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FASB and ASBJ hold biannual meeting

On 25 and 26 August 2016, the FASB and the Accounting Standards Board of Japan (ASBJ) met in Norwalk. The meeting was the 20th in a series of biannual meetings between the two standard-setters marking a ten-year partnership.

In addition to giving updates on their respective standard-setting activities at the meeting, the two boards exchanged views on technical topics in which they both have an interest, including the *Conceptual Framework*, amortization of goodwill, and revenue recognition.

The next meeting between the FASB and ASBJ is expected to be held in the first half of 2017 in Tokyo.

For more information about the meeting, click [here](#) to see the press release on the ASBJ website.

New Chair and Vice-Chair for the IASB's Islamic Finance Consultative Group

The IASB has updated its website detailing the work of its Islamic Finance Consultative Group. As a result of the agenda consultation 2011, the IASB noted Islamic accounting as one of the possible issues for its agenda post 2011 and created a consultative group for Sharia'a-compliant instruments and transactions, which has now been renamed.

The group does not judge whether products are compliant with the requirements of Sharia'a law. Members are aware that there are differing views on whether particular products are compliant; however, dealing with those views is beyond the remit of the group. Therefore, the group's focus is on challenges that may arise in the application of IFRSs to Islamic finance instruments and transactions, which would be brought to the attention of the IASB's IFRS Interpretations Committee.

The newly updated website dedicated to the group's work shows that Mr. Faiz Azmi from PwC Malaysia has been appointed Chair of the consultative group and IASB member Martin Edelmann is the new Vice-Chair. Mr. Wayne Upton, Chairman of the IFRS Interpretations Committee, acts as the group's coordinator.

Click [here](#) for the updated IASB website reflecting these changes and [here](#) for the corresponding press release.

Hans Hoogervorst discusses the IASB's future strategy at African conference

At the Joint IFRS Foundation, PAFA, and ICPAK Conference in Nairobi, Kenya, IASB Chairman Hans Hoogervorst gave a speech titled '*Latest developments and future focus*'. He discussed (1) how Africa can use IFRS to achieve economic progress and (2) the IASB's new 'better communication' initiative.

For more information please see the following websites:

www.iasplus.com

www.deloitte.com

Mr. Hoogervorst provided his usual remarks on IFRS adoption around the world and then reflected on Africa's role in the global economy. He noted that *"Africa, and in particular Kenya, is making good progress, putting in place structural reforms and adopting international norms for sound financial systems. IFRS Standards are part of this package, as recommended by the Financial Stability Board, the World Bank and IOSCO."*

He went on to discuss the IASB's work plan and focused on the board's future priorities. Mr. Hoogervorst discussed the 'better communication' theme that he unveiled during a speech in June 2016. After explaining that the board's goal is to improve the communications effectiveness of IFRS-based financial statements, Mr. Hoogervorst reassured the audience that the IASB would *"not propose to cut back the information provided, nor to dramatically increase it."* He elaborated on the primary financial statements project, which he called the *"central building block"* of the 'better communication' effort:

This project will potentially result in a facelift of what is often called the 'face of the financial statements'. Its focus will be to improve the organisation of the statements of financial performance (profit or loss and other comprehensive income), the statement of cash flows and the statement of financial position, also called the balance sheet. Mr. Hoogervorst said that the IASB might also try to find a better way to present some elements of Other Comprehensive Income, which is currently a conundrum for most investors. Mr. Hoogervorst also listed the other projects that are meant to improve the communications effectiveness of financial statements:

- disclosure initiative project;
- the development of a materiality practice statement; and
- digital reporting efforts.

Click [here](#) for the full text of Mr. Hoogervorst's speech is available on the IASB's website.

Joint IASB and FASB webcast on revenue

On 15 September 2016, the IASB and FASB will host a joint webcast to discuss implementation of the requirements in IFRS 15 'Revenue from Contracts with Customers' and ASC 606.

Topics of discussion will include:

- an overview of the revenue model;
- an update on recent implementation activities, including standard-setting and the Transition Resource Group for Revenue Recognition;
- resources available to help with implementation questions;
- disclosures; and
- an audience question-and-answer session.

Click [here](#) for more information and registration for the webcast on the IASB website.

FASB proposes guidance on presentation

The US Financial Accounting Standards Board (FASB) has released an exposure draft proposing changes related to how items are presented in a financial statement as part of the FASB's larger project to create a new Conceptual Framework.

