

# UKEB Public Board Meeting Minutes

**Meeting Date/Time:** 17 October 2024 at 10:02 hrs

**Meeting Location:** 125 London Wall, London EC2Y 5AS

The recording of the meeting and the agenda papers have been made available on the UKEB's website.

## PRESENT:

Name	Designation
Pauline Wallace	Chair
Amir Amel-Zadeh	Member
Mike Ashley	Member (items 4 – 11)
Phil Aspin	Member
Tony Clifford	Member
Katherine Coates	Member
Robin Cohen	Member
Owen Glaysher	Member
Edward Knapp	Member (items 1 – 6)
Paul Lee	Member
Liz Murrall	Member
Sandra Thompson	Member
Michael Wells	Member
Mark Chandler	Official Observer, HM Revenue and Customs
Andrew Death	Official Observer, Department for Business and Trade
Andrew Murray	Official Observer, Bank of England
Alexander Owen	Official Observer, Financial Reporting Council
Lee Pillar	Official Observer, Financial Conduct Authority

## 1. Welcome and Apologies

- a) The Chair noted that the meeting was being recorded and the recording would be published on the UKEB website after the meeting.
- b) The Board noted apologies from Giles Mullins.

## 2. Declarations of Interest

- a) The Board noted the following declaration:
  - i. Phil Aspin's employer is involved in rate-regulated activities.

## 3. Administrative Matters

- a) The Board approved the minutes of the previous meeting held on 19 September 2024 for publication on the website. **(Decision)**

## Endorsement and Adoption

### 4. Annual Improvements to IFRS Accounting Standards – Volume 11 – Project Initiation Plan and Draft Endorsement Criteria Assessment

- a) The Board considered the Project Initiation Plan (PIP), Draft Endorsement Criteria Assessment (DECA) and Invitation to Comment (ITC) to assess whether to adopt for use in the UK, the IASB's narrow-scope amendments *Annual Improvements to IFRS Accounting Standards – Volume 11*.
- b) The Board discussed ways to reduce the extent of documentation required for such limited scope projects while still complying with due process and the statutory requirements, including the assessment of the long-term public good.
- c) The Board approved the PIP for publication. **(Decision)**
- d) Subject to minor editorial amendments, the Board approved the DECA and ITC for publication with a 90-day comment period. **(Decision)**

## Influencing

### 5. Exposure Draft: *Equity Method of Accounting – IAS 28 Investments in Associates and Joint Ventures (revised 202x)* – Project Initiation Plan and Draft Comment Letter

- a) The Board considered the PIP, Draft Comment Letter (DCL) and ITC in response to the IASB's Exposure Draft (ED) *Equity Method of Accounting – IAS 28 Investments in Associates and Joint Ventures (revised 202x)*. The ED proposes to restructure, and create additional requirements in, IAS 28, including new illustrative examples, and add disclosure requirements to IFRS 12 *Disclosure of Interests in Other Entities* and IAS 27 *Separate Financial Statements*.
- b) The Board discussed the light touch approach for its influencing on the project. This was based on preliminary desk-based research undertaken by the Secretariat and initial feedback from accounting firms, which did not highlight any pervasive or material concerns in the UK with the proposals. The Board agreed to publish a short DCL referring to this and seeking feedback from stakeholders on any UK-specific concerns with the IASB's proposals. The

Board will consider whether any stakeholder feedback should be included in its Final Comment Letter to the IASB.

- c) Subject to the comments made at the meeting, the Board approved the PIP, DCL and ITC for publication for a 30-day comment period. **(Decision)**.

## 6. Provisions – Targeted Improvements – Project Initiation Plan

- a) The Board considered the PIP for the project in response to the IASB’s anticipated ED proposing targeted improvements to IAS 37 *Provisions, Contingent Liabilities and Contingent Assets*. The anticipated amendments, particularly those affecting the recognition of provisions, are expected to address fundamental aspects of the requirements in the Standard, with the potential to change current practice for some IFRS reporters. The IASB is expected to publish an ED in November 2024.
- b) The Board noted concerns from some stakeholders about the adequacy of provisions recognised by companies in certain industry sectors, and mixed views as to whether the anticipated improvements are likely to reduce diversity in practice.
- c) The Board considered the potential for wider stakeholder outreach, in particular with the investor community in the UK.
- d) Subject to the comments made at the meeting, the Board approved the PIP for publication. **(Decision)**

## Ongoing Monitoring of IASB Projects

### 7. IASB General Update

#### **Climate-related and Other Uncertainties in the Financial Statements (CROUFS) Exposure Draft**

- a) The Board noted that the ISSB and IASB had presented three new climate-related connectivity examples at the September World Standard Setters (WSS) Forum. These related to:
  - i. Climate-related risks and impairment of non-financial assets
  - ii. Climate-related opportunities and changes in product mix
  - iii. Net-zero commitments
- b) It was noted that these examples did not form part of the IASB’s Exposure Draft *Climate-related and Other Uncertainties in the Financial Statements*. The Board noted the feedback provided by stakeholders at the WSS Forum. It also noted the examples were highlighted during the September 2024 ASAF discussion on the CROUFS project.

- c) The Board considered that UK stakeholders may find these examples helpful, potentially as detailed education material from the IASB.
- d) The Board requested the Secretariat to seek stakeholder feedback on these additional examples as part of the UKEB CROUFS project outreach. In addition, it requested that a draft paragraph referring to the additional examples be included in the Final Comment Letter for the Board's consideration.

#### **Management Commentary project (Sustainability-related)**

- e) The Board discussed the update. It noted the importance of the audited financial statements on a stand-alone basis.

#### **Pollutant Pricing Mechanisms (PPMs)**

- f) The Board discussed the update on the ASB's work on PPMs and considered that an appropriate approach would be to seek initially to identify and address any underlying issues causing diversity in practice.
- g) The Board also noted that the UKEB/IASB/ICAEW joint event on 11 November 2024 (ICAEW Intangibles Conference) will provide an opportunity for stakeholders to give feedback, from a UK perspective, to the IASB regarding decisions in relation to PPMs.

#### **Other projects**

- h) The Board noted updates on various projects being considered by the IASB, including: Post-implementation Review of IFRS 15 *Revenue from Contracts with Customers*; Statement of Cash Flows and Related Matters; Amortised Cost Measurement; and Power Purchase Agreements.

#### **Interpretations Committee Update**

- i) The Board agreed that the UKEB would not undertake any further work at this stage on the matter received, but not yet presented to the Interpretations Committee, in relation to assessing indicators of hyperinflationary economies.  
**(Decision)**

### **8. Advisory Groups Update**

- a) The Board received an update from the chairs of the Academic Advisory Group and the Rate Regulated Technical Advisory Group including an overview of discussions at recent meetings for which the minutes had yet to be published.

### **9. Technical Advisory Committee Update**

- a) The Board noted a verbal update by the member representing the UKEB at the UK Sustainability Disclosure Technical Advisory Committee (TAC) meeting held on 08 October 2024. The TAC had discussed mechanisms to support the application of IFRS S1 and IFRS S2; current and anticipated financial effects; resilience and scenario analysis; targets and transition plans and a minor

amendment to IFRS S2 industry classifications in relation to financed emissions.

**10. Items for Noting**

- a) The Board noted the following paper:
  - i. Sustainability Update.

**11. Any other business**

- a) There was no other business.

The meeting ended at 12:40 hrs.