

UKEB Public Board Meeting Minutes

Meeting Date/Time: 28 November 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
Phil Aspin	Member
Tony Clifford	Member
Katherine Coates	Member
Robin Cohen	Member
Owen Glaysher	Member
Edward Knapp	Member
Paul Lee	Member
Giles Mullins	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) There were no apologies. Sandra Thompson joined the meeting at 10:22 hrs. Amir Amel-Zadeh joined the meeting at 10:40 hrs.

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 17 October 2024 for publication on the website. **(Decision)**

Influencing

4. *Climate-Related and Other Uncertainties in the Financial Statements* – Final Comment Letter

Final Comment Letter

- a) The Board considered its Final Comment Letter (FCL) in response to the IASB's Exposure Draft (ED) *Climate-Related and Other Uncertainties in the Financial Statements*.
- b) The Board considered some proposed amendments to the UKEB's Draft Comment Letter (DCL) both in response to stakeholder feedback received during the consultation period and to reflect members' further consideration of the issues. In particular:
 - i. The Board discussed the concept of materiality and the requirement for undertaking both quantitative and qualitative assessments. It was noted that both aspects were equally important for users of financial statements and that this needed to be given greater emphasis in the DCL.
 - ii. The Board did not support the inclusion in the FCL the proposed comments in relation to the additional illustrated connectivity examples from the World Standard-Setters Conference.
- b) Subject to addressing the suggested amendments raised during the meeting and final approval by the Chair, the Board approved the FCL for issue to the IASB and publication on the UKEB website. **(Decision)**

Feedback Statement

- c) The Board requested that the suggested amendments made to the FCL should be incorporated into the Feedback Statement (FBS). Subject to these changes and final approval by the Chair, the Board approved the FBS for publication on the UKEB website. **(Decision)**

Draft Due Process Compliance Statement

- d) The Board approved the Draft Due Process Compliance Statement (DPCS), and noted that the final version would be presented, for noting, at the 12 December 2024 Board meeting.

5. Exposure Draft Amendments to IFRS 19 *Subsidiaries without Public Accountability: Disclosures* – Final Comment Letter

Final Comment Letter

- a) The Board considered its FCL in response to the IASB's ED Amendments to IFRS 19 *Subsidiaries without Public Accountability: Disclosures* (the ED). The ED proposes a package of amendments to IFRS 19 designed to reduce disclosure requirements in new or amended IFRS Accounting Standards issued between 28 February 2021 and May 2024.
- b) The Board noted the feedback received since the publication of the UKEB's DCL, primarily on the topics of proportionality and the disclosure requirements in IFRS 18, relating to Management-defined Performance Measures (MPMs). The Board agreed to maintain the position proposed in the DCL.
- c) Subject to addressing the suggested editorial amendments raised during the meeting and final approval by the Chair, the Board approved the FCL for issue to the IASB and publication on the UKEB website. **(Decision)**

Feedback Statement

- d) The Board approved the FBS without amendments for publication on the UKEB website. **(Decision)**

Draft Due Process Compliance Statement

- e) The Board approved the Draft DPCS, and noted that the final version will be presented, for noting, at the 12 December 2024 Board meeting.

6. Provisions – Targeted Improvements – Initial Technical Discussion

- a) The Board considered an initial technical paper which outlined the key proposed amendments relating to the IASB's Exposure Draft *Provisions – Targeted Improvements* proposing amendments to IAS 37 *Provisions*,

Contingent Liabilities and Contingent Assets. This ED had been the subject of a Board Education Session prior to the Public Board Meeting.

- b) The Board requested development of examples to illustrate how the key proposed amendments to the recognition criteria might be applied to fact patterns relevant in the UK, including for example UK bank levies. An initial assessment of some examples will be developed for discussion at the December 2024 Board meeting. These will then be discussed with stakeholders during the consultation process.
- c) The Board noted that the IASB comment period closes on 12 March 2025. A DCL will be presented to the Board for approval on 12 December 2024, and the UKEB's FCL will be presented for final approval at the 27 February 2025 Board meeting.

7. Statement of Cashflows and Related Matters – Project Initiation Plan

- a) The Board discussed commencing a research project to provide evidence to support the IASB's research project on IAS 7 *Statement of Cashflows and Related Matters*, examining the nature and extent of the perceived deficiencies as well as the likely benefits of developing new financial reporting requirements. It also considered a Project Initiation Plan (PIP) for the UKEB project.
- b) The Board discussed the main constraints in relation to this research – the UKEB available resources, the IASB's proposed timeframe and the impact on other areas of UKEB work. Given the UKEB's remit on thought leadership, the Board was supportive of targeted research with users and preparers focused on solutions. The Board agreed to add a milestone to the PIP to consider whether to undertake additional research once the scope of the IASB's project is clearer. This was anticipated in Q2 2025.
- c) Subject to the comments made at the meeting, the Board agreed to the addition of the research project on the Statement of Cashflows and Related Matters to the UKEB Workplan. **(Decision)**
- d) The Board noted that a background paper will be presented at the next meeting on 12 December 2024. The PIP will be revised, incorporating the comments made at the meeting, and presented, for noting, at the 12 December 2024 meeting.
- e) Subject to the comments made at the meeting, the Board approved the PIP. **(Decision)**.

Monitoring

8. IASB General Update

Other projects

- a) The Board noted updates on various projects being considered by the IASB, including: Power Purchase Agreements; Financial Instruments with Characteristics of Equity; Business Combinations: Disclosures, Goodwill and Impairment; and Intangible Assets.

Interpretations Committee Update

- b) The Board confirmed its previous decision that the UKEB would not undertake any further work, following the Interpretations Committee's tentative conclusions, on the matters relating to the Recognition of intangible assets resulting from climate-related commitments and Assessing indicators of hyperinflationary economies. **(Decision)**

9. Advisory Groups Update

- a) The Board received an update from the chairs of the Preparer Advisory Group, Investor Advisory Group and the Accounting Firms and Institutes Advisory Group including an overview of discussions at recent meetings for which the minutes had yet to be published.

10. 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) meetings held on 05 and 15 November 2024.
- b) The TAC had reviewed prior discussions and decisions regarding connectivity of disclosure requirements in IFRS S1 (*General Requirements for Disclosure of Sustainability-related Financial Information*) and IFRS S2 (*Climate-related Disclosures*). The TAC also discussed whether to provide a statement to the Secretary of State supporting interoperability in its final advice.
- c) The final meeting of the TAC will take place on 5 December 2024. The TAC will discuss the draft summary of tentative recommendations at its meeting which it hopes to finalise by the end of the year.

11. Items for Noting

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

12. Any other business

- a) There was no other business.

The meeting ended at 14.20 hrs.