

Welcome to the *IASB Update*

The IASB met in public from 20-22 January 2015 at the IASB offices in London, UK.

The topics for discussion were:

- **Leases**
- ***Conceptual Framework***
- ***IFRS for SMEs: Comprehensive Review 2012–2014***
- **Disclosure Initiative**
- **Narrow-scope amendments to IAS 19 *Employee Benefits* and IFRIC 14 *IAS19—The Limit on a Defined Benefit Asset, Minimum Funding Requirements and their Interaction***
- **Measuring investees at fair value through profit or loss: an investment-by-investment choice or a consistent policy choice**
- ***Sale or Contribution of Assets between an Investor and its Associate or Joint Venture: Narrow-scope Amendment to IFRS 10 and IAS 28, issued September 2014—Interaction with paragraph 32 of IAS 28***
- **Insurance Contracts**
- **Emissions Trading Schemes**

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Future IASB meetings

The IASB meets at least once a month for up to five days.

The next IASB meetings are:

16 20 February 2015
16 20 March 2015
27 30 April 2015

To see upcoming and past IASB meetings, [click here](#).

Archive of *IASB Update* Newsletter

For archived copies of past issues of *IASB Update* on the IFRS website, [click here](#).

Podcast summaries

To listen to a short board meeting audio summary (Podcast) of previous board meetings, [click here](#).

Leases (Agenda Paper 3)

(IASB-only education session)

On 20 January 2015, the IASB held an education session on its proposals for leases. The IASB discussed the lessee disclosure requirements.

No decisions were made.

(Joint session with FASB)

The FASB and the IASB (the boards) met on 21 January 2015 to continue redeliberating the proposals in the May 2013 Exposure Draft *Leases* (the 2013 ED), specifically discussing lessee disclosure requirements.

Overall Disclosure Objective

The boards decided that the final leases standard should include a disclosure objective, which would be to enable users of financial statements to assess the amount, timing, and uncertainty of cash flows arising from leases. The boards also decided to retain the 2013 ED proposal requiring a lessee to consider the level of detail necessary to satisfy the disclosure objective. All FASB members and all IASB members agreed.

Quantitative Disclosure Requirements

The boards decided not to retain the 2013 ED proposal requiring a lessee to disclose a reconciliation of the opening and closing balances of its lease liabilities. All FASB members and twelve IASB members agreed. The IASB also decided not to retain the 2013 ED proposal requiring a lessee to disclose a reconciliation of the opening and closing balances of its right-of-use (ROU) assets. Twelve IASB members agreed.

The FASB decided to require a lessee to disclose the following quantitative items:

- a. Type A lease expense, segregated between amortisation of ROU assets and interest on lease liabilities. All FASB members agreed.
- b. Type B lease expense. All FASB members agreed.
- c. Short-term lease expense, excluding expenses relating to leases with a lease term of one month or less. Five FASB members agreed.
- d. Variable lease expense. All FASB members agreed.
- e. Sublease income. All FASB members agreed.
- f. Cash paid for amounts included in the measurement of lease liabilities, segregated between operating and financing cash flows and between Type A and Type B leases. Four FASB members agreed.
- g. Supplemental noncash information on lease liabilities arising from obtaining ROU assets, segregated between Type A and Type B leases. Six FASB members agreed.
- h. Weighted-average remaining lease term, disclosed separately for Type A and Type B leases. All FASB members agreed.
- i. Weighted-average discount rate for Type B leases as of the reporting date. All FASB members agreed.
- j. Gains and losses arising from sale and leaseback transactions. All FASB members agreed.

The FASB decided not to require a lessee to present lessee disclosures in a tabular format. Five FASB members agreed.

The FASB decided to clarify that the expense items disclosed would also include any amounts capitalised as part of the cost of another asset. Six FASB members agreed.

The IASB decided to require a lessee to disclose the following quantitative items:

- a. Amortisation of ROU assets, split by class of underlying asset. All fourteen IASB members agreed.
- b. Interest on lease liabilities. All fourteen IASB members agreed.

