

IFRS INTERPRETATIONS COMMITTEE - AGENDA DECISIONS (SEPTEMBER 2018)

INTERNATIONAL FINANCIAL REPORTING BULLETIN 2018/05



Background

This Bulletin summarises issues that the IFRS Interpretations Committee (the Interpretations Committee) decided not to take onto its agenda at its September 2018 meeting, which were reported in its public newsletter (the IFRIC Update). Although these agenda decisions do not represent authoritative guidance issued by the International Accounting Standards Board (IASB), in practice they are regarded as being highly persuasive. All entities that report in accordance with IFRS need to be aware of these agenda decisions, and may need to modify their accounting approach. More detailed background about agenda decisions is set out below.

The Interpretations Committee is the interpretative body of the IASB. The role of the Interpretations Committee is to provide guidance on financial reporting issues which have been identified and which are not specifically addressed in IFRS, or where unsatisfactory or conflicting interpretations either have developed, or appear likely to develop.

Any party which has an interest in financial reporting is encouraged to submit issues to the Interpretations Committee when it is considered to be important that the issue is addressed by either the Interpretations Committee itself, or by the IASB. When issues are raised, the Interpretations Committee normally consults a range of other parties, including national accounting standard setting bodies, other organisations involved with accounting standard setting, and securities regulators.

At each of its meetings, the Interpretations Committee considers new issues that have been raised, and decides whether they should be added to its agenda. For those issues that are not added to the agenda, a tentative agenda decision is published in the IFRIC Update newsletter which is issued shortly after each of the Interpretations Committee's meetings. These tentative agenda decisions are open to public comment for a period of 60 days, after which point they are taken back to the Interpretations Committee for further consideration in the light of any comment letters which have been received and further analysis carried out by the Staff. The tentative agenda decision is then either confirmed and reported in the next IFRIC Update, subjected to further consideration by the Interpretations Committee or referred to the IASB.

Interpretations Committee agenda decisions do not represent authoritative guidance. However, they do set out the Interpretations Committee's rationale for not taking an issue onto its agenda (or referring it to the IASB). It is noted on the IFRS Foundation's website that they 'should be seen as helpful, informative and persuasive'. In practice, it is expected that entities reporting in accordance with IFRS will take account of and follow the agenda decisions and this is the approach which is followed by securities regulators worldwide.

STATUS

Final

EFFECTIVE DATE

Immediate

ACCOUNTING IMPACT

Clarification of IFRS requirements.
May lead to changes in practice.

Agenda decisions that were finalised

IAS 23	<i>Borrowing Costs</i> - Expenditures on a qualifying asset
IAS 23	<i>Borrowing Costs</i> - Borrowing costs on land
IAS 21	<i>The Effects of Changes in Foreign Exchange Rates</i> - Determination of the exchange rate when there is a long-term lack of exchangeability
IFRS 9	<i>Financial Instruments</i> - Classification of a particular type of dual currency bond

Tentative agenda decisions

IFRS 15	<i>Revenue from Contracts with Customers</i> - Assessment of promised goods and services
IFRS 11	<i>Joint Arrangements</i> - Liabilities in relation to a joint operator's interest in a joint operation
IAS 27	<i>Separate Financial Statements</i> - Investment in a subsidiary accounted for at cost: partial disposal
IAS 27	<i>Separate Financial Statements</i> - Investment in a subsidiary accounted for at cost: step acquisition
IAS 37	<i>Provisions, Contingent Liabilities and Contingent Assets</i> - Deposits relating to taxes other than income tax
IFRS 9 & IAS 39	<i>Financial Instruments</i> - Application of the highly probable requirement in a cash flow hedging requirement using a 'load following swap' as the hedging instrument

Agenda decisions that were finalised - Wide Application**IAS 23 Borrowing Costs - Expenditures on a qualifying asset**

The Interpretations Committee received a request about the amount of borrowing costs eligible for capitalisation when an entity uses general borrowings to obtain a qualifying asset.

In the fact pattern described in the request:

- an entity constructs a qualifying asset;
- the entity has no borrowings at the start of the construction of the qualifying asset.
- partway through construction, the entity borrows funds generally and uses them to finance the construction of the qualifying asset; and
- the entity incurs expenditures on the qualifying asset both before and after it incurs borrowing costs on the general borrowings.

