STAFF PAPER

September 2014

IFRS Interpretations Committee Meeting

Project	**IFRS 5 *Non-current Assets Held for Sale and Discontinued Operations***
Paper topic	Summary of issues and previous discussion

CONTACT(S) Won-Hee Han whan@ifrs.org +44 (0)20 7246 6960

Introduction

1. As mentioned in Agenda Paper 3, the IFRS Interpretations Committee ('the Interpretations Committee') discussed two issues relating to IFRS 5 *Non-current Assets Held for Sale and Discontinued Operations* at its September 2013 meeting. The twos issues are as follows:

   (a) **Issue 1**: how to recognise an impairment loss for a disposal group when the difference between its carrying amount and its fair value less costs to sell exceeds the carrying amount of non-current assets in the disposal group; and

   (b) **Issue 2**: how to account for the reversal of an impairment loss for a disposal group when the reversal relates to an impairment loss recognised for goodwill.

2. The Interpretations Committee did not reach a consensus on these issues and therefore asked the staff to

   (a) **(Request 1)** look at these issues along with other IFRS 5 issues that the IASB had previously considered but not addressed;

   (b) **(Request 2)** consult current and former IASB staff and members who were involved with the development of IFRS 5; and

(c) **(Request 3)** analyse the issues discussed using more complex fact patterns that illustrate further the interaction between non-current assets, current assets and liabilities in the disposal group.

3. Before addressing the requests as noted above, we provide, in this paper, a summary of the issues and previous discussions by the Interpretations Committee for the purpose of providing background information.

Summary of the issues

Summary of Issue 1

4. Issue 1 (ie write-down of a disposal group) was raised by a submitter who provided a specific example in which the increase in the fair value of a liability within the disposal group is identified. The submitter's example is as follows.

- Entity A intends to sell one of its subsidiaries, Entity B. Entity A's intended sale of Entity B meets the IFRS 5 criteria for classification of Entity B (the disposal group) as held for sale. Entity B is a service organisation with few non-current assets. The carrying amount of Entity B's net assets subsequent to the application of all IFRSs other than IFRS 5 is CU130. For measurement purposes of IFRS 5, FVLCTS is determined to be (CU30)[1], being the fair value of Entity B's net assets of (CU20) and costs to sell of CU10. (FVLCTS is significantly lower than the carrying amount of the disposal group because Entity B has fixed rate borrowings with a fair value greatly in excess of the carrying amount measured at amortised cost.)
- The individual carrying amounts and respective fair values of Entity B's assets and liabilities are as follow

[1] In this example, figures in brackets indicate a negative value.

	Carrying amount	Fair value
	CU	CU
Intangible assets	0	0
Property, plant and equipment	120	120
Cash and cash equivalents	170	170
Total	290	290
Issued debt—current portion	50	50
Issued debt—non-current portion	110	260
Total	160	310
Net assets	130	(20)

5. In this example, the submitter raised a question of how much of the potential impairment loss of CU160 (being the difference between the carrying amount of the disposal group of CU130 and the FVLCTS of the disposal group of minus CU30) should be recognised. The submitter thinks that the issue arises from a potential conflict between paragraphs 15 and 23 of IFRS 5. These paragraphs are as follows:

   15 An entity shall measure a non-current asset (or disposal group) classified as held for sale at the lower of its carrying amount and fair value less costs to sell.

   23 The impairment loss (or any subsequent gain) recognised for a disposal group shall reduce (or increase) the carrying amount of the non-current assets in the group that are within the scope of the measurement requirements of this IFRS, in the order of allocation set

out in paragraphs 104(a) and (b) and 122 of IAS 36 (as revised in 2004).

6. The submitter identified four views;

(a) **View A**–Limit an impairment loss to non-current assets only:

(i) according to paragraph 23 of IFRS 5, the impairment loss recognised reduces only the carrying amount of non-current assets within a disposal group;

(ii) consequently, in the example above, the impairment loss recognised is limited to the carrying amount of property, plant and equipment ('PPE'), ie CU120.

(b) **View B**–Limit an impairment loss to net assets of a disposal group:

(i) the carrying amount of a disposal group as a whole should not be reduced below zero;

(ii) consequently, any impairment loss is limited to the carrying amount of the disposal group (ie CU130 in the example above). Since the carrying amount of PPE is CU120 in the example above, cash and cash equivalents is reduced by CU10.