- c. Short-term lease expense, excluding expenses relating to leases with a lease term of one month or less. Eleven IASB members agreed and three disagreed.
- d. Small asset lease expense. Thirteen IASB members agreed and one disagreed.
- e. Variable lease expense. All fourteen IASB members agreed.
- f. Income from subleasing ROU assets. Ten IASB members agreed and four disagreed.
- g. Total cash outflow for leases. Thirteen IASB members agreed and one disagreed.
- h. Additions to ROU assets. All fourteen IASB members agreed.
- i. Gains and losses arising from sale and leaseback transactions. Ten IASB members agreed and four disagreed.
- j. Closing carrying amount of ROU assets, split by class of underlying asset. All fourteen IASB members agreed.

The IASB also decided to require a lessee to present:

- all lessee disclosures in a single note or separate section in its financial statements. Ten IASB members agreed and four disagreed.
- the quantitative lessee disclosures in a tabular format, unless another format is more appropriate. Nine IASB members agreed and five disagreed.

The FASB decided to retain the 2013 ED proposal for a lessee to disclose a maturity analysis of its lease liabilities, showing the undiscounted cash flows on an annual basis for a minimum of each of the first five years and a total of the amounts for the remaining years, and reconciling the undiscounted cash flows to the discounted lease liabilities recognised in the statement of financial position. All FASB members agreed.

The FASB decided not to retain the 2013 ED proposal requiring a lessee to disclose a maturity analysis of commitments for nonlease components related to a lease. Six FASB members agreed.

The FASB decided not to require a lessee to provide qualitative disclosures about the existence, and terms and conditions, of significant nonlease commitments it has taken on as a result of entering lease contracts. Four FASB members agreed.

The IASB decided that a lessee should be required to disclose a maturity analysis of its lease liabilities in accordance with paragraphs 39 and B11 of IFRS 7 *Financial Instruments: Disclosures*. A lessee would be required to disclose this maturity analysis separately from the maturity analyses of other financial liabilities. All IASB members agreed.

Qualitative Disclosure Requirements

The FASB decided to retain the qualitative disclosure requirements proposed in the 2013 ED, requiring a lessee to disclose the following qualitative items:

- a. Information about the nature of its leases (and subleases), including:
 - i. a general description of those leases;
 - ii. the basis, and terms and conditions, on which variable lease payments are determined;
 - iii. the existence, and terms and conditions, of options to extend or terminate the lease. A lessee should provide narrative disclosure about the options that are recognised as part of the ROU assets and lease liabilities and those that are not;
 - iv. the existence, and terms and conditions, of residual value guarantees provided by the lessee; and
 - v. the restrictions or covenants imposed by leases.
- b. Information about leases that have not yet commenced but that create significant rights and obligations for the lessee.
- c. Information about significant assumptions and judgments made in applying the requirements of the leases standards, which may include the following:
 - i. the determination of whether a contract contains a lease;
 - ii. the allocation of the consideration in a contract between leases and nonlease components; and
 - iii. the determination of the discount rate.

- d. The main terms and conditions of any sale and leaseback transactions.
- e. Whether an accounting policy election was made for the short-term lease exemption.

Four FASB members agreed.

The FASB decided not to include disaggregation guidance, similar to the guidance in Topic 606 on revenue from contracts with customers, when describing the level of detail with which qualitative disclosures should be presented. Four FASB members agreed.

The IASB decided not to retain the qualitative disclosure requirements proposed in the 2013 ED and, instead, to require a lessee to disclose sufficient additional information to satisfy the overall disclosure objective. The IASB decided to supplement this requirement with a list of specific disclosure objectives and to include illustrative examples in the final leases Standard to demonstrate how a lessee might comply with this requirement. All IASB members agreed.

