

Interpretation of the term ‘information’ in IAS 24 paragraph 17 (IAS 24 *Related Party Disclosures*)—September 2004

The IFRIC was asked to supplement the minimum disclosures in paragraph 17 regarding “transactions and outstanding balances necessary for an understanding of the potential effect of [related party] relationships on the financial statements”. For example, it was suggested that an interpretation of paragraph 17 should specifically require disclosure of the purpose and economic substance of transactions, identity of related parties, extent of management involvement, special risks and the effect of such transactions on the financial statements.

The IFRIC agreed not to add this issue to its agenda, noting that the IASB, in its revisions to IAS 24 in 2003, debated the extent of specific minimum disclosure requirements and the suggested items were not included. The IFRIC did agree that, because of wider policy considerations, this issue might be appropriate for discussion at the Board and, perhaps, the Standards Advisory Council.