an investor and an investee, the IFRS Technical Committee noted that current IFRS Standards still lack guidance on transactions that alter the relationship of joint arrangements. Therefore, the IFRS Technical Committee decided to suggest the IASB that these issues should be addressed in a comprehensive and conceptual manner in IFRS Standards, regardless of whether those transactions occur infrequently in practice.

Regarding the accounting for a partial acquisition of a subsidiary that does not constitute a business (as defined by IFRS 3), the IFRS Technical Committee noted these transactions occur frequently in the real estate sector. Acquisitions of real estate are often structured as share deals and often – under tax aspects – involve an acquisition of less than 100% of the shares. In these cases, accounting issues arise regarding the recognition of non-controlling interests, and the accounting for contingent consideration and call options on non-controlling interests. These issues should be addressed as part of the PiR, as well.

As a result of the discussions, the draft comment letter is to be revised. The IFRS Technical Committee will continue its discussion of the draft comment letter at its next meeting.

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