



Accounting Roundup

July 2018

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Recent developments

IFRS

Discussion Papers published:

The International Accounting Standards Board (IASB) publishes a discussion paper on financial instruments with characteristics of equity

EU endorsement:

The European Union formally adopts IFRIC 22 *Foreign Currency Transactions and Advance Consideration*

[Click here](#) for the latest IASB work plan.

Meeting minutes and further information:

April, May and June IASB meetings
May and June IFRSIC meetings

UK GAAP

Amendments:

The Financial Reporting Council (FRC) issues *Amendments to the Basis for Conclusions to FRS 101*

For more information please see the following websites:

www.ukaccountingplus.co.uk

www.deloitte.co.uk

Recent developments (continued)

Corporate Governance

The FRC issues a new UK Corporate Governance Code

The Department for Business, Energy and Industrial Strategy (BEIS) issues legislation to deliver key corporate governance reforms on pay and stakeholder engagement

The FRC publishes a consultation on corporate governance principles for large private companies

The Quoted Companies Alliance (QCA) publishes a revised version of its Corporate Governance Code

Other

The European Financial Reporting Advisory Group (EFRAG) issues its final endorsement advice on amendments to IAS 28 *Investments in Associates and Joint Ventures*

EFRAG issues its final endorsement advice on amendments to IAS 19 regarding plan amendments, curtailments, and settlements

EFRAG issues draft endorsement advice on *Amendments to References to the Conceptual Framework in IFRS Standards*

Independent report explores how the Task Force on Climate-related Financial Disclosures (TCFD) recommendations should be implemented in the UK

The Institute of Chartered Accountants in England and Wales (ICAEW) publishes guidance on how best to implement the TCFD's recommendations

The IFRS Foundation issues illustrative examples in XBRL for the IFRS Taxonomy 2018

Chartered Professional Accountants of Canada (CPA Canada) publishes an introduction to accounting for cryptocurrencies under IFRS

Hyperinflationary economies – updated IPTF watch list available

The Committee of Sponsoring Organisations of the Treadway Commission (COSO) and the World Business Council for Sustainable Development (WBCSD) issue draft guidance to supplement COSO's updated enterprise risk management (ERM) framework

The International Organisation of Securities Commissions (IOSCO) issues a consultation report on good practices for audit committees in supporting audit quality

Other – FRC

The FRC issues a briefing setting out current 'hot topics' of its Corporate Reporting Review team

The FRC Lab publishes a report on reporting performance metrics

The FRC Lab publishes a report on blockchain

The FRC consults on proposed amendments to the FRC Taxonomies

The FRC publishes audit quality inspection reports for the eight largest audit firms

The FRC publishes a Thematic Review on Audit Culture

Other – IASB

The IASB Vice-Chair discusses IFRS 9 *Financial Instruments*

The IASB releases a webcast that discusses how to apply IFRS 9 to financial assets with prepayment features

The IASB chair provides an update on current activities

The IASB posts a webcast on proposed amendments to IAS 8 *Accounting Policies, Changes in Accounting Estimates and Errors*

Other – industry specific

The Pensions Research Accountants Group (PRAG) publishes an updated Statement of Recommended Practice (SORP) for Pension accounting

BEIS consults on reforming limited partnership law

The IASB posts a video supporting the implementation of IFRS 17 *Insurance Contracts*

The IASB publishes an article on how IFRS 17 affects the investor community

The FRC publishes a summary of the findings from its panel discussion on IFRS 17

The IASB publishes an "Investor Perspectives" article on insurance accounting

The Chartered Institute of Public Finance and Accountancy (CIPFA) and the Local Authority (Scotland) Accounts Advisory Committee (LASAAC) issue a new Code of Practice on Local Authority Accounting

CIPFA/LASAAC consults on incorporating the requirements of IFRS 16 *Leases* into the new Code of Practice on Local Authority Accounting

HM Treasury issues a consultation on the application of IFRS 16 in the public sector

The International Public Sector Accounting Standards Board (IPSASB) publishes proposed 'Improvements to IPSAS, 2018'

Insurance contracts transition resource group holds second technical meeting

Latest Charity Commission review highlights wider lessons for trustees, auditors and independent examiners

Recent developments (continued)

Other – The Bruce Column

Where the Financial Reporting Council goes from here

Boosting the bottom line with integrated thinking, sustainability and value



Tools and resources

Deloitte publications, interviews and recordings

Need to know

Designed for financial controllers, chief accountants, and accounting technicians:

IASB issues a revised Conceptual Framework

Second Transition Resource Group meeting discussing the implementation of IFRS 17 *Insurance Contracts*