Nonpublic Business Entity Considerations

The FASB decided not to provide any specified reliefs from the disclosure requirements for nonpublic business entities (that is, all other entities besides public business entities). Consequently, the lessee disclosure package is equally applicable to both public and nonpublic business entities. All FASB members agreed.

Next steps

The boards will continue their redeliberations at a future joint board meeting.

Conceptual Framework (Agenda Paper 10)

On 21 January the IASB discussed issues that have arisen during the drafting of the *Conceptual Framework* Exposure Draft (the Exposure Draft).

Agenda Paper 10: Sweep issues

The IASB tentatively decided:

- a. to describe relevance, faithful representation and the cost benefit constraint as criteria for recognition rather than as factors to consider when deciding whether to recognise an asset or liability. Twelve IASB members agreed with this decision and two IASB members disagreed.
- b. to replace the term 'is capable of' with the term 'has the potential to' in the definition of an economic resource. Hence, the Exposure Draft would define an economic resource as follows:

An economic resource is a right that has the potential to produce economic benefits.

All IASB members agreed with this decision.

In addition, the IASB tentatively reaffirmed that the Exposure Draft should include:

- a. the notion that the income and expenses included in profit or loss:
 - i. depicts the return that an entity has made on its economic resources during the period; and
 - ii. provides information that is helpful in assessing prospects for future cash flows.

However, the IASB tentatively decided not to describe this notion as the objective of profit or loss.

Twelve IASB members agreed with these decisions and two IASB members disagreed.

- b. a statement that financial statements should be prepared from the perspective of the reporting entity as a whole. Twelve IASB members agreed with this decision and two IASB members disagreed.

Next steps

The IASB plans to publish the Exposure Draft in the first quarter of 2015.

IFRS for SMEs: Comprehensive Review 2012–2014 (Agenda Paper 5)

The IASB met on 21 January 2015 to discuss an issue that had arisen during the balloting process of the amendments to the *IFRS for SMEs*. Those amendments resulted from the initial comprehensive review of the *IFRS for SMEs*. The issue related to the transition requirements for the option to use the revaluation model for property, plant and equipment. The IASB decided to require prospective application of the option to use the revaluation model from the beginning of the period in which the entity first adopts the amendments. All IASB members agreed.

Next steps

The amendments are expected to be issued in the first half of 2015.

The IASB will discuss the procedures surrounding future reviews of the *IFRS for SMEs* at its February 2015 meeting.

Disclosure Initiative (Agenda Paper 11)

(IASB education session)

Agenda Paper 11A: project update

The IASB met on 22 January to receive an update on the ongoing work in the Disclosure Initiative. This update included an overview of the activities that collectively comprise the Disclosure Initiative, and the progress those activities made against the 10-point plan announced by Hans Hoogervorst in June 2013. The IASB also received an update on the IFRS Filing and Taxonomy Jurisdictional Profile project.

No decisions were made.

Next steps

At its February meeting the IASB will discuss non-IFRS information in a complete set of financial statements and the content of the notes as part of the Principles of Disclosure project.

Narrow-scope amendments to IAS 19 *Employee Benefits* and IFRIC 14 *IAS19—The Limit on a Defined Benefit Asset, Minimum Funding Requirements and their Interaction* (Agenda Paper 12A-12C)

The IASB discussed recommendations from the IFRS Interpretations Committee to amend IAS 19 and IFRIC 14.

Agenda Paper 12B: Availability of a refund of a surplus from a defined benefit plan when an independent trustee has unilateral powers

The IASB discussed a recommendation from the Interpretations Committee to clarify whether a trustee's power to augment benefits or to wind up a plan affects the employer's unconditional right to a refund and thus, in accordance with IFRIC 14, restricts recognition of an asset.