The request asked whether an entity includes expenditures on a qualifying asset incurred before obtaining general borrowings in determining the amount of borrowing costs eligible for capitalisation.

The Interpretations Committee observed that the entity would not begin capitalising borrowing costs until it incurs them because one of the three conditions in paragraph 17 of IAS 23 must be met before capitalisation begins (i.e. interest cannot be capitalised in relation to periods before the date on which borrowings were drawn down and on which borrowing costs were actually incurred).

The Interpretations Committee also observed that in determining the expenditures to which an entity applies the capitalisation rate, an entity is not restricted by paragraph 14 of IAS 23 to include only those expenditures on the qualifying asset incurred after it incurs borrowing costs. It therefore does not disregard expenditures on the qualifying asset incurred before the entity obtains the general borrowings.

The Interpretations Committee concluded that the principles and requirements in IFRS Standards provide an adequate basis for an entity to determine the amount of borrowing costs eligible for capitalisation in the fact pattern described in the request. Consequently, the Committee decided not to add this matter to its standard-setting agenda.

IAS 23 Borrowing Costs - Borrowing costs on land

The Interpretations Committee received a request about when an entity ceases capitalising borrowing costs on land.

In the fact pattern described in the request:

- an entity acquires and develops land and thereafter constructs a building on that land (the land represents the area on which the building will be constructed)
- both the land and the building meet the definition of a qualifying asset; and
- the entity uses general borrowings to fund the expenditures on the land and construction of the building.

The request asked whether the entity continues or ceases capitalising borrowing costs incurred in respect of expenditures on the land while it constructs the building.

The Interpretations Committee observed that in applying IAS 23 to determine when to cease capitalising borrowing costs incurred on land expenditures an entity considers:

- the intended use of the land, which is not simply for the construction of a building, but rather to use it for one of three purposes:
 - owner-occupation (recognised as property, plant and equipment applying IAS 16 *Property, Plant and Equipment*);
 - rent or capital appreciation (recognised as investment property applying IAS 40 *Investment Property*); or

- for sale (recognised as inventory applying IAS 2 *Inventories*).
- Applying paragraph 24 of IAS 23, whether the land is capable of being used for its intended purpose while construction continues on the building. If the land is not capable of being used for its intended purpose while construction continues on the building, the entity considers the land and building together to assess when to cease capitalising borrowing costs on the land expenditures. In this situation, the land would not be ready for its intended use or sale until substantially all the activities necessary to prepare both the land and building for that intended use or sale are complete.

The Interpretations Committee concluded that the principles and requirements in IFRS Standards provide an adequate basis for an entity to determine when to cease capitalising borrowing costs on land expenditures. Consequently, the Committee decided not to add this matter to its standard-setting agenda.

Agenda decisions that were finalised - Narrow Application

IAS 21 The Effects of Changes in Foreign Exchange Rates - Determination of the exchange rate when there is a long-term lack of exchangeability

The Interpretations Committee considered the determination of the exchange rate an entity uses to translate the results and financial position of a foreign operation into its presentation currency applying IAS 21. Specifically it considered whether an entity is required to use an official rate in the following circumstances (which are currently applicable to Venezuela):

- the exchangeability of the foreign operation's functional currency with other currencies is administered by jurisdictional authorities. This exchange mechanism incorporates the use of an exchange rate(s) set by the authorities (official exchange rate(s));
- the foreign operation's functional currency is subject to a long-term lack of exchangeability with other currencies-- i.e. the exchangeability is not temporarily lacking as described in paragraph 26 of IAS 21 and has not been restored after the end of the reporting period; and
- the lack of exchangeability with other currencies has resulted in the foreign operation being in effect unable to access foreign currencies using the exchange mechanism described in (a) above.

The Interpretations Committee observed that in the circumstances described above an entity assesses whether the official exchange rate meets the definition of the closing rate in IAS 21 for the purposes of translating the assets and liabilities of the foreign operation in accordance with paragraph 39 of IAS 21, i.e. is it the rate to which the entity would have access at the end of the reporting period? Similarly, if the foreign operation's functional currency is not the currency of a hyperinflationary economy, the entity also assesses whether the official exchange rate represents the exchange rates at the dates of the transactions for the purposes of retranslating the foreign operation's income and expenses in accordance with paragraph 39 of IAS 21.