Disclosing the new adoption of accounting standards in interim financial statements

Government publishes new company reporting requirements for private and public companies in response to its consultation on Corporate Governance Reform

Reporting on periods ending 30 June 2018 – Inflation in Argentina

Governance in brief

A summary of the latest corporate governance developments:

The QCA updates its Corporate Governance Code as AIM tightens rules

BEIS issues legislation to deliver key corporate governance reforms

FRC issues new UK Corporate Governance Code

Other Publications

2018 Update on Half Yearly Financial Reporting – *The 2018 edition of our popular guide to half-yearly financial reporting contains a regulatory overview, setting out the requirements for half-yearly financial reports and changes for preparers to contend with in 2018, including disclosures on the impact of implementing IFRS 15 Revenue from Contracts with Customers and IFRS 9 Financial Instruments, a model half-yearly financial report, including illustrative IAS 34 condensed financial statements; and a disclosure checklist.*

Global IFRS Insurance Survey 2018 – 2021 countdown underway: Insurers prepare for IFRS 17 implementation - *This publication aims to provide a comprehensive view of insurers' reactions to the requirement in IFRS 17, as well as their perceptions on the scale and complexity of this major regulatory change, and the timelines surrounding system implementation necessary to achieve compliance.*

Thinking allowed – Cryptocurrency: Financial reporting implications - *Cryptocurrencies have attracted the attention of many. From individuals who are interested in Blockchain and related processing activities or who want to invest in them, to retailers, corporate investors and investment funds, securities regulators, the banking sector, the accounting profession and Governments. The idea of a virtual currency that has no links to a jurisdiction and that exists in a public network, maintained on computers operated by a myriad of individuals, was not something that was anticipated when the International Accounting Standards Board (IASB) developed its current set of financial reporting requirements. In this paper we make some observations about cryptocurrencies and the current accounting requirements for those issuing, acquiring or holding cryptocurrency.*



Stay Tuned Online and Insurance webcasts

Stay Tuned Online – IFRS and UK GAAP update April 2018

Insurance webcast 66 – IFRS 17 Transition Resource Group Meeting #2



Robert Bruce interviews

Paul George, Executive Director, Corporate Governance and Reporting at the Financial Reporting Council

Karim Hajjar CFO, Solvay



Deloitte comment letters

IFRS

Tentative agenda decision on IFRS 9 – Hedge accounting with load following swaps

Tentative agenda decision on IFRS 9 – Classification of a particular type of dual currency bond

Tentative agenda decision on IAS 7 – Classification of short-term loans and credit facilities

Further comment letters, including responses to IFRSIC tentative agenda decisions, can be found by clicking [here](#).

Tools and resources (continued)



New and revised pronouncements for 30 June 2018 year-ends

The table below provides a summary of pronouncements that will be newly effective for those with 30 June 2018 year-ends.

IFRS

Pronouncement	Newly effective for those reporting under IFRSs as issued by the IASB	Newly effective for those reporting under IFRSs as endorsed by the EU
Amendments		
<i>Recognition of Deferred Tax Assets for Unrealised Losses (Amendments to IAS 12)</i>	Yes	Yes
<i>Disclosure Initiative (Amendments to IAS 7)</i>	Yes	Yes
<i>Annual Improvements to IFRS Standards 2014–2016 Cycle – Amendments to IFRS 12</i>	Yes	Yes

For those standards issued but not yet effective, the latest EU endorsement status can be found [here](#).

UK GAAP

As the new UK GAAP regime has now been in place for a number of years, preparation of either parent company or subsidiary accounts under either FRS 101 or FRS 102 should now have become a more routine exercise. The FRC has made several changes to FRS 102 as part of its first triennial review of the Standard to deal with issues highlighted in its implementation. The amendments were published in **December 2017**.

Click [here](#) to see the UK GAAP options available for financial reporting periods ending on 30 June 2018.

Other regulatory requirements

- For those companies in scope, enhanced reporting under the EU non-financial Reporting Directive via *The Companies, Partnerships and Groups (Accounts and Non-Financial Reporting) Regulations 2016 (SI 2016/1245)*. For further information see our dedicated **Need to know** and **Closing Out 2017** publications.
- For those companies within scope, a requirement to disclose the board diversity policy has been implemented by DTR 7.2.
- All new applicants to AIM, from 30 March 2018, will need to report, on a website, on their application of a recognised corporate governance code under the updated Paragraph 26 to Part 1 of the AIM Rules for Companies. Further information is available [here](#).

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