

**Report by the ASCG on the
the 101st meeting of the IFRS Technical Committee
the 53rd meeting of the German GAAP Technical Committee
the 20th meeting of the Joint Technical Committees
on 29th and 30th April 2021**

101st meeting of the IFRS Technical Committee

At the beginning of this meeting, the IFRS Technical Committee continued its discussion regarding the **IASB DP/2020/2 Business Combinations under Common Control**. With regard to the application of the book value method, the IFRS Technical Committee noted that supporting arguments can be made for each of the three theoretical options, i.e. the use of the book values of the transferred company, the transferring company or the (ultimate) controlling party, and therefore considers an option to be worth considering. With regard to the measurement of the consideration paid, the IFRS Technical Committee agreed with the IASB's preliminary views on the measurement of own shares, assets and liabilities incurred or assumed.

In addition, the IFRS Technical Committee was informed about the issues and results from the **IFRS Interpretations Committee's (IFRS IC) video conferences** in March and April 2021. The IFRS Technical Committee made no comments as regards the three final agenda decisions (re. IAS 38, IAS 19, and IFRS 9). The IFRS Technical Committee agreed with the two tentative agenda decision (re. IAS 32 and IFRS 16), while making minor comments only. In respect of the IAS 1 issue, the Technical Committee agreed with the IFRS IC's technical conclusion. However, given the mixed feedback and the issue being now forwarded to the IASB, the Technical Committee acknowledges that uncertainty remains as to how appropriate accounting is performed as well as when the IASB will redeliberate, and finally resolve, the issue.

In the following, the IFRS Technical Committee initially debated the **IASB Agenda Consultation**. The Technical Committee generally noted that the consultation document is well structured and informative. Overall, the content of the document as well as the IASB's procedure for this consultation appear clear and focused. The Technical Committee further made initial comments on the aspects in the document: As regards "strategic direction and balance of the activities", it seems that cross-cutting issues are not be adequately taken into account. In respect of the "criteria for assessing the priority", limited capacities of stakeholders for deliberating the IASB issues appear to not being considered sufficiently although they are deemed important. As regards the overview of "financial reporting issues", the Technical Committee feels that there is few room for new projects, given the diverse restrictions that the IASB face. Therefore, the Technical Committee suggest the IASB potentially waiving some current projects which are still in an early phase. In addition to these technical remarks, the IFRS Technical Committee deliberated on its further activities in course of the IASB Agenda Consultation and decided to start a separate outreach for German constituents.

In connection with **IASB ED/2021/1 Regulatory Assets and Regulatory Liabilities**, the Technical Committee was, on the one hand, informed about the preliminary results from the impact analysis of the scope of the IASB draft standard. On the other hand, the Technical Committee then discussed the results from the discussions of the ED by the ASCG 'Rate-regulated Activities' working group. Even though the working group overall welcomes and supports the ED, it

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considers the proposed detailed provisions for determining the components of total allowed compensation, which is the basic model of the ED, to be critical and to deserve improvement. The Committee agreed with this assessment of the working group. The discussion of the ED will be continued at the next meeting.

At the end of this meeting, the IFRS Technical Committee finalised its comment letter regarding the Request for Information as part of the **Post-implementation Review (PIR) on IFRS 10-12**. Firstly, the IFRS Technical Committee was informed about the outreach event held by the ASCG and discussed the feedback received. Further, the IFRS Technical Committee discussed its overall position on the PIR as well as the contents of the cover letter, and then concluded on how to amend the comment letter based on the feedback from the outreach event. The ASCG comment letter to the IASB will be revised according to the recent discussions and be adopted by written procedure.

53rd meeting of the German GAAP Technical Committee

The German GAAP Technical Committee deliberated in a non-public session only. However, the main results from the discussion on GAS 21 Cash flow statement / Cash pooling will be published afterwards as part of the meeting report.

20th meeting of the Joint Technical Committee

The Joint Technical Committee was informed about the legislative proposal of the European Commission to revise the CSR reporting requirements and discussed it against the background of its recently published CSR study and recommendations for action. The discussion will be continued at the next meeting on the 7th May.