

# IFRS on point.

## IFRS Accounting Developments and Information: September 2011

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## International headlines

### IASB publishes updated work plan

The International Accounting Standards Board (IASB) published an IASB Update which outlined the expected timing of document release for a number of its current projects. The IASB Update outlined the following expected timing:

Expected timing	Documents to be issued
Mid-October 2011	<ul style="list-style-type: none"> <li>• Release of IFRIC 20 <i>Stripping Costs in the Production Phase of a Surface Mine</i></li> <li>• Narrow-scope exposure draft amending IFRS 1 <i>First-time Adoption of International Financial Reporting Standards</i> to allow for the prospective application of paragraph 10A of IAS 20 <i>Accounting for Government Grants and Disclosure of Government Assistance</i> for first-time adopters</li> </ul>
November 2011	<ul style="list-style-type: none"> <li>• Review draft of the hedge accounting chapter of IFRS 9 <i>Financial Instruments</i> for a 90 day comment period</li> <li>• Revenue recognition re-exposure draft</li> </ul>
December 2011	<ul style="list-style-type: none"> <li>• Exposure draft of the 2011-2012 cycle of annual improvements</li> <li>• Amendments to IAS 32 <i>Financial Instruments: Presentation</i> and IFRS 7 <i>Financial Instruments: Disclosures</i> arising from the offsetting project</li> </ul>
First quarter 2012	<ul style="list-style-type: none"> <li>• Leases re-exposure draft</li> </ul>

Click [here](#) for the IASB Update.

### IIRC issues Discussion Paper on Integrated Reporting

The International Integrated Reporting Committee (IIRC) published a Discussion Paper *Towards Integrated Reporting – Communicating Value in the 21st Century*. The Discussion Paper is the first step in the development of an 'International Integrated Reporting Framework', with an exposure draft expected to be published in 2012. The IIRC requests comments on the Discussion Paper by 14 December 2011. Click [here](#) to access the Discussion Paper.

For more useful information please see the following websites:

[www.iasplus.com](http://www.iasplus.com)

[www.deloitte.com](http://www.deloitte.com)

### **IASB releases 'Effect Analysis' on consolidation and disclosure of interests in other entities**

The IASB published a report presenting an analysis of the effects of IFRS 10 *Consolidated Financial Statements* and disclosures included in IFRS 12 *Disclosure of Interests in Other Entities*. The report provides detailed insights into the potential impacts of the new requirements using case studies and other quantitative and qualitative material. It includes an assessment of both the costs incurred by preparers of financial statements and the costs incurred by users of financial statements when information is not available. Click [here](#) for the IASB announcement.

### **Monitoring Board summarises comments on IFRS Foundation governance review**

The Monitoring Board released a document summarising responses to its Consultative Report on the Review of the IFRS Foundation's Governance, published in February 2011. The document provides a summary of responses from the 80 comment letters received, which expressed a wide variety of views. The Monitoring Board intends to coordinate closely with the IFRS Foundation Trustees who are currently undertaking a separate strategy review in order to develop a joint package of improvements, with the objective of finalising the process during the fourth quarter of 2011. Click [here](#) for the document summarising comments to the Consultative Report on the Review of the IFRS Foundation's Governance.

### **IASB publishes mark-up version of IAS 19**

The IASB published a mark-up version of IAS 19 *Employee Benefits* highlighting the amendments made to the previous version of IAS 19 to match the requirements in IAS 19 as issued in June 2011. Click [here](#) to access the mark-up version of IAS 19.

### **SMEIG invites comments on five draft Q&As for the IFRS for SMEs**

The SME Implementation Group (SMEIG) published for public comment five draft question and answer documents (Q&As) related to the implementation of the *IFRS for SMEs* (International Financial Reporting Standard for Small and Medium-sized Entities). These draft Q&As are open for comment until 30 November 2011 and cover the following topics:

- Application of the *IFRS for SMEs* for financial periods ending before the *IFRS for SMEs* was issued
- Interpretation of 'undue cost or effort' and 'impracticable'
- Jurisdiction requires fallback to full IFRSs
- Departure from a principle in the *IFRS for SMEs*
- Prescription of the format of financial statements by local regulation

Click [here](#) to access the draft Q&As.