The proposed changes address how to group individual recognised items into line items and subtotals and clarify the relationships among assets, liabilities, and equity, along with the effects of related changes on comprehensive income and cash flows.

Originally, the IASB and the FASB decided to review and revise their conceptual frameworks together, however, changed priorities and the slow progress in the project led to the project being abandoned in 2010. In 2012, the IASB reactivated the Conceptual Framework project as an IASB only project given the multitude of open conceptual issues it is facing in many of its current projects. In May 2015, the IASB published an exposure draft of a new Conceptual Framework in which Chapter 7 Presentation and disclosure discussed concepts that determine what information is included in the financial statements and how that information should be presented and disclosed. In parallel, the IASB is conducting a primary financial statements project examining possible changes to the structure and content of the primary financial statements. The project is in the stage of early research and was last discussed in May 2016. For more information on the new FASB exposure draft, see the [press release](#), a [FASB in Focus](#) newsletter, and the [ED](#) on the FASB's website.

2016 IFRS 'Green Book' coming soon

The IFRS Foundation has announced that 'A Guide through IFRS 2016' will be available in September.

This volume (nicknamed the "Green Book") will include the full text of the Standards and Interpretations and accompanying documents (such as the Basis for Conclusions) issued by the IASB as at 1 July 2016 with extensive cross-references and other annotations. This edition does not contain documents that are being replaced or superseded but remain applicable if a reporting entity chooses not to adopt the newer versions early.

The new requirements since 1 July 2015 include:

- The new IFRS 16 standard.
- Amendments to: IFRS 15, IFRS 2, IAS 7, and IAS 12.

Click [here](#) for more information.

IASB provides updates to insurance project

The IASB has provided additional information on its upcoming insurance standard related to field work, feedback statement on its Exposure Draft (ED), "Insurance Contracts", and the effect of board redeliberations.

- Field work — Round IV of testing to assist the staff in identifying any sweep issues.
- Feedback statement — IASB comments on the feedback received on its ED.
- Effect of board redeliberations — Discusses areas in the ED that would change due to tentative decisions reach by the IASB.

For more information click [here](#), to see the insurance project page on the IASB's website.

FASB solicits feedback on agenda consultation

The FASB has issued an invitation to comment, "Agenda Consultation" to solicit stakeholder feedback on which topics should be added to the FASB's agenda.

Topics discussed in the invitation to comment include:

- Intangible assets, including research and development.
- Pensions and other postretirement benefit plans.
- Distinguishing liabilities from equity.
- Reporting performance and cash flows.

Comments are due by 17 October 2016. Public roundtable meetings on the invitation to comment are expected to be held in the fourth quarter of 2016.

For more information, see the press release and invitation to comment on the FASB's website.

The IASB also has similar projects on its agenda for post-employment benefits (including pensions), liabilities and equity, and primary financial statements (performance reporting).

For more information, see the IASB's Agenda Consultation 2015.

IFRS Foundation Monitoring Board publishes work plan

The IFRS Foundation Monitoring Board, responsible for the oversight of the IFRS Foundation, has published its work plan. The Board expects that it will carry out the activities in the "near-term".

The Monitoring Board organized its plan into three sections, work related to:

- Trustees' oversight of the IASB — Provide comments on the IASB's due process arrangement and refer agenda items to the Trustees.
- Trustees — Review (1) the Trustees' Review of Structure and Effectiveness and (2) the June 2016 proposal to amend the IFRS Foundation Constitution. The Monitoring Board also plans to review the Trustees' financial arrangements and participate in the Trustee nomination process.
- Monitoring Board — Conduct a periodic review of existing Monitoring Board members and consider rotating members.

The work plan is available on the IASB's website.

Click [here](#) for more information.

IFAC urges G20 to call for global adoption of IFRSs

The International Federation of Accountants (IFAC) has submitted recommendations for endorsement by the Group of Twenty (G20) during their meeting in China on 4-5 September 2016.

The recommendations are grouped into two overarching aims:

- **Stronger governance for trust and integrity in business and public sector.** In this context the IFAC calls on the G20:
 1. to strengthen governance, to combat fraud and corruption, and to restore public trust and integrity;
 2. to enhance public sector financial management by actively encouraging the adoption of accrual-based accounting in the public sector and by requiring the FSB to encompass the public sector; and
 3. to promote integrated reporting.
- **Creation of a cooperative, consistent, and smart global regulatory environment.** The five recommendations in this case are:
 1. to develop and promote the global adoption of clear principles for good regulation;
 2. to acknowledge the importance of international standards;
 3. to enhance global consistency;
 4. to call for cooperation on taxation; and
 5. to establish a permanent G20 secretariat.

