

Opening Remarks and Updates

Extract, IFRS Discussion Group Report on Meeting – June 16, 2011

IAS 33: Earnings per Share/Unit for Entities with Puttable Equity Instruments

At the March 2011 meeting, members discussed how guidance in IAS 33 *Earnings per Share* should be applied when an entity has no ordinary (common) shares, as defined in IAS 33, due to the application of IAS 32 *Financial Instruments: Presentation*. The AcSB staff reported that the AcSB directed the staff to draft a request for an “Annual Improvement” that would permit instruments that are classified as equity under the exception in IAS 32 to be classified as equity when applying IAS 33 as recommended by the Group.

IAS 34: Interim Financial Reporting

At the March 2011 meeting, members discussed how the guidance in IAS 34 *Interim Financial Reporting* differs from pre-changeover Canadian GAAP, including how to measure defined benefit plans. The Group asked staff to investigate whether the IASB staff has considered the need to revise the illustrative example in IAS 34 of how to apply the general recognition and measurement principles for pension costs to an interim period with the release of the revised standard IAS 19 *Employee Benefits*. The AcSB staff reported that the IASB already considered the need to revise the illustrative example in IAS 34 and decided that a consequential amendment was not required.

IFRIC 14: Minimum Funding Requirements

At the March 2011 meeting, members discussed two approaches for determining the future minimum funding requirement for future service under IFRIC 14 *IAS 19 — The Limit on a Defined Benefit Asset, Minimum Funding Requirements and their Interaction*. As recommended by the Group, the AcSB directed the staff to perform additional research to determine whether there is diversity in practice in other jurisdictions. The AcSB will decide whether to bring this issue to the attention of the IFRS Interpretations Committee after considering the results of the staff’s research at the AcSB’s September 2011 meeting.