At this meeting, the IASB tentatively agreed with the recommendation from the Interpretations Committee that IFRIC 14 should be amended to clarify that:

- a. The amount of the surplus that an entity recognises as an asset on the basis of a future refund should not include amounts that another party (for example, the plan trustee) has the unilateral power to use for other purposes, (for example to enhance benefits for plan members).
- b. An entity should not assume a gradual settlement of a plan as described in paragraph 11(b) of IFRIC 14, if another party can unilaterally decide to wind up the plan and prevent a gradual settlement.
- c. Another party's unilateral power to buy annuities or make other investment decisions without changing the pension promise is a power to make investment decisions and thus is different from the power to wind up a plan by settling plan liabilities, or the power to use a surplus to enhance benefits.
- d. When an entity determines the availability of a refund or a reduction in future contributions, the entity should take account of the statutory requirements that are substantively enacted, as well as taking account of the terms and conditions that are contractually agreed and any constructive obligations.

The IASB tentatively agreed with the recommendation from the Interpretations Committee that IAS 19 should be amended to clarify that, when a plan amendment, curtailment or settlement occurs:

- a. a gain or loss on settlement or past service cost should be calculated and recognised in profit or loss in accordance with paragraphs 99–112 of IAS 19; and
- b. an entity should reassess the asset ceiling to be applied to the updated surplus and the adjustment to the asset ceiling should be recognised in other comprehensive income as required in paragraph 57(d)(iii) of IAS 19.

The IASB also tentatively agreed with the Interpretations Committee's observation that, when an entity's legal or constructive obligation to enhance benefits has arisen in accordance with paragraph 61 of IAS 19, the entity should reflect that obligation in the measurement of the defined benefit obligation, in accordance with paragraph 88 of IAS 19.

All fourteen IASB members agreed.

Agenda Paper 12C: Remeasurement at a plan amendment, curtailment or settlement

Paragraph 99 of IAS 19 requires an entity to remeasure the net defined benefit liability (asset) when a plan amendment, curtailment or settlement occurs. The IASB discussed a recommendation from the Interpretations Committee to clarify the calculation of current service cost and net interest in this circumstance.

At this meeting, the IASB tentatively agreed with the recommendation from the Interpretations Committee that IAS 19 should be amended to clarify that:

- a. When the net defined benefit liability (asset) is remeasured in accordance with paragraph 99 of IAS 19:

- i. the current service cost and the net interest for the remaining period after the remeasurement should be determined using the assumptions applied to the remeasurement; and
 - ii. an entity should calculate the net interest for the remaining period based on the remeasured net defined benefit liability (asset).
- b. Service cost in the current reporting period before a plan amendment or curtailment is current service cost, and should not be affected by, or be included in, past service cost.

The IASB tentatively agreed with the Interpretations Committee's observation that the requirement to remeasure the net defined benefit liability (asset) is determined on a plan-by-plan basis.

Eleven IASB members agreed and three disagreed.

Transition and first-time adoption for the amendments in Agenda Paper 12B and Agenda Paper 12C

The IASB also agreed that:

- a. An entity should apply the amendments to IFRIC 14 and IAS 19 retrospectively but that an exemption should be given from retrospective adjustment of the carrying amount of assets that include employee benefits costs, but that are outside the scope of IAS 19 (e.g. inventories).
- b. Early application of the amendments to IAS 19 should be permitted.
- c. An amendment to IFRS 1 *First-time Adoption of International Financial Reporting Standards* is not needed.

All fourteen IASB members agreed.

Next steps

The IASB plans to combine the proposals described in Agenda Paper 12B and Agenda Paper 12C in a single amendment and will consider the due process undertaken on those proposed amendments at a future meeting.

Measuring investees at fair value through profit or loss: an investment-by-investment choice or a consistent policy choice (Agenda Paper 12D)

Paragraph 18 of IAS 28 *Investments in Associates and Joint Ventures* permits a different measurement basis when an investment in an associate or a joint venture is held by an entity that is a venture capital organisation or other qualifying entity. When an investment in an associate or joint venture is held by such an entity, it may elect to measure that investment at fair value through profit or loss.

