



ACCOUNTING STANDARDS BOARD

**Minutes of a meeting of the Accounting Standards Board (2006:02)
held on 2 March 2006 at Aldwych House, 71-91 Aldwych, London, WC2**

PRESENT

Ian Mackintosh	Chairman
Marisa Cassoni	
Tony Good	
Roger Marshall	
Robert Overend	
Jonathan Symonds	
Helen Weir	
Peter Westlake	
Ian Drennan	IAASA Observer
Geoffrey Whittington	IASB Liaison Member

IN ATTENDANCE

Andrew Lennard	Director of Research
David Loweth	Secretary and Acting Technical Director
Ben Higgin	DTI
David Watkins	HM Treasury
Roger Nicklen	Minutes Secretary

Technical Staff: Michelle Crisp, Peter Godsall and Alan O'Connor.

APOLOGIES FOR ABSENCE were received from Mike Ashley.

1 MINUTES

The minutes of the meeting held on 19 January (2006:01) were agreed and approved for publication.

2 THE FUTURE ROLE OF THE BOARD

The Board considered the strategy for convergence of UK standards with IFRS. The Board agreed to defer seeking further information from constituents to be taken into account in finalising the strategy pending completion of research into the impact of any changes to the thresholds for applying the Financial Reporting Standard for Smaller Entities (FRSSE) and for mandatory application of full IFRS. The Board would consider the convergence strategy further in April.

The Board also approved a communication strategy and agreed that publication of the strategy need not await completion of the convergence strategy.

3 IASB/FASB CONCEPTUAL FRAMEWORK PROJECT

The Board considered progress in the IASB/FASB Conceptual Framework project and discussed the emerging working definitions of an asset and of a liability. The Board noted that a discussion paper or exposure draft from the objectives and qualitative characteristics phase of the project was likely to be published in the next few months.

4 FINANCIAL REPORTING STANDARD FOR SMALLER ENTITIES (FRSSE)

The Board considered a draft Exposure Draft of amendments to the April 2005 edition of the FRSSE, bringing the FRSSE up to date in relation to new accounting standards, amendments to accounting standards, new UITF Abstracts and changes in Company Law. The Board approved the Exposure Draft for publication subject to consultation with Board members on the final text by correspondence.

5 STATEMENT OF PRINCIPLES FOR FINANCIAL REPORTING: PROPOSED INTERPRETATION FOR PUBLIC BENEFIT ENTITIES

The Board considered a summary of the responses to the Exposure Draft 'Statement of Principles for Financial Reporting: Proposed Interpretation for Public Benefit Entities'. The Board discussed some of the key issues needing to be taken forward and agreed that the project should proceed with the aim of completion as soon as possible.

6 MEASUREMENT BASES

The Board considered a draft paper on measurement bases for financial statements that had been prepared for a forthcoming roundtable meeting. The Board discussed how the paper might be further developed and commissioned further work.

7 PENSIONS ADVISORY PANEL

The Board received an oral report on the 27 February meeting of the Pensions Advisory Panel when the main issues had been further development of the asset/liability framework and short-term additional disclosure requirements.

The Board noted the progress made. The Board would consider short-term additional disclosure requirements at its next meeting.

8 CHAIRMAN'S QUARTERLY REPORT TO THE FRC

The Board considered a draft of the ASB Chairman's quarterly report to the Financial Reporting Council and agreed that the draft could be updated by the staff as necessary to reflect the latest developments and forwarded to the FRC for distribution.

9 APPOINTMENT TO THE UITF

The Board approved the appointment of Matthew Curtis to the Urgent Issues Task Force for a two-year term running to 31 March 2008.

10 RECENT AND UPCOMING ASB ACTIVITIES

The Board took note of a summary of recent and upcoming ASB activities.

11 NEXT MEETING

Thursday 30 March, 9.00 a.m.