



**Minutes of a meeting of the Accounting Standards Board (2012:01)
held on 19 January 2012 at Aldwych House, 71-91 Aldwych, London, WC2**

PRESENT

Roger Marshall	Chairman
David Loweth	Technical Director
Peter Elwin	
Ken Lever	
Robert Overend	
Andy Simmonds	
Pauline Wallace	

IN ATTENDANCE

Mario Abela	EFRAG Research Director (items 9 to 11)
Matt Blake	HMRC
John Instance	Project Director, BAS (item 1 only)
Michael Kavanagh	IAASA Observer
Andrew Lennard	ASB Research Director
Simon Peerless	Minutes Secretary

Technical Staff: Corinne Berg, Jenny Carter, Grant Chatterton, Jennifer Guest, Seema Jamil-O'Neill, Deepa Raval and Michelle Sansom.

APOLOGIES FOR ABSENCE were received from Nick Anderson and Edward Beale.

- 1 INSURANCE ACCOUNTING UNDER UK GAAP
 - 1.1 The Board considered the options for the future of accounting for insurance contracts for entities applying UK GAAP.
 - 1.2 The Board approved an ASB staff paper setting out these options.

- 2 FUTURE OF FINANCIAL REPORTING IN THE UK AND ROI
 - 2.1 The Board noted the alternative view of one Board member on the proposals in the exposure draft on the future of financial reporting in the UK and ROI.

3 UITF REFERENCE ON MULTI-EMPLOYER PENSION FUNDS

3.1 The Board considered an issue referred to it by the UITF concerning the application of FRS 17 to certain closed multi-employer schemes.

3.2 The Board agreed that:

- a. no amendment to FRS 17 should be made; and
- b. concern over the accounting treatment adopted should be communicated to the Charity Commission as the relevant regulatory body.

4 MINUTES OF MEETING

4.1 The minutes of the meeting held on 15 December 2011 (2010:14) were agreed and approved for publication.

5 TECHNICAL DIRECTOR'S UPDATE AND REPORTS

5.1 The Board received an update from the Technical Director.

5.2 The Board noted:

- a. the commencement of Michel Prada's term as chairman of the Trustees of the IFRS Foundation on 1 January;
- b. the meeting of the IASB Trustees on 12 January;
- c. the latest version of the IASB's work plan;
- d. the forthcoming IASB meeting commencing on 25 January;
- e. the meeting of EFRAG's TEG on 16-18 January and the approval of endorsement advice on a number of IASB standards and amendments to standards;
- f. the announcement of the new composition of TEG;
- g. the forthcoming meeting of the European Commission's Accounting Regulatory Committee on 7 February;
- h. the ESMA work programme for 2012;
- i. progress on the BIS consultation on the future of narrative reporting;
- j. the issue by the FRC of updated guidance for directors of listed companies 'Responding to Increased Country and Currency Risk in Financial Reports';
- k. progress on the proposed reforms to the FRC.

5.3 The Board noted the Status Report and approved its publication.

6 UPDATE ON RESEARCH ACTIVITIES AND DEVELOPMENTS

6.1 The Board received an update on research activities.

6.2 The Board noted the meeting of EFRAG's Planning and Resource Committee on 9 January, including:

- a. proposals to improve the effectiveness of proactive projects;
- b. updates on current proactive projects including those on the disclosure framework, corporate income tax and the role of the business model in financial reporting; and
- c. possible future proactive projects.

7 REPORTS OF MEETINGS OF EFRAG'S TECHNICAL EXPERTS GROUP AND THE IASB

7.1 The Board noted the 'Update' reports of:

- a. the meetings of EFRAG's Consultative Forum of Standard Setters (CFSS) and Technical Experts Group (TEG) held on 17-19 December; and
- b. the 13-16 December meeting of the IASB, some sessions of which were held jointly with the FASB.

8 CUTTING CLUTTER AND THE FINANICAL REPORTING LAB

8.1 The Board received updates on the responses to the FRC/ASB discussion paper 'Cutting Clutter: Combating clutter in annual reports' published in April 2011 and on the work of the Financial Reporting Lab.

8.2 The Board:

- a. agreed the importance of continuing to develop the proposals set out in the discussion paper, not all of which fell within the scope of the Financial Reporting Lab; and
- b. commissioned a further update on the projects carried on by the Financial Reporting Lab, to be brought to the Board at its March meeting.

9 DISCLOSURE FRAMEWORK

9.1 The Board received an update on the project on the disclosure framework carried out jointly by the ASB, the French ANC and EFRAG.

- 9.2 The Board expressed the view that:
- a. the framework should focus on principles and not seek to develop lists of required disclosures;
 - b. necessary disclosures would vary from year to year in response to changes in the macro-economic situation; and
 - c. the project should not focus exclusively on the notes to the financial statements but consider the annual report as a whole.
- 9.3 The Board:
- a. asked for these views to be conveyed to EFRAG's TEG; and
 - b. commissioned a further report on the project to be brought to a future meeting.

10 CONSIDERING THE EFFECTS OF ACCOUNTING STANDARDS

- 10.1 The Board considered a revised comment letter analysis on the ASB/EFRAG discussion paper 'Considering the Effects of Accounting Standards' issued in January 2011.
- 10.2 The Board:
- a. noted the discussions on this project at the meeting of EFRAG's TEG on 16-18 January;
 - b. commissioned a paper on the revised recommendations for consideration by the Board at a future meeting.

11 NEXT MEETING

The Board noted the proposed agenda for the next meeting on Thursday 16 February at 9.00 a.m.