(c) **View C**–Limit an impairment loss to total assets of a disposal group:

(i) IFRS 5 only relates to the measurement of assets within a disposal group. An additional liability should only be recognised if the definition of a liability in accordance with IAS 37 *Provisions, Contingent Liabilities and Contingent Assets* is met, ie if there is a present obligation arising from a past event where an outflow of resources is probable. Thus, to the extent that the impairment loss exceeds the carrying amount of total assets in a disposal group, no additional liability is recognised;

(ii) consequently, in the example above, the full impairment loss of CU160 (fair value write-down of CU150 and costs to sell of CU10) is recognised. This is allocated against the non-current assets first (CU120) and then to the current assets included within the disposal group (resulting in a write down of cash and cash equivalents by CU40).

(d) **View D**–Limit an impairment loss to non-current assets and recognise a liability for excess to ensure that a disposal group is measured at FVLCTS:

(i) according to paragraph 23 of IFRS 5, the impairment loss should only be allocated to non-current assets within a disposal group. In other words, current assets should not be written down. However, paragraph 15 of IFRS 5 requires that a disposal group is measured at the lower of its carrying amount and FVLCTS;

(ii) consequently, although the criteria for recognition of a liability in accordance with IAS 37 is not met, where the impairment loss exceeds the carrying value of non-current assets in the disposal group, an additional liability should be recognised. In the example above, an impairment loss of CU160 (ie to FVLCTS) is recognised, reducing the non-current assets to zero and resulting in recognition of a liability of CU40.

7. In the example above, View A, B, C and D are compared as follows.

The amount of Entity B (the disposal group) after applying the write-down				
	View A	**View B**	**View C**	**View D**
	CU	CU	CU	CU
PPE	0	0	0	0
Cash and cash equivalents	170	160	130	170
Total assets	170	160	130	170

Total Liabilities	160	160	160	200
Net Assets	10	0	(30)	(30)

Summary of Issue 2

8. Issue 2 (ie reversal of impairment losses relating to goodwill recognised for a disposal group) relates to a situation in which an impairment loss recorded for a disposal group that is classified as held for sale subsequently reverses. Specifically, the question focuses on whether an impairment loss relating to goodwill can be reversed.

9. Issue 2 does not relate to whether a reversal of an impairment loss should be allocated to goodwill (ie whether or not previously impaired goodwill is increased), but relates to whether the source of the reversal should include the one relating to goodwill. In other words, if the impairment recognised in the past included impairment of goodwill, does this limit the amount of impairment reversal that can be recognised against other assets in the disposal group?

10. The submitter identified the two views:

   (a) **View 1**—reversal of an impairment loss **should not** be recognised if it relates to the reversal of previously impaired goodwill of the disposal group classified as held for sale; and

   (b) **View 2**—reversal of an impairment loss **should be** recognised, even if it relates to the reversal of previously impaired goodwill of the disposal group classified as held for sale. This reversal may include:

      (i) impairment losses recognised for goodwill during the period in which the disposal group is classified as held for sale; or

(ii) all impairment losses recognised for goodwill in previous periods, including those that were recognised prior to the disposal group being classified as held for sale.

11. The submitter noted that there could be a potential conflict between paragraphs 22 and 23 of IFRS 5; View 1 is supported by paragraph 23 of IFRS 5 and on the other hand, View 2 is supported by paragraph 22 of IFRS 5. The two paragraphs are as follows

> 22 An entity shall recognise a gain for any subsequent increase in fair value less costs to sell of a disposal group:
>
> (a) to the extent that it has not been recognised in accordance with paragraph 19[2]; but
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> (b) not in excess of the *cumulative impairment loss* that has been recognised, either in accordance with this IFRS or previously in accordance with IAS 36, on the non-current assets that are *within the scope of the measurement requirements of this IFRS*. (emphasis added)
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> 23 The impairment loss (or any subsequent gain) recognised for a disposal group shall reduce (or increase) the carrying amount of the non-current assets in the group that are within the scope of the measurement requirements of this IFRS, in the order of allocation set out in paragraphs 104(a) and (b) and *122[3] of IAS 36* (as revised in 2004). (emphasis added)

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[2] Paragraph 19 of IFRS 5 states that:

On subsequent remeasurement of a disposal group, the carrying amounts of any assets and liabilities that are not within the scope of the measurement requirements of this IFRS, but are included in a disposal group classified as held for sale, shall be remeasured in accordance with applicable IFRSs before the fair value less costs to sell of the disposal group is remeasured.