The Interpretations Committee also noted that in the circumstances described above

- economic conditions are in general constantly evolving. Therefore it is important to reassess at each reporting date whether the official exchange rate meets the definition of the closing rate and, if applicable, the exchange rates at the dates of the transactions.; and
- the following disclosure requirements may be relevant to an understanding of an entity's financial statements and how it determined the exchange rate used to retranslate the foreign operations net assets and results:
 - significant accounting policies, and judgements made in applying those policies that have the most

significant effect on the amounts recognised in the financial statements (paragraphs 117-124 of IAS 1);

- sources of estimation uncertainty that have a significant risk of resulting in a material adjustment to the carrying amounts of assets and liabilities within the next financial year, which may include sensitivity analysis (paragraphs 125-133 of IAS 1); and
- the nature and extent of significant restrictions on an entity's ability to access or use assets and settle liabilities of the group, or in relation to its joint ventures or associates (paragraphs 10, 13, 20 and 22 of IFRS 12 Disclosures of Interests in Other Entities).

The Interpretations Committee concluded that the principles and requirements in IFRS Standards provide an adequate basis for an entity to assess whether, in the circumstances described above, it uses the official exchange rate to translate into its presentation currency the results and financial position of a foreign operation. Consequently, it decided not to add this matter to its standard-setting agenda. However, it also noted that those principles and requirements do not include explicit requirements on the exchange rate a reporting entity uses when the spot exchange rate (as defined in IAS 21) is not observable. Therefore it decided to research possible narrow-scope standard-setting aimed at addressing this matter.

IFRS 9 Financial Instruments - Classification of a particular type of dual currency bond

The Interpretations Committee received a request about how a holder would classify a 'dual currency bond' with a par amount denominated in one currency and fixed interest coupon payments denominated in another currency. The fixed interest payments are paid annually and the par amount is repaid at a stated maturity date. The submitter asked whether such a financial instrument has contractual cash flows that are solely payments of principal and interest on the principal amount outstanding applying paragraphs 4.1.2(b) and 4.1.2A(b) of IFRS 9.

On the basis of the responses to outreach performed on the request, the Interpretations Committee observed that the financial instrument described in the request is not common. Therefore, it has not obtained evidence that the matter has widespread effect and, consequently, decided not to add this matter to its standard-setting agenda.

Tentative agenda decisions - Wide Application

IFRS 15 Revenue from Contracts with Customers - Assessment of promised goods and services

The Interpretations Committee received a request about the recognition of revenue by a stock exchange that provides a listing service to a customer. Specifically, the request asked whether the stock exchange promises to transfer an admission service that is distinct from the listing service. In the fact pattern described in the request, the stock exchange charges the customer a non-refundable upfront fee on initial listing as well as an ongoing listing fee. The upfront fee relates to activities the stock exchange undertakes at or near contract inception, including:

- assessing internal risk and performing due diligence for new applications;
- submitting high-risk applications to the appropriate committee for assessment and approval;
- reviewing issuers' listing application forms, including checking all relevant documentation is correctly in place;
- issuing reference numbers and tickers for the new security;
- circulating data sync files to institutions to allow the security to be traded once admitted;
- processing of the listing and admission to the market;
- publishing of the security on the order book; and
- issuing of dealing notice on the admission date.

Paragraph 25 of IFRS 15 specifies that performance obligations do not include activities that an entity must undertake to fulfil a contract unless those activities transfer a good or service to a customer.

The Committee observed that the activities performed by the entity at or near contract inception are required to successfully transfer the goods or services for which the customer has contracted, i.e. the service of being listed on the exchange. However, the performance of those activities does not transfer a service to the customer. The Committee also observed that the listing service transferred to the customer is the same on initial listing and on all subsequent days for which the customer remains listed.

Based on the fact pattern described in the request, the Committee concluded that the stock exchange does not promise to transfer any good or service to the customer other than the service of being listed on the exchange. The Committee concluded that the principles and requirements in IFRS 15 provide an adequate basis for an entity to assess the promised goods and services in a contract with a customer. Consequently, it tentatively decided not to add this matter to its standard-setting agenda.