### **IASB staff issues IFRS for SMEs Update**

The IASB staff issued its *IFRS for SMEs* Update summarising news relating to the *IFRS for SMEs*. Recent developments concerning the *IFRS for SMEs* include the following: the SMEIG published five more draft Q&As, as outlined above, the *IFRS for SMEs* was discussed at the World Standard Setters meeting, new training modules have been developed and new translations are available. Click [here](#) for access to the *IFRS for SMEs* Update.

### **GRI calls for input into sustainability reporting guidelines and first country annex**

The Global Reporting Initiative (GRI) requested comments on the proposed 'fourth generation' of its Sustainability Reporting Guidelines ("G4") and the first version of GRI's Guidelines tailored specifically for a country. The G4 guidelines are expected to address new requirements for sustainability data and improve on the content in the current guidelines with strengthened technical definitions and improved clarity. The initial 'public comment period' on the G4 guidelines invites feedback on the inclusion of proposed sustainability topics and the potential shape of the G4. The comment period closes on 24 November 2011. GRI has also published a 'Brazilian National Annex' for public comment; the first version of GRI's Guidelines that is tailored specifically for a country. The comment deadline on the National Annex is 25 October 2011. Click [here](#) for more information about the G4 proposals. Click [here](#) for more information about the Brazilian National Annex.

### **GRI issues construction and real estate guidance**

The GRI issued the *Construction and Real Estate Sector Supplement*, which provides guidance on applying GRI's Reporting Framework and Guidelines in the construction and real estate sectors. Specific issues covered in the new Supplement include building and materials certification, CO<sub>2</sub> emissions, management and remediation of contaminated land and labour health and safety issues. Click [here](#) for the GRI press release on the supplement.

### GRI and ISO co-operate on sustainability

The GRI and the International Organization for Standardization (ISO) have signed a Memorandum of Understanding (MoU) to increase their co-operation on sustainability matters. The MoU is intended to leverage the activities of the two organisations related to reporting and benchmarking by business and on sustainable development. Click [here](#) for the GRI press release.

### EC services publishes report on use of options within the Accounting Directives

The European Commission services published a report on the responses received to the consultation of Accounting Regulatory Committee members on the use of options within the European Accounting Directives. This report provides an update on the extent to which certain options included within the Accounting Directives have been incorporated into the law of the Member States and European Economic Area countries. Click [here](#) to access the report.

### Minutes from second meeting of Experts Group on Disclosure of Non-Financial information by EU Companies

The European Commission's Expert Group on Disclosure of Non-Financial information by European Union Companies held its second meeting on 12 September 2011. Meeting discussions focused on whether a principles-based approach, rather than a detailed, rules-based approach should be chosen; whether existing international frameworks are possible; references for principles-based legislation; whether legislation should mandate a set of specific topics to be covered by non-financial reports; whether a disclosure requirement should take the form of a general reporting obligation and whether an obligation to disclose non-financial information will have positive effects on business accountability, company performance and capital markets. Click [here](#) for minutes from the Expert Group's meeting.

### EFRAG issues update on IASB activities

The European Financial Reporting Advisory Group (EFRAG) released the September 2011 issue of its EFRAG Update newsletter, which included discussion of its draft comment letter in response to the IASB Exposure Draft *Mandatory Effect Date of IFRS 9*, the IASB's new and revised standards related to consolidation, joint arrangements and disclosures, other IASB projects including revenue recognition, financial instruments and investment entities, as well as other EFRAG projects. Click [here](#) for the EFRAG Update newsletter.