In November 2014, the IFRS Interpretations Committee discussed whether this election is available on an investment-by-investment basis, or whether the election must be applied consistently to the measurement of all associates and joint ventures. The IASB noted that it had intended in the revisions to IAS 28 in 2011 to carry forward unchanged the measurement choice that had been available in the previous version of the Standard. The IASB therefore tentatively decided to clarify that the election is available on an investment-by-investment basis.

Additionally, an entity that is not an investment entity may have an associate or joint venture that is an investment entity. The IASB noted that paragraph 36A of IAS 28 permits such an entity the choice to retain the fair value measurements used by that investment entity associate or joint venture when applying the equity method. The IASB decided to clarify that this choice is also available on an investment-by-investment basis.

Ten IASB members agreed with this decision and four disagreed.

Next steps

The IASB will propose these amendments as part of the Annual Improvements process.

Sale or Contribution of Assets between an Investor and its Associate or Joint Venture: Narrow-scope Amendment to IFRS 10 and IAS 28, issued September 2014—Interaction with paragraph 32 of IAS 28 (Agenda Paper 12E)

The IASB discussed an unintended consequence of a narrow-scope amendment to IFRS 10 *Consolidated Financial Statements* and IAS 28 *Investments in Associates and Joint Ventures* that was issued in September 2014. That amendment required that, in certain circumstances, part of the gain arising on loss of control of a subsidiary should not be recognised. Those circumstances arise when the entity retains an investment in the former subsidiary, and has either significant influence or joint control over that former subsidiary. The part of the gain that is not recognised is required to be eliminated against the carrying amount of the retained investment in the former subsidiary.

The IASB was informed that the elimination of a gain required by the September 2014 amendment appeared to create a conflict with paragraph 32(b) of IAS 28 which requires that an entity should recognise as income any excess of the fair value of the net assets of an acquired associate (or joint venture) over the cost of that associate (or joint venture). Applying the requirements of paragraph 32(b) of IAS 28 in the limited circumstances described would result in a reversal of elimination of a gain required by the September 2014 amendment.

The IASB tentatively decided to clarify the requirements of IFRS 10 and IAS 28 by:

- a. amending IFRS 10 to explain that, in the limited circumstances described, the cost on initial recognition of the retained investment is the fair value of that investment; and any gains or losses eliminated are a subsequent adjustment; and
- b. amending IAS 28 for circumstances in which:
 - i. an associate or joint venture arises from the residual interest retained following the loss of control of a subsidiary; and
 - ii. that associate or joint venture does not include a business;

to explain that, for the purposes of the acquisition accounting required in paragraph 32 of that Standard, the cost on initial recognition of that associate or joint venture is the fair value of the investment at the date that control is lost and is determined before any elimination of the gains or losses required by paragraph 99A of IFRS 10.

The IASB also tentatively decided to propose a postponement of the effective date of the September 2014 amendments to IFRS 10 and IAS 28 in the light of the interaction between this proposed clarification and the September 2014 amendments. The IASB intends the effective date of this proposal and the September 2014 amendments to be the same.

All fourteen IASB members agreed.

Next steps

The IASB expects to review the due process for these amendments at a future meeting. The IASB plans to bundle these proposed amendments with other proposals to amend IAS 28 that have already been balloted. It expects to publish the Exposure Draft in Q2 of 2015.

Insurance Contracts (Agenda Paper 2)

(IASB decision-making session)

The IASB met on 22 January 2015 to discuss transition reliefs in the light of the fact that the earliest possible effective date of the new insurance contracts Standard will be after the mandatory effective date of IFRS 9 *Financial Instruments*.

The IASB tentatively confirmed the transition relief proposals in the 2013 Exposure Draft that, on the initial application of the new insurance contracts Standard:

- a. an entity is permitted to newly designate financial assets under the fair value option as measured at fair value through profit or loss to eliminate (or significantly reduce) an accounting mismatch in accordance with paragraph 4.1.5 of IFRS 9;
- b. an entity is required to revoke previous fair value option designations for financial assets if the accounting mismatch that led to the previous designation in accordance with paragraph 4.1.5 of IFRS 9 no longer exists; and
- c. an entity is permitted to newly designate an investment in an equity instrument as measured at fair value through other comprehensive income in accordance with paragraph 5.7.5 of IFRS 9 and is permitted to revoke previous designations.