IFRS 11 Joint Arrangements - Liabilities in relation to a joint operator's interest in a joint operation

The Interpretations Committee received a request about the recognition of liabilities by a joint operator in relation to its interest in a joint operation (as defined in IFRS 11). In the fact pattern described in the request, the joint operation is not structured through a separate vehicle. One of the joint operators, as the sole signatory, enters into a lease contract with a third-party lessor for an item of property, plant and equipment that will be operated jointly as part of the joint operation's activities. The joint operator that signed the lease contract (hereafter, lead operator) has the right to recover a share of the lease costs from the other joint operators in accordance with the contractual arrangement to the joint operation.

The request asked about the recognition of liabilities by the lead operator.

In relation to its interest in a joint operation, paragraph 20(b) of IFRS 11 requires a joint operator to recognise its liabilities, including its share of any liabilities incurred jointly. Accordingly, a joint operator identifies and recognises both (a) liabilities it incurs in relation to its interest in the joint operation, and (b) its share of any liabilities incurred jointly with other parties to the joint arrangement.

Identifying the liabilities that a joint operator incurs and those incurred jointly requires an assessment of the terms and conditions in all contractual agreements that relate to the joint operation, including consideration of the laws pertaining to those agreements.

The Committee observed that the liabilities a joint operator recognises include those for which it has primary responsibility.

The Committee highlighted the importance of disclosing information about joint operations that is sufficient for a user of financial statements to understand the activities of the joint operation and a joint operator's interest in that operation. The Committee noted that, applying paragraph 20(a) of IFRS 12 *Disclosure of Interests in Other Entities*, a joint operator is required to disclose information that enables users of its financial statements to evaluate the nature, extent and financial effects of its interests in a joint operation, including the nature and effects of its contractual relationship with the other investors with joint control of that joint operation.

The Committee concluded that the requirements in existing IFRS Standards provide an adequate basis for the lead operator to identify and recognise its liabilities in relation to its interest in a joint operation. Consequently, it tentatively decided not to add this matter to its standard-setting agenda.

IAS 27 Separate Financial Statements - Investment in a subsidiary accounted for at cost: partial disposal

The Committee received a request about how an entity applies the requirements in IAS 27 to a fact pattern involving an investment in a subsidiary. In the fact pattern described in the request, the entity preparing separate financial statements:

- elects to account for its investments in subsidiaries at cost;
- holds an equity investment in a subsidiary (investee); and
- subsequently disposes of part of its investment and loses control of the investee. After the disposal, the entity has neither joint control of, nor significant influence over, the investee.

The request comprised two questions:

- Firstly, whether the retained interest is eligible for the presentation election in paragraph 4.1.4 of IFRS 9 *Financial Instruments* to account for changes in fair value of the retained interest through other comprehensive income (OCI).
- Secondly, whether the entity presents in profit or loss or OCI any difference between the cost of the retained interest and its fair value on the date of losing control of the investee (Question B).

Question 1

After the partial disposal transaction, the investee is not a subsidiary, associate or joint venture of the entity. Accordingly, the entity applies IFRS 9 (rather than IAS 27) for the first time in accounting for its retained interest in the investee. The Committee observed that the presentation election in paragraph 4.1.4 of IFRS 9 applies at initial recognition of an investment in an equity instrument. An investment in an equity instrument within the scope of IFRS 9 is eligible for the election if it is neither held for trading (as defined in Appendix A of IFRS 9) nor contingent consideration recognised by an acquirer in a business combination to which IFRS 3 *Business Combinations* applies.

In the fact pattern described in the request, assuming the retained interest is not held for trading, the Committee concluded that (i) the retained interest is eligible for the presentation election in paragraph 4.1.4 of IFRS 9, and (ii) the entity would make this presentation election when it first applies IFRS 9 to the retained interest (ie at the date of losing control of the investee).

Question 2

IAS 27 does not explicitly specify how, in its separate financial statements, an entity recognises any difference between the cost (being the previous measurement basis under IAS 27) of the retained interest and its fair value (being the required measurement basis of the retained under IFRS 9) on the date the entity loses control of a subsidiary. In such circumstances, the entity applies the requirements in paragraphs 10-11 of IAS 8 *Accounting Policies, Changes in Accounting Estimates and Errors* in developing and applying an accounting policy. The entity's management refers to, and considers the applicability of, requirements in other IFRS Standards dealing with similar and related issues. The Committee observed that paragraph 22(b) of IAS 28 *Investments in Associates and Joint Ventures* and paragraph 11B of IAS 27 deal with similar and related issues. Based on its analysis of those requirements, the Committee concluded that the entity recognises this difference in profit or loss. This is the case regardless of whether the entity presents subsequent changes in the fair value of the retained interest in profit or loss or OCI.