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## Deloitte IFRS communications and publications

Issuance Date	Description
28 September 2011	<b>Global Insurance Webcast:</b> The Boards refine their divergent positions <ul style="list-style-type: none"><li>• Webcast slides</li></ul>
23 September 2011	<b>IFRIC Review:</b> IFRS Interpretations Committee Meeting held on 8-9 September 2011
20 September 2011	<b>Integrated Reporting — A better view?</b>
19 September 2011	<b>IFRS in Focus:</b> IIRC issues Discussion Paper on Integrated Reporting
13 September 2011	IFRS Interim Financial Reporting Compliance Checklist <ul style="list-style-type: none"><li>• PDF file</li><li>• Word file</li></ul>
8 September 2011	<b>IFRS Industry Insights:</b> The new joint arrangements standard – insights for the real estate industry
7 September 2011	<b>IFRS Industry Insights:</b> The Leases Project – An update for the consumer business industry (Issue 2)
6 September 2011	<b>IFRS Industry Insights:</b> The new consolidation standard – insights for the real estate industry
5 September 2011	<b>IFRS in Focus:</b> IASB issues exposure draft on investment entities

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## IASB and IFRS Interpretations Committee meetings

Description	
IASB meeting	Click <a href="#">here</a> for the 19 – 22 September 2011 meeting notes
IFRS Interpretations Committee meeting	Click <a href="#">here</a> for the 8 – 9 September 2011 meeting notes

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## Comment letters

	Description	Receiving party	Comment deadline
Comment letters issued	<b>ED/2011/2, Improvements to IFRSs</b>	IASB	21 October 2011
Comment letters pending	ED/2011/3, <i>Mandatory Effective Date of IFRS 9</i>	IASB	21 October 2011
	Agenda Consultation 2011	IASB	30 November 2011
	Draft Q&A 2011/09, <i>IFRS for SMEs</i> General, Issue 1: <i>Application of the IFRS for SMEs for Financial Periods Ending Before the IFRS for SMEs Was Issued</i>	SMEIG	30 November 2011
	Draft Q&A 2011/09, <i>IFRS for SMEs</i> General, Issue 2: <i>Interpretation of 'Undue Cost or Effort' and 'Impracticable'</i>	SMEIG	30 November 2011
	Draft Q&A 2011/09, <i>IFRS for SMEs</i> Section 3, Issue 1: <i>Jurisdiction Requires Fallback to Full IFRSs</i>	SMEIG	30 November 2011
	Draft Q&A 2011/09, <i>IFRS for SMEs</i> Section 3, Issue 2: <i>Departure From a Principle in the IFRS for SMEs</i>	SMEIG	30 November 2011
	Draft Q&A 2011/09, <i>IFRS for SMEs</i> Section 3, Issue 3: <i>Prescription of the Format of Financial Statements by Local Regulation</i>	SMEIG	30 November 2011
	ED/2011/4, <i>Investment Entities</i>	IASB	5 January 2012

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## Key contacts

### IFRS global office

Global Managing Director, IFRS Clients and Markets

Joel Osnoos

ifsglobalofficeuk@deloitte.co.uk

Global Managing Director, IFRS Technical

Veronica Poole

ifsglobalofficeuk@deloitte.co.uk

Global IFRS Communications

Randall Sogoloff

ifsglobalofficeuk@deloitte.co.uk

### IFRS centres of excellence

#### Americas

Canada

Karen Higgins

iasplus@deloitte.ca

LATCO

Fermin del Valle

iasplus-LATCO@deloitte.com

United States

Robert Uhl

iasplusamericas@deloitte.com

#### Asia-Pacific

Australia

Anna Crawford

iasplus@deloitte.com.au

China

Stephen Taylor

iasplus@deloitte.com.hk

Japan

Shinya Iwasaki

iasplus-tokyo@tohmatu.co.jp

Singapore

Shariq Barmaky

iasplus-sg@deloitte.com

#### Europe-Africa

Belgium

Laurent Boxus

BEIFRSBelgium@deloitte.com

Denmark

Jan Peter Larsen

dk\_iasplus@deloitte.dk

France

Laurence Rivat

iasplus@deloitte.fr

Germany

Andreas Barckow

iasplus@deloitte.de

Luxembourg

Eddy Termaten

luisiasplus@deloitte.lu

Netherlands

Ralph ter Hoeven

iasplus@deloitte.nl

Russia

Michael Raikhman

iasplus@deloitte.ru

South Africa

Graeme Berry

iasplus@deloitte.co.za

Spain

Cleber Custodio

iasplus@deloitte.es

United Kingdom

Elizabeth Chrispin

iasplus@deloitte.co.uk

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