[3] Paragraph 122 of IAS 36 states that:

A reversal of an impairment loss for a cash-generating unit shall be allocated to the assets of the unit, **except for goodwill**, pro rata with the carrying amounts of those assets. These increases in carrying amounts shall be treated as reversals of impairment losses for individual assets and recognised in accordance with **paragraph 119**. (emphasis added)

12. The submitter pointed out that:

(a) according to View 1, paragraph 23 of IFRS 5 refers to 122 of IAS 36 Impairment of Assets, which requires an impairment loss recognised for goodwill not to be reversed for cash-generating unit; and

(b) according to View 2, goodwill is within the scope of the measurement requirements of IFRS 5 and therefore impairment loss recognised against goodwill is included in "the cumulative impairment loss" as described in paragraph 22 of IFRS 5.

Previous discussion by the Interpretations Committee and the IASB

Previous discussion over Issue 1

13. The Interpretations Committee discussed Issue 1 (ie write-down of a disposal group) twice; in July and November 2009[4] and the IASB deliberated on this issue twice; in July and December 2009[5], before the Interpretations Committee reconsidered this issue as well as Issue 2 (ie reversal of

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Paragraph 119 of IAS 36 states that:

A reversal of an impairment loss for an asset **other than goodwill** shall be recognised immediately in profit or loss, unless the asset is carried at revalued amount in accordance with another IFRS (for example, the revaluation model in IAS 16). (…) (emphasis added)

[4] July 2009 IFRS IC meeting:
- Agenda paper 3E http://www.ifrs.org/Meetings/Documents/IFRICJul09/AP3to3GFile.zip
- IFRIC Update http://www.ifrs.org/Updates/IFRIC-Updates/2009/Documents/IFRIC0907.pdf

November 2009 IFRS IC meeting:
- Agenda paper 4B http://www.ifrs.org/Meetings/Documents/IFRICNov09/0911AP4Ato4D.zip
- IFRIC Update http://www.ifrs.org/Updates/IFRIC-Updates/2009/November2009IFRICUpdate.pdf

[5] July 2009 IASB meeting:
- Agenda paper 3B http://www.ifrs.org/Meetings/Documents/2009/AP3to3EJuly09.zip
- IASB Update http://www.ifrs.org/Updates/2009/Documents/July2009IASBUpdate.pdf

December 2009 IASB meeting:
- Agenda paper 20 http://www.ifrs.org/Meetings/Documents/IASBDec2009/IFRS51209b20obs.pdf
- IASB update http://www.ifrs.org/Updates/2009/Documents/December2009Update.pdf

impairment losses relating to goodwill recognised for a disposal group) at its September 2013 meeting.

14. At its meeting in July 2009, the Interpretations Committee noted that there could be a conflict between paragraphs 15 and 23 of IFRS 5 to recognise the disposal group at FVLCTS and its limitation on the assets to which the impairment loss can be allocated. Consequently, the Interpretations Committee noted that divergence could arise in practice.

15. The Interpretations Committee concluded that the issue relates to the basic requirements of IFRS 5 and therefore could not be addressed by an interpretation. For this reason, the Interpretations Committee tentatively decided not to add the issue to its agenda. However, the Interpretations Committee recommended that the IASB should amend IFRS 5 as a matter of priority to address the issue.

16. At the July 2009 IASB meeting, the IASB agreed with the Interpretations Committee's conclusion that the issue relates to the basic requirements of IFRS 5 and therefore it should not be included in the annual improvements project. The IASB decided tentatively to consider amending IFRS 5 as a matter of priority and to work with the FASB to ensure that IFRS 5 remains aligned with US GAAP. The IASB also recommended that the staff should perform further analysis of the issue, including discussions with the FASB, and provide a subsequent update to the IASB.

17. At the Interpretations Committee meeting in November 2009, the staff reported that one comment letter had been received, which expressed agreement with the tentative agenda decision made by the Interpretations Committee at its meeting in July 2009. Consequently, the Interpretations Committee decided not to add the issue to its agenda. However, the Interpretations Committee recommended that the IASB should consider an amendment to IFRS 5 to address this issue.

