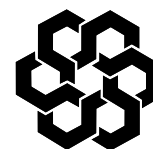


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**International  
Accounting Standards  
Board**

*This document is provided as a convenience to observers at IASB meetings, to assist them in following the Board's discussion. It does not represent an official position of the IASB. Board positions are set out in Standards.*

*These notes are based on the staff papers prepared for the IASB. Paragraph numbers correspond to paragraph numbers used in the IASB papers. However, because these notes are less detailed, some paragraph numbers are not used.*

## **INFORMATION FOR OBSERVERS**

**Board Meeting: 24 May 2006, London**

**Project: Related Party Disclosures (Agenda Paper 6)**

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### **PRELIMINARY DISCUSSION OF A PROJECT ON RELATED PARTY DISCLOSURES (PAPER 6)**

#### **INTRODUCTION**

1. [Paper 6, not included in Observer Notes] sets out a draft proposal for the Board to add a related party disclosure project to its agenda.
2. The proposal has not yet been considered by the SAC; accordingly, it is not being put forward for approval by the Board at this stage.
3. Staff believe that this project could address:
  - (a) the requirements of IAS 24 for entities with significant state ownership when they transact with similar entities; and
  - (b) whether, when an associate of an entity is preparing its own financial statements, the requirements of IAS 24 should include as related party transactions, transactions between the associate and a subsidiary of the associate's significant investor.
4. The paper asks the Board:

- (a) for its preliminary views on the proposal, including the assessment of the agenda criteria and the project timetable; and
  - (b) for any further points that should be made to the SAC in its consideration of the agenda proposal.
- 5. The Board is also asked for any comments on the initial issues set out [in paper 6, not included in the Observer Notes]. However, the paper does not set out a full analysis of the issues to be addressed and accordingly staff are not requesting any conclusions or decisions on these issues at this stage.

[Given the preliminary nature of this Board discussion, the Observer Notes are more limited than is usually provided.]