The Committee concluded that the principles and requirements in IFRS Standards provide an adequate basis for an entity to account for a partial disposal transaction in its separate financial statements. Consequently, it tentatively decided not to add the matter to its standard-setting agenda.

IAS 27 Separate Financial Statements - Investment in a subsidiary accounted for at cost: step acquisition

The Interpretations Committee received a request about how an entity applies the requirements in IAS 27 to a fact pattern involving an investment in a subsidiary. In the fact pattern described in the request, the entity preparing separate financial statements:

- elects to account for its investments in subsidiaries at cost applying paragraph 10 of IAS 27.
- holds an equity investment in another entity (investee). The investee is not an associate, joint venture or subsidiary of the entity and, accordingly, the entity applies IFRS 9 Financial Instruments in accounting for its initial investment (initial interest).
- subsequently acquires an additional interest in the investee, which results in the entity obtaining control of the investee, i.e. the investee becomes a subsidiary of the entity.

The request comprised two questions:

- Firstly, whether the entity determines the cost of its investment in the subsidiary as the sum of:
 - (i) the fair value of the initial interest at the date of obtaining control of the subsidiary, plus any consideration paid for the additional interest (fair value as deemed cost approach); or
 - (ii) the consideration paid for the initial interest (original consideration), plus any consideration paid for the additional interest (accumulated cost approach) (Question A).
- Secondly, how the entity accounts for any difference between the fair value of the initial interest at the date of obtaining control of the subsidiary and its original consideration when applying the accumulated cost approach (Question B).

Question 1

IAS 27 does not define 'cost', nor does it explicitly specify how an entity determines the cost of an investment acquired in stages. The Committee noted that cost is defined in other IFRS Standards (for example, paragraph 6 of IAS 16 *Property Plant and Equipment*, paragraph 8 of IAS 38 *Intangible Assets* and paragraph 5 of IAS 40 *Investment Property*).

Based on its analysis, the Committee concluded that a reasonable reading of requirements in IFRS Standards could result in the application of either of the two approaches outlined in this agenda decision (ie fair value as deemed cost approach or accumulated cost approach). It further observed that an entity would apply the approach chosen consistently to all step acquisition transactions. An entity would also disclose the selected approach applying paragraphs 117-124 of IAS 1 *Presentation of Financial Statements* if that disclosure would assist users of financial statements in understanding how step acquisition transactions are reflected in reporting financial performance and financial position.

On balance, the Committee tentatively decided not to undertake standard-setting to address Question A. However, Committee members expressed their preference for the fair value as deemed cost approach. This is because, in their view, the accumulated cost approach would not provide useful information to users of financial statements.

Question 2

IFRS Standards do not explicitly specify how an entity applying the accumulated cost approach accounts for any difference between the fair value of the initial interest at the date of obtaining control of the subsidiary and its original consideration. In these circumstances, an entity applies the requirements in paragraphs 10-11 of IAS 8 *Accounting Policies, Changes in Accounting Estimates and Errors* in

developing and applying an accounting policy. The Committee observed that such a difference meets the definitions of income or expenses in the Conceptual Framework for Financial Reporting. Applying paragraph 88 of IAS 1, the Committee concluded that the entity recognises this difference as income or expense in profit or loss, regardless of whether the entity had presented subsequent changes in fair value of the initial interest in profit or loss or OCI before obtaining control.

The Committee concluded that the principles and requirements in IFRS Standards provide an adequate basis for an entity to determine how an entity accounts for the difference arising between the measurement bases used in accounting for its equity interest in the investee before and after gaining control. Consequently, it tentatively decided not to add this matter to its standard-setting agenda.

Tentative agenda decisions - Narrow Application**IAS 37 Provisions, Contingent Liabilities and Contingent Assets - Deposits relating to taxes other than income tax**

The Interpretations Committee received a request about how to account for deposits of taxes other than income tax, and therefore outside the scope of IAS 12 *Income Taxes*. Any liability or contingent liability to pay the tax is instead within the scope of IAS 37. Taking account of all available evidence, the entity judges it is more likely than not that the dispute will be resolved in the entity's favour. Applying IAS 37, the entity discloses a contingent liability and does not recognise a liability. To avoid possible penalties, however, the entity has deposited the disputed amount with the tax authority. Upon resolution of the dispute, the tax authority will either refund the tax deposit to the entity (if the dispute is resolved in the entity's favour) or otherwise use the deposit to settle the entity's liability.