18. At the December 2009 IASB meeting, the staff recommended that additional amendments to IFRS 5 to address this issue should not be made. The staff

viewed that any amendment would require a separate project considering matters including the implications of:

(a) changing the definition of 'unit of account' to be applied in measuring disposal groups;

(b) amendments to guidance on the measurement and allocation of impairment losses and reversals in other IFRSs (eg IAS 36 *Impairment of Assets*); and

(c) any amendments that would create increased divergence with US GAAP.

19. Consequently, the IASB decided not to add such a project to its agenda.

20. Afterwards, as mentioned in Agenda Paper X for this meeting, at its July 2012 meeting, the Interpretations Committee decided to revisit the two issues as noted in the Introduction of this paper (ie Issues 1 and 2).

21. At its September 2013 meeting, the Interpretations Committee discussed these two issues. With regard to Issue 1, the Interpretations Committee could not reach a consensus on this issue[6]. Some members observed that the requirements in paragraph 15 of IFRS 5 (ie to measure a disposal group at the lower of its carrying amount and fair value less costs to sell) sets out the principle. They also noted that the requirements in paragraph 23 of IFRS 5 (ie to allocate an impairment loss to the non-current assets in a disposal group that are within the scope of the measurement requirements of IFRS 5) provides guidance on applying the principle. Other members, however, thought that the requirements of paragraph 23 of IFRS 5 contradict the requirements of paragraph 15.

22. The Interpretations Committee also noted that there are differing views among its members about whether the disposal group should be viewed as one single asset or one single liability instead of as a group of assets and liabilities (ie 'unit of account' issue).

[6] The Interpretations Committee could not reach a consensus on Issue 2 either, as referred to below in this paper.

23. the Interpretations Committee therefore asked the staff to

    (a) look at these issues (ie Issues 1 and 2) along with other IFRS 5 issues that the IASB had previously considered but not addressed;

    (b) consult current and former IASB staff and members who were involved with the development of IFRS 5; and

    (c) analyse the issues discussed using more complex fact patterns that illustrate further the interaction between non-current assets, current assets and liabilities in the disposal group.

Previous discussion over Issue 2

24. The Interpretations Committee discussed Issue 2 (ie reversal of impairment relating to goodwill recognised for a disposal group) twice; in March 2010 and May 2010[7], before reconsidering this issue as well as Issue 1 (ie write-down of a disposal group) at its September 2013 meeting.

25. At these meetings, the Interpretations Committee noted that there could be a potential conflict between the guidance in paragraphs 22 and 23 of IFRS 5. These paragraphs relate to the recognition and allocation of the reversal of an impairment loss for a disposal group.

26. View 1 (ie a reversal of an impairment loss should not be recognised) is supported by paragraph 23 of IFRS 5, which states that:

> The impairment loss (or any subsequent gain) recognised for a disposal group shall reduce (or increase) the carrying amount of the non-current assets in the group that are within the scope

[7] March 2010 IFRS IC meeting:

- Agenda Paper 6B http://www.ifrs.org/Meetings/Documents/IFRICMar2010
- *IFRIC Update* http://media.ifrs.org/2013/IFRIC/March/IFRIC-Update-March-2013.pdf

May 2010 IFRS IC meeting:

- Agenda Paper 4B http://www.ifrs.org/Meetings/Documents/IFRICMay2010
- *IFRIC Update* http://media.ifrs.org/2013/IFRIC/May/IFRICUpdateMay2013.pdf

> of the measurement requirements of this IFRS, in the order of allocation set out in paragraphs 104(a) and (b) and 122 of IAS 36 (as revised in 2004).

27. Paragraph 23 of IFRS 5 requires application in accordance with paragraph 122 of IAS 36 in determining how the reversal of an impairment loss is allocated to the non-current assets of a disposal group. Paragraph 122 of IAS 36 states that:

> A reversal of an impairment loss for a cash-generating unit shall be allocated to the assets of the unit, *except for goodwill*, pro rata with the carrying amounts of those assets. These increases in carrying amounts shall be treated as reversals of impairment losses for individual assets and recognised in accordance with *paragraph 119*. (emphasis added)

28. Paragraph 119 of IAS 36 states that:

> A reversal of an *impairment loss for an asset other than goodwill* shall be recognised immediately in profit or loss, unless the asset is carried at revalued amount in accordance with another IFRS (for example, the revaluation model in IAS 16). (…) (emphasis added)

