

# IASB Meeting JULY 2007

The July meeting of the IASB had only ten Board members present, and a number of topics failed to make the expected progress in the face of vocal opposition from a few members. The Board failed to agree amendments to IFRS 2 on vesting conditions and IAS 32 on shares puttable at fair value. Revised IAS 19's three categories of benefit promises were collapsed to two and conceptual framework staff were encouraged to move faster.

The Trustees announced a new appointment to the IASB this week, but there were only twelve in office for the July meeting. In addition, two Board members were absent, leaving only ten voting members present. Although the constitution specifies a simple majority, it also requires nine positive votes for the issue of an exposure draft or standard.

The staff brought their amendment to IFRS 2 on vesting conditions to the Board but, in the face of opposition from Jim Leisenring on the different interpretation of grant date as between the IASB standard and the FASB, there were only six votes in favour of issuing the amendment. It will be brought back in September.

There were wide differences of view on the proposed amendment to IAS 32 to allow shares puttable at fair value to be treated as equity. The staff has been exploring how to widen the amendment to extend it to partnerships but the Board failed to reach agreement.

The staff brought a proposal for an amendment to IAS 27 to clarify that the formation of a new parent did not call for a re-measurement of the carrying value of subsidiaries in the statements of the parent company. This was given a go-ahead only after pressure from the chairman

The conceptual framework teams on elements were told to review the original asset definitions, and the chairman expressed some frustration at how long both the elements and measurement work was taking.

The Board decided the amendments to the joint venture standard were sufficient to warrant issuing a new IFRS. The staff withdrew a proposed amendment to IAS 41 from the annual improvements process, in the face of Board disagreement.