The Committee observed that if the tax deposit gives rise to an asset, that asset may not be clearly within the scope of any IFRS Standard. Furthermore, the Committee concluded that no IFRS Standard deals with issues similar or related to the issue that arises in assessing whether the right arising from the tax deposit meets the definition of an asset. Accordingly, applying paragraphs 10-11 of IAS 8 *Accounting Policies, Changes in Accounting Estimates and Errors*, the Committee referred to the two definitions of an asset in IFRS literature

- the definition in the *Conceptual Framework for Financial Reporting* issued in March 2018; and
- the definition in the previous *Conceptual Framework* that was in place when many existing IFRS Standards were developed.

The Committee concluded that the right arising from the tax deposit meets both of those definitions. The tax deposit gives the entity a right to obtain future economic benefits, either by receiving a cash refund or by using the payment to settle any subsequently determined tax liability. Whether the deposit made was voluntary or required does not affect this right and therefore does not affect the conclusion that there is an asset. The right is not a contingent asset as defined by IAS 37 because it is an asset, and not a possible asset, of the entity.

In the absence of a Standard that specifically applies to the asset, an entity applies paragraphs 10-11 of IAS 8 in developing and applying an accounting policy for the asset. The entity's management uses its judgement in developing and applying a policy that results in information that is relevant to the economic decision-making needs of users of financial statements and reliable. The Committee noted that the issues that need to be addressed in developing and applying an accounting policy for the tax deposit may be similar or related to those that arise for the recognition, measurement, presentation and disclosure of other monetary assets. If this is the case, the entity's management would refer to requirements in IFRS Standards dealing with those issues for other monetary assets.

The Committee concluded that the requirements in IFRS Standards and concepts in the Conceptual Framework for Financial Reporting provide an adequate basis for an entity to account for deposits relating to taxes other than income tax. Consequently, it tentatively decided not to add this matter to its standard-setting agenda.

IFRS 9 Financial Instruments and IAS 39 Financial Instruments: Recognition and Measurement - Application of the highly probable criterion in a cash flow hedge relationship using a 'load following swap' as the hedging instrument

The Interpretations Committee received a request about how an entity applies the requirement that a forecast transaction in a hedging relationship must be highly probable when the notional amount of the derivative designated as a hedging instrument ('Load Following Swap') varies depending on the outcome of the hedged item (forecast energy sales). In addition, the request asked whether, when assessing or measuring hedge effectiveness, the hedged item must be fixed (in volume terms) at the inception of the hedging relationship, and whether the answers to these questions depend on whether the entity applies IAS 39 or IFRS 9.

The Committee observed that, when assessing whether a forecast transaction (in the request, the forecast energy sales) is highly probable, an entity considers uncertainty over both the timing and magnitude of the forecast transaction (paragraphs F.3.7 and F.3.11 of the Implementation Guidance accompanying IAS 39). In addition, the Committee observed that the terms of the hedging instrument (in the request, the load following swap) do not affect this assessment because the highly probable requirement is applicable to the hedged item.

The Committee also observed that, for hedge accounting purposes, the entity must document the forecast energy sales with sufficient specificity in terms of magnitude and timing so that when such transactions occur the entity can identify whether the transaction is the hedged transaction. Consequently, the forecast energy sales cannot be specified solely as a percentage of sales during a period because that would lack the required specificity (paragraphs F.3.10 and F.3.11 of the Implementation Guidance accompanying IAS 39).

The Committee noted that the highly probable requirement in IFRS 9 is not new as IAS 39 includes the same requirement. Although the Board decided not to carry forward any of the hedge accounting related Implementation Guidance that accompanied IAS 39, paragraph BC6.95 of IFRS 9 explains that not carrying forward the Implementation Guidance did not mean that the Board had rejected that guidance.

The Committee concluded that the requirements in IAS 39 and IFRS 9 provide an adequate basis for an entity to determine whether a forecast transaction is highly probable. Consequently it tentatively decided not to add this matter to its standard-setting agenda.



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