29. Guidance on the reversal of an impairment loss for goodwill is set out in paragraph 124 of IAS 36, which states that:

> An impairment loss recognised for goodwill *shall not* be reversed in a subsequent period. (emphasis added)

30. On the other hand, View 2 (ie a reversal of an impairment loss should be recognised) is supported by paragraph 22 of IFRS 5. This paragraph only restricts the reversal of an impairment loss for a disposal group to:

    (i) the extent that has not been recognised through the remeasurement of assets and liabilities of the disposal group under other IFRSs; but

    (ii) not in excess of the cumulative impairment loss that has been recognised on the non-current assets within the scope of the measurement requirements of IFRS 5.

31. Goodwill is within the scope of the measurement requirements of IFRS 5 and therefore impairment recognised against goodwill is included in "the cumulative impairment loss" as described in paragraph 22 of IFRS 5. Consequently, a reversal of an impairment loss relating to goodwill should be recognised when applying this paragraph.

32. View 2 is also supported by the fact that IFRS 5 includes multiple cross-references to IAS 36 but omits any reference to the requirement in paragraph 124 of IAS 36, which states that an impairment loss recognised for goodwill shall not be reversed in a subsequent period.

33. In addition, View 1 and View 2 are compared in terms of an underlying principle that:

    (i) View 1 is based on the idea that a disposal group comprises separate assets and liabilities. Consequently, these separate assets and liabilities within the disposal group are subject to different measurement requirements, either within IFRS 5 or in other IFRSs as described in paragraph 5 of IFRS 5; whereas

    (ii) View 2 is that a disposal group should be considered as one single asset or one single liability. Consequently, the recognition and measurement requirements should be applied to the disposal group as whole, rather than reflecting the nature of individual assets and liabilities included within the disposal group.

34. At its March 2010 meeting, the Interpretations Committee observed that the issue may not be resolved efficiently within the confines of existing Standards and the Framework and that it is not probable that the Interpretations Committee will be able to reach a consensus on a timely basis. One of the bases for this observation was that this issue may raise 'unit of account' questions, as indicated in paragraph 18 of this paper, relating to whether a disposal group should be viewed as representing one single asset or a combination of separate assets and liabilities.

35. The Interpretations Committee also noted the decision taken by the IASB in December 2009 not to add a project to its agenda to address IFRS 5 with

regard to measurement of impairment and reversal thereof at that time. Consequently, the Interpretations Committee decided not to add this issue to its agenda and recommended that the IASB should address this issue in a Post-implementation Review of IFRS 5.

36. Afterwards, as mentioned in Agenda Paper 3 for this meeting, at its July 2012 meeting, the Interpretations Committee decided to revisit the two issues as noted in the Introduction of this paper (ie Issues 1 and 2).

37. At its September 2013 meeting, the Interpretations Committee discussed these two issues.

38. After having discussed Issue 1, the Interpretations Committee had preliminary discussion on Issue 2 but identified differing views among the Interpretations Committee members as well as for Issue 1.

39. The Interpretations Committee therefore asked the staff to

    (d) look at these two issues (ie Issues 1 and 2) along with other IFRS 5 issues that the IASB had previously considered but not addressed;

    (e) consult current and former IASB staff and members who were involved with the development of IFRS 5; and

    (f) analyse the issues discussed using more complex fact patterns that illustrate further the interaction between non-current assets, current assets and liabilities in the disposal group.

Question for Interpretations Committee
1. Does the Interpretations Committee have any questions or comments on the summary of the issues?

Appendix A—Extracts of IASB and IFRIC *Updates*

IFRIC *Update* July 2009

Tentative agenda decisions

The IFRIC received a request for guidance on the write-down of a disposal group to the lower of its fair value less costs to sell and its carrying amount when the write-down exceeds the carrying amount of non-current assets.

The IFRIC noted paragraph 22 of IFRS 5 requires the impairment loss recognised for a disposal group to be allocated to reduce the carrying amount of the non-current assets of the group that are within the measurement requirements of IFRS 5. This can result in a conflict between IFRS 5's requirement to recognise the disposal group at fair value less costs to sell and its limitation on the assets to which that loss can be allocated. Consequently, the IFRIC noted that divergence could arise in practice. The IFRIC also noted that the issue could be widespread in the current economic environment.