All fourteen IASB members agreed with this decision.

The IASB tentatively decided:

- a. to consider providing further transition relief to permit or require an entity to reassess the business model for financial assets at the date of initial application of the new insurance contracts Standard. This reassessment would be based on the conditions for assessing the business model in paragraphs 4.1.2(a) or 4.1.2A(a) of IFRS 9 and the facts and circumstances that exist at the date of the first application of the new insurance contracts Standard; and
- b. not to consider deferring the mandatory effective date of IFRS 9 for entities that issue insurance contracts.

Thirteen IASB members agreed with this decision and one IASB member disagreed.

Next steps

The IASB will continue its discussions on the Insurance Contracts project at future meetings.

Emissions Trading Schemes (Agenda Paper 6)

The IASB met on 22 January 2015 to discuss a project plan for Emissions Trading Schemes. The plan reflected the initial views expressed by the IASB, Global Preparers Forum and Accounting Standards Advisory Forum at meetings held in Q4 of 2014.

Agenda Paper 6: Project plan

The IASB tentatively agreed to:

- a. Set a broad scope for the project in order to consider the accounting for a variety of schemes that use emission allowances and other financial tools to manage the emission of pollutants and change the title of the project to reflect the broader scope.
- b. Take a 'fresh start' approach to the project, ie that the IASB would not start from the tentative decisions made in the previous project but would instead establish the financial impact of such schemes before looking afresh at how to account for the

- combination of components that arise in them.
- c. Work collaboratively with other standard-setters for research and outreach.
 - d. Develop a Discussion Paper as the first due process output.

All IASB members agreed with these decisions.

Next steps

The staff will continue the research into a variety of schemes before asking the IASB to deliberate the possible accounting approaches.

Work plan—projected targets as at 27 January 2015

| Major Projects | | | | |
|--|-------------------------------------|------------|-------------|------------|
| Next major project milestone | | | | |
| | 2015 Q1 | 2015 Q2 | 2015 Q3 | 2015 Q4 |
| Upcoming Standards | | | | |
| Insurance Contracts | Redeliberations | | | |
| Leases | | | Target IFRS | |
| Comprehensive review of the IFRS for SMEs | Target amended <i>IFRS for SMEs</i> | | | |
| Upcoming Exposure Drafts | | | | |
| Conceptual Framework | Target ED | | | |
| Published Discussion Papers | | | | |
| Accounting for Dynamic Risk Management: a Portfolio Revaluation Approach to Macro Hedging [Comment period ended 17 October 2014] | Comment letter analysis | | | |
| Rate-regulated Activities [Comment period ended 15 January 2015] | Comment letter analysis | | | |
| Upcoming Discussion Papers | | | | |
| Disclosure Initiative | | | | |
| Principles of disclosure | | Target DP | | |
| The Disclosure Initiative is a portfolio of Implementation and Research projects. | | | | |
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| Implementation Projects | | | | |
| Next major project milestone | | | | |
| Narrow-scope amendments | 2015 Q1 | 2015 Q2 | 2015 Q3 | 2015 Q4 |
| Annual Improvements 2014–2016 | | Target ED | | |