The recommendation on international standards expressly refers to IFRSs:

Issue a clear call for the adoption and implementation, across all jurisdictions, of:

- International Financial Reporting Standards;
- International Standards on Auditing;
- Auditor independence requirements set out in the *Code of Ethics for Professional Accountants*, issued by the International Ethics Standards Board for Accountants; and
- International Public Sector Accounting Standards (IPSAS).

Click [here](#) to access the full letter and [here](#) for the corresponding press release on the IFAC website.

New guide to IFRS Taxonomy common practice content

The IFRS Taxonomy contains some content that reflects new common practice regarding disclosures entities commonly provide in practice when applying IFRSs. These disclosures are not explicitly referred to in the standards or the accompanying materials.

To provide users with a better understanding of this kind of content and thus to enable them to contribute meaningfully to the IFRS Taxonomy consultation process, the IFRS Foundation has developed a Guide to Common Practice Content. The guide clarifies:

- IFRS Taxonomy common practice content;
- why the IFRS Taxonomy includes common practice content;
- the process followed to identify common practice elements; and
- the criteria used to propose identified common practice elements for inclusion in the IFRS Taxonomy.

For more information, please see the [press release](#) and the [new guide](#) on the IASB website.

Summary of the July 2016 ITCG conference call

The IASB has published notes to the IFRS Taxonomy Consultative Group (ITCG) conference call held on 28 July 2016.

The ITCG discussed:

- the *Guide to Common Practice Content*; and
- Amendments to IFRS 4: Applying IFRS 9 *Financial Instruments* with IFRS 4 *Insurance Contracts*.

Click [here](#) for more information, to see the summary on the IASB's website.

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Hot topics on IFRS

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Differential reporting	Click here for more information dealing with the financial reporting needs and requirements of different categories of entities (listed, public, private)
Global financial crisis	Click here for more information on global financial crisis
Islamic accounting	Click here for more information responding to concerns that existing accounting Standards such as IFRSs or local GAAP may be perceived to be insufficient to account for and report Islamic financial transactions
Use of IFRS by jurisdiction	Click here for more information on use of IFRS within different jurisdictions
IFRS in Europe	Click here for more information on IFRS in Europe
Research and education matters	Click here for more information on research and education matters

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Comment letters

	Description	Receiving party	Date issued Comment deadline
Comment letters issued			
Comment letters pending	ED/2016/1 <i>Definition of a Business and Accounting for Previously Held Interests (Proposed amendments to IFRS 3 and IFRS 11)</i> published ED/2016/1 <i>Definition of a Business and Accounting for Previously Held Interests (Proposed amendments to IFRS 3 and IFRS 11)</i> published	IASB	31 October 2016

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Effective dates

Click [here](http://www.iasplus.com/standard/effect.htm) for upcoming and recent effective dates. <http://www.iasplus.com/standard/effect.htm>

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Key contacts

Global IFRS Leader

Veronica Poole

ifrsglobalofficeuk@deloitte.co.uk

IFRS Centres of Excellence

Americas

Canada

Karen Higgins

ifrs@deloitte.ca

LATCO

Claudio Giaimo

ifrs-LATCO@deloitte.com

United States

Robert Uhl

iasplus-us@deloitte.com

Asia-Pacific

Australia

Anna Crawford

ifrs@deloitte.com.au

China

Stephen Taylor

ifrs@deloitte.com.cn

Japan

Shinya Iwasaki

ifrs@tohmatu.co.jp

Singapore

Shariq Barmaky

ifrs-sg@deloitte.com

Europe-Africa

Belgium

Thomas Carlier

ifrs-belgium@deloitte.com

Denmark

Jan Peter Larsen

ifrs@deloitte.dk

France

Laurence Rivat

ifrs@deloitte.fr

Germany

Jens Berger

ifrs@deloitte.de

Italy

Massimiliano Semprini

ifrs-it@deloitte.it

Luxembourg

Eddy Termaten

ifrs@deloitte.lu

Netherlands

Ralph Ter Hoeven

ifrs@deloitte.nl

Russia

Michael Raikhman

ifrs@deloitte.ru

South Africa

Nita Ranchod

ifrs@deloitte.co.za

Spain

Cleber Custodio

ifrs@deloitte.es

United Kingdom

Elizabeth Chrispin

deloitteifrs@deloitte.co.uk

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