The IFRIC concluded that the issue relates to the basic requirements of IFRS 5 and therefore could not be addressed by an interpretation. For this reason, the IFRIC [decided] not to add the issue to its agenda. However, the IFRIC recommended that the Board amend IFRS 5 as a matter of priority to address the issue.

IASB *Update* July 2009

IFRS 5 requires the impairment loss recognised for a disposal group be allocated to reduce the carrying amount of the disposal group's non-current assets that are within the measurement requirements of IFRS 5. When the write-down exceeds the carrying amount of non-current assets, a conflict exists between IFRS 5's requirement to recognise the disposal group at fair value less costs to sell and its limitation on the assets to which that loss can be allocated.

The Board agreed with the IFRIC's conclusion that the issue relates to the basic requirements of IFRS 5 and therefore it should not be included in the annual improvements project. However, the issue could be widespread in the current economic environment. Therefore, the Board decided tentatively to consider amending IFRS 5 as a matter of priority and to work with the FASB to ensure IFRS 5 remains aligned with US GAAP.

IFRIC *Update* November 2009

IFRIC agenda decisions

The IFRIC received a request for guidance on how a disposal group should be recognised at the lower of its carrying amount and fair value less costs to sell when the difference between the carrying amount and fair value less costs to sell exceeds the carrying amount of non-current assets.

The IFRIC noted paragraph 23 of IFRS 5 requires the impairment loss recognised for a disposal group to be allocated to reduce the carrying amount of the non-current assets of the group that are within the measurement requirements of IFRS 5. This can result in a conflict between IFRS 5's requirement to recognise the disposal group at fair value less costs to sell and its limitation on the assets to which that loss can be allocated. Consequently, the IFRIC noted that divergence could arise in practice.

IASB *Update* December 2009

Discontinued operations – Possible annual improvements

The Board considered issues relating to IFRS 5 *Non-current Assets Held for Sale and Discontinued Operations*. These matters had been discussed by the Board at its meeting in July 2009, when it had asked the staff to perform further work, including discussing with the FASB staff alignment of IFRS 5 with US GAAP on these issues.

The issues considered by the Board were:

- how an impairment loss should be recognised when the impairment is greater than the carrying amount of non-current assets in the disposal group.
- …

Also considered were other concerns noted by constituents subsequent to the July 2009 Board meeting relating to the reversal of impairment losses.

The Board decided not to add a project to its agenda to address the impairment measurement and reversal issues at this time.

IFRIC Update September 2013

The Interpretations Committee discussed two issues related to IFRS 5 *Non-current Assets Held for Sale and Discontinued Operations*.

The first issue is about how to recognise an impairment loss for a disposal group classified as held for sale in accordance with IFRS 5. This issue arises in a circumstance in which the difference between the carrying amount of a disposal group and its fair value less costs to sell (FVLCTS) exceeds the carrying amount of the non-current assets in the disposal group that are within the measurement requirements of IFRS 5.

The Interpretations Committee could not reach a consensus on this issue. Some members observed that the requirements in paragraph 15 of IFRS 5 (ie to measure a disposal group at the lower of its carrying amount and fair value less costs to sell) sets out the principle. They also noted that the requirements in paragraph 23 of IFRS 5 (ie to allocate an impairment loss to the non-current assets in a disposal group that are within the scope of the measurement requirements of IFRS 5) provides guidance on applying the principle. Other members, however, thought that the requirements of paragraph 23 of IFRS 5 contradict the requirements of paragraph 15.

The Interpretations Committee also noted that there are differing views among its members about whether the disposal group should be viewed as one single asset or one single liability instead of as a group of assets and liabilities (ie 'unit of account' issue).

The second issue is about whether a subsequent increase in FVLCTS of a disposal group (ie reversal of a past impairment) should be recognised if it relates to an impairment loss that had been recorded against goodwill in the disposal group classified as held for sale in accordance with IFRS 5.

The Interpretations Committee also had preliminary discussion on the second issue but again identified differing views among the Interpretations Committee members.

In the light of these differing views among its members, the Interpretations Committee asked the staff to:

a. look at these issues along with other IFRS 5 issues that the IASB had previously considered but not addressed;

b. consult current and former IASB staff and members who were involved with the development of IFRS 5; and

c. analyse the issues discussed using more complex fact patterns that illustrate further the interaction between non-current assets, current assets and liabilities in the disposal group.

The staff will present this further work at a future meeting.