

IFRS Foundation Monitoring Board Work Plan

2 August 2016

Capital markets authorities responsible for setting the form and content of financial reporting in respective jurisdictions discharge their mandates regarding investor protection, market integrity and capital formation through the IFRS Foundation Monitoring Board. The Monitoring Board plans to conduct the following activities in the near-term, which encompass three areas: a) work in relation to the Trustees' oversight of the IASB, b) work in relation to the Trustees and c) work in relation to the Monitoring Board. The Monitoring Board intends to update the plan periodically.

a) Work in relation to the Trustees' Oversight of the IASB¹

(IASB's due process arrangement)

- The Monitoring Board plans to provide comments on documents prepared by the Trustees regarding the Trustees' oversight activities on IASB's due process, as appropriate.

(Agenda referral)

- The Monitoring Board plans to develop a view and possibly confer with the Trustees as appropriate on accounting matters of broad public interest for consideration by the IASB. Such matters could include in particular effects analysis in setting and revising accounting standards as well as consistent implementation of new accounting standards related to revenue recognition and financial instruments.

b) Work in relation to the Trustees

(Trustees' Review)

- The Monitoring Board plans to continue its dialogue with the Trustees regarding the Trustees' Review of Structure and Effectiveness, which was initiated on 7 July 2015. The Monitoring Board also plans to follow up on the 10 June 2016 proposal to amend the IFRS Foundation Constitution, and provide input to the Trustees, as appropriate.

¹ Section 10.B. of the Memorandum of Understanding to Strengthen the Institutional Framework of the International Financial Reporting Standards Foundation notes “ {t}he IFRSF Monitoring Board may refer accounting issues to, and will confer regarding these issues with, the Trustees and the IASB Chair. In all cases, it is understood that the Monitoring Board will neither influence the decision-making process nor challenge the decisions made by the IASB with regard to its standard-setting”.

(Financing arrangements)

- The Monitoring Board will review the Trustees' arrangements for the IFRS Foundation's funding and share its perspective with the Trustees, as appropriate.

(Nomination process)

- The Monitoring Board will participate in the nomination process of the Trustees and approve the candidates.

c) Work in relation to the Monitoring Board

(Review of existing members)

- The Monitoring Board will conduct the periodic review of the existing Monitoring Board members, which takes place every three years, starting 2013, based on its membership criteria.

(New members)

- The Monitoring Board will consider rotating members of the Monitoring Board in consultation with IOSCO and may also consider a new permanent member.

The activities in the work plan are the responsibilities of the Monitoring Board specified by the "Charter of the IFRSF Monitoring Board" (hereinafter referred to as the "Charter"), the Memorandum of Understanding to Strengthen the Institutional Framework of the International Financial Reporting Standards Foundation (hereinafter referred to as the "MoU") and "Final report on the Review of the IFRS Foundation's Governance" (hereinafter referred to as the "Governance Review Report").

Section 7 v) of the MoU is the basis for the Monitoring Board's work on the Trustees' oversight of the IASB, including its due process arrangements, section 7 vii) for the agenda referral, section 7 iv) for the Monitoring Board's work on the IFRS Foundation's financing arrangement, section 7 i) and ii) for the Trustee nomination process. Appendix B to the Charter outlines the review of existing Monitoring Board members and Section M-1 of the Governance Review Report is for the work on the Monitoring Board's new members.