



Annual Improvements Cycle 2012-2014

Project summary

The Annual Improvements process has been adopted by the IASB to deal with narrow scope amendments to IFRSs that address matters raised by the IFRS Interpretations Committee and suggestions from staff or practitioner, and focus on areas of inconsistency in IFRSs or amendments to IFRSs.

Issues included in this cycle are:

- IFRS 5 *Non-current Assets Held for Sale and Discontinued Operations* – Changes in methods of disposal
- IFRS 7 *Financial Instruments: Disclosures* – Servicing Contracts
- IFRS 7 *Financial Instruments: Disclosures* – Applicability of the amendments to IFRS 7 to condensed interim financial statements
- IAS 19 *Employee Benefits* – Discount rate: regional market issue
- IAS 34 *Interim Financial Reporting* – Disclosure of information “elsewhere in the interim financial report”.

This project was completed in Australia with the issue of AASB 2015-1 *Amendments to Australian Accounting Standards – Annual Improvements to Australian Accounting Standards 2012–2014 Cycle* in January 2015. AASB 2015-1 makes amendments to the equivalent Australian Accounting Standards to address the topics noted above.

Project contact

Evelyn Ling
Project Manager
evelynl@asb.gov.au

Project priority: Complete

Issued documents

- ED 247 *Annual Improvements to IFRSs 2012-2014 Cycle* (December 2013)
- AASB 2015-1 *Amendments to Australian Accounting Standards – Annual Improvements to Australian Accounting Standards 2012–2014 Cycle* (January 2015)

Project status

- ED 247 closed for comment
- Completed with the issue of AASB 2015-1

- [Link to IASB project page](#)

AASB outreach

- Comment letters received on ED 247

Board deliberations

- AASB Action Alert Update and Board Papers

AASB communications

- AASB comment letter to IASB on ED/2013/11 (March 2014)

The staff of the AASB have prepared this summary for information purposes only. The Board decisions described are tentative and do not change current accounting pronouncements unless otherwise indicated. Official positions of the AASB are determined only after extensive due process and deliberations. While this summary is regularly updated, it does not provide a comprehensive review or statement of events and should not be treated as such.

Last updated: **13 February 2015**

AASB Action Alert Update and Selected Board Papers

| Meeting Date | Update |
|-----------------------|--|
| December 2014 | <p>The Board considered feedback received on ED 256 <i>Removal of Cross-References from Financial Statements to Other Documents</i> in respect of the Board's proposed policy to not include in Australian Accounting Standards any IFRS text that mentions that an entity could disclose information specified by Accounting Standards by cross-reference from the general purpose financial statements. The Board also considered further whether there is a specific regulatory impediment in Australia to allowing information to be provided by cross-reference from general purpose financial statements and concluded that there was no specific regulatory impediment that would prohibit such cross-referencing of information.</p> <p>In light of the feedback received, the Board reconsidered its previous tentative decision in relation to the amendments to IAS 34 <i>Interim Financial Reporting</i> included in International Financial Reporting Standard <i>Annual Improvements to IFRSs 2012-2014 Cycle</i>. The Board decided not to change IAS 34; permitting cross referencing.</p> <p>The Board is expected to redeliberate ED 256 at its next meeting.</p> <p>5.1 Memorandum from Evelyn Ling dated 11 December 2014 re Forthcoming amendments to AASB 134</p> |
| September 2014 | <p>... In addition, the Board discussed the forthcoming IASB Annual Improvement to IAS 34 <i>Interim Financial Reporting</i> to clarify the meaning of "elsewhere in the interim financial report". The Board tentatively decided, consistent with its decisions in relation to paragraphs 21B, 35C and B6 of IFRS 7 <i>Financial Instruments: Disclosures</i>, not to incorporate the amendments to IAS 34, when made, into AASB 134, to the extent the IASB amendments would mention entities providing the information specified by paragraph 16A of AASB 134 by cross-reference to information outside the interim financial report.</p> <p><i>[extract only]</i></p> <p>18.1 Memorandum from Evelyn Ling dated 19 August 2014 re References in Australian Accounting Standards to Incorporation of Information by Cross-Reference</p> <p>18.2 Issues paper: Deletion of cross-references from Australian Accounting Standards</p> |
| May 2014 | <p>The Board received an update on the 13-14 May 2014 IFRS Interpretations Committee meeting, and focused on a number of issues arising out of that meeting, including: ...</p> <p>(c) the Committee's recommendation to the IASB relating to an Annual Improvement for IAS 34 <i>Interim Financial Reporting</i> – disclosure of information 'elsewhere in the interim financial report'. The Board noted that the Committee's suggested rewording of the proposed paragraph 16A of IAS 34 may have unintended consequences in an Australian reporting context. AASB staff will discuss the issue with the IASB staff.</p> <p><i>[extract only]</i></p> <p>4.1 Memorandum from Nikole Gyles and Mitchell Bryce dated 13 May 2014 re IFRS Interpretations Committee Update</p> <p>4.2 AASB Staff Summary of IFRS IC Decisions – May 2014</p> <p>4.3 IFRIC Update May 2014</p> |
| February 2014 | <p>The Board formed preliminary views on the proposals in IASB ED/2013/11 <i>Annual Improvements to IFRSs 2012-2014 Cycle</i> (incorporated into AASB ED 247), subject to consideration of any comments that might subsequently be received from AASB</p> |

AASB Action Alert Update and Selected Board Papers

| Meeting Date | Update |
|---------------------|--|
| | <p>constituents.</p> <p>The Board generally agreed with the proposals, but expressed concerns about the proposed amendments to IFRS 7 <i>Financial Instruments: Disclosures</i> relating to servicing contracts and IAS 19 <i>Employee Benefits</i>. The Board directed staff to conduct further research before the Board forms its view on the proposed amendment to IFRS 7.</p> <p>13.1 Memorandum from Evelyn Ling dated 28 January 2014 re <i>Annual Improvements to IFRSs 2012-2014 Cycle</i></p> <p>13.2 Preliminary AASB staff views on IASB ED <i>Annual Improvements to IFRSs 2012-2014 Cycle</i></p> |
| October 2013 | <p>The Board considered the potential reinstatement of paragraph B6 of IFRS 7 <i>Financial Instruments: Disclosures</i> in AASB 7 <i>Financial Instruments: Disclosures</i>. The Board decided that paragraph B6 should not be reinstated on the basis that it may have unintended consequences in an Australian reporting context.</p> |
| May 2013 | <p>The Board received an update on the results of staff research into the implications of accounting standards permitting financial statements to include a cross-reference to disclosure of information outside the financial statements. This issue arises in the context of paragraph 16A of IAS 34 <i>Interim Financial Statements</i> and paragraph B6 of IFRS 7 <i>Financial Instruments: Disclosure</i> (which the AASB has omitted from AASB 7).</p> <p>The Board considered whether paragraph B6 of IFRS 7 should be included in AASB 7 and whether a clarifying footnote should be added to paragraph 16A of AASB 134. The Board decided that a footnote to paragraph 16A of AASB 134 is not necessary. The Board asked staff to continue investigating the possible implications of inserting IFRS 7 paragraph B6 for consideration by the Board at a future meeting.</p> <p>4.1 Memorandum from Nikole Gyles dated 14 May 2013 re IFRS Interpretations Committee update</p> |