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|---|-------------------------|---------------------------|----------------|----------------|
| Clarifications of Classification and Measurement of Share-based Payment Transactions (Proposed amendment to IFRS 2) | | Redeliberations | | |
| Classification of liabilities (Proposed amendment to IAS 1) | Target ED | | | |
| Disclosure Initiative | | | | |
| Amendments to IAS 7 [Comment period ends 17 Apr 2015] | Public consultation | | | |
| Elimination of gains or losses arising from transactions between an entity and its associate or joint venture (Proposed amendments to IFRS 10 and IAS 28) | | Target ED | | |
| Fair Value Measurement: Unit of Account [Comment period ended 16 January 2015] | Comment letter analysis | | | |
| Recognition of Deferred Tax Assets for Unrealised Losses (Proposed amendments to IAS 12) [Comment period ended 18 December 2014] | Redeliberations | | | |
| Remeasurement at a plan amendment, curtailment or settlement / Availability of a refund of a surplus from a defined benefit plan (Proposed amendments to IAS 19 and IFRIC 14) | | Target ED | | |
| Next major project milestone | | | | |
| Post-implementation Reviews | 2015 Q1 | 2015 Q2 | 2015 Q3 | 2015 Q4 |
| IFRS 3 Business Combinations | | Target Feedback Statement | | |
| Conceptual Framework | | | | |
| Next major project milestone | | | | |
| | 2015 Q1 | 2015 Q2 | 2015 Q3 | 2015 Q4 |
| Conceptual Framework | Target ED | | | |
| Research Projects | | | | |
| Next major project milestone | | | | |
| | 2015 Q1 | 2015 Q2 | 2015 Q3 | 2015 Q4 |
| Short- and medium-term projects | | | | |
| Business combinations under common control | Board discussion | | | |
| Disclosure Initiative | | | | |
| General disclosure review | Board discussion | | | |
| Materiality | Board discussion | Target Draft Practice | | |

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| | | Statement | | |
| Principles of disclosure | | Target DP | | |
| Discount rates | Board discussion | | | |
| Emissions trading scheme | Board discussion | | | |
| Equity method of accounting | Board discussion | | | |
| Financial instruments with characteristics of equity | Board discussion | | | |
| Inflation | Board discussion | | | |
| Liabilities—amendments to IAS 37 | Pending developments in the <i>Conceptual Framework</i> project | | | |
| Performance Reporting | Board discussion | | | |
| Longer-term projects | | | | |
| Extractive activities/Intangible assets/R&D activities | | | | |
| Foreign currency translation | | | | |
| Income taxes | | Board discussion | | |
| Post-employment benefits (including pensions) | Board discussion | | | |
| Share-based payments | | Board discussion | | |
| The IASB is developing its research capabilities. For further information visit the IFRS Research Centre | | | | |
| Completed IFRS | | | | |
| Major projects | Issued date | Effective date | Year that PIR is expected to start* | |
| IFRS 9 <i>Financial Instruments</i> | July 2014 | 1 January 2018 | TBC | |
| IFRS 14 <i>Regulatory Deferral Accounts</i> | January 2014 | 1 January 2016 | TBC | |
| IFRS 15 <i>Revenue from Contracts with Customers</i> | May 2014 | 1 January 2017 | TBC | |
| *A Post-implementation Review normally begins after the new requirements have been applied internationally for two years, which is generally about 30–36 months after the effective date. | | | | |
| Narrow-scope amendments | Issued date | Effective date | | |
| IAS 32 <i>Financial Instruments: Presentation—Offsetting Financial Assets and Financial Liabilities</i> (Amendments to IAS 32) | December 2011 | 1 January 2014 | | |
| <i>Investment Entities</i> (Amendments to IFRS 10, IFRS 12 and IAS 27) | October 2012 | 1 January 2014 | | |

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| Recoverable Amount Disclosures for Non-Financial Assets (Amendments to IAS 36) | May 2013 | 1 January 2014 | |
| Novation of Derivatives and Continuation of Hedge Accounting (Amendments to IAS 39) | June 2013 | 1 January 2014 | |
| Defined Benefit Plans: Employee Contributions (Amendments to IAS 19) | November 2013 | 1 July 2014 | |
| Annual Improvements 2010–2012 <ul style="list-style-type: none"> • IFRS 2 <i>Share-based Payment</i> <ul style="list-style-type: none"> ○ Definition of vesting condition • IFRS 3 <i>Business Combination</i> <ul style="list-style-type: none"> ○ Accounting for contingent consideration in a business combination • IFRS 8 <i>Operating Segments</i> <ul style="list-style-type: none"> ○ Aggregation of operating segments ○ Reconciliation of the total of the reportable segments' assets to the entity's assets • IFRS 13 <i>Fair Value Measurement</i> <ul style="list-style-type: none"> ○ Short-term receivables and payables • IAS 16 <i>Property, Plant and Equipment</i> <ul style="list-style-type: none"> ○ Revaluation method—proportionate restatement of accumulated depreciation • IAS 24 <i>Related Party Disclosures</i> <ul style="list-style-type: none"> ○ Key management personnel services • IAS 38 <i>Intangible Assets</i> <ul style="list-style-type: none"> ○ Revaluation method—proportionate restatement of accumulated amortisation | December 2013 | 1 July 2014 | |
| Annual Improvements 2011–2013 <ul style="list-style-type: none"> • IFRS 1 <i>First-time Adoption of International Financial Reporting Standards</i> <ul style="list-style-type: none"> ○ Meaning of 'effective IFRSs' • IFRS 3 <i>Business Combinations</i> <ul style="list-style-type: none"> ○ Scope exceptions for joint ventures • IFRS 13 <i>Fair Value Measurement</i> <ul style="list-style-type: none"> ○ Scope of paragraph 52 (portfolio exception) • IAS 40 <i>Investment Property</i> <ul style="list-style-type: none"> ○ Clarifying the interrelationship between IFRS 3 and IAS 40 when classifying property as investment property or owner-occupied property | December 2013 | 1 July 2014 | |
| Accounting for Acquisitions of Interests in Joint Operations (Amendments to IFRS 11) | May 2014 | 1 January 2016 | |
| Clarification of Acceptable Methods of Depreciation and Amortisation (Amendments to IAS 16 and IAS 38) | May 2014 | 1 January 2016 | |
| Agriculture: Bearer Plants (Amendments to IAS 16 and IAS 41) | June 2014 | 1 January 2016 | |
| Equity Method in Separate Financial Statements (Amendments to IAS 27) | August 2014 | 1 January 2016 | |
| Sale or Contribution of Assets between an Investor and its Associate or Joint Venture (Amendments to IFRS 10 and IAS 28) | September 2014 | 1 January 2016 | |

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| <p>Annual Improvements 2012–2014</p> <ul style="list-style-type: none"> • IFRS 4 <i>Non-current Assets Held for Sale and Discontinued Operations</i> <ul style="list-style-type: none"> ○ Changes in methods of disposal • IFRS 7 <i>Financial Instruments: Disclosures</i> <ul style="list-style-type: none"> ○ Servicing contracts ○ Applicability of the amendments to IFRS 7 to condensed interim financial statements • IAS 19 <i>Employee Benefits</i> <ul style="list-style-type: none"> ○ Discount rate: regional market issue • IAS 34 <i>Interim Financial Reporting</i> <ul style="list-style-type: none"> ○ Disclosure of information 'elsewhere in the interim financial report' | September 2014 | 1 January 2016 | |
| <p>Investment Entities: Applying the Consolidated Exception (Amendments to IFRS 10, IFRS 12 and IAS 28)</p> | December 2014 | 1 January 2016 | |
| <p>Disclosure Initiative (Amendments to IAS 1)</p> | December 2014 | 1 January 2016 | |
| | | | |
| Interpretations | Issued date | Effective date | |
| IFRIC 21 <i>Levies</i> | May 2013 | 1 January 2014 | |
| | | | |
| Agenda consultation | | | |
| <p>The IASB is committed to carrying out regular public agenda consultations to seek formal input on the strategic direction and overall balance of our work programme. The feedback from our first formal consultation was published in December 2012.</p> | | | |
| Next major project milestone | | | |
| | 2015 | 2016 | |
| Three-yearly public consultation | Initiate second three-yearly public consultation | | |
| | | | |

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