



IFRS on Point

Financial Reporting Developments and Information: February 2018

International headlines

Deloitte IFRS communications
and publications

Effective dates

International headlines

IASB finalises amendments to IAS 19 "Plan amendments, curtailments, and settlements"

On 7 February 2018, the IASB published limited scope amendments to IAS 19 *Employee Benefits* addressing plan amendments, curtailments and settlements.

The amendments clarify how the past service cost (or the gain or loss on settlement) is calculated. The amendments also require that updated assumptions be used to determine current service cost and net interest for the remainder of the reporting period after the change to the plan.

The amendments are effective on or after 1 January 2019.

Please click to access the **IASB press release** on the IASB website.

IASB meeting (February 2018)

The IASB met on 20 and 22 February 2018. The following topics were on the agenda.

- Business Combinations under Common Control
- Disclosure Initiative: Principles of Disclosure
- Dynamic Risk Management
- IFRS 17 *Insurance Contracts*
- Primary Financial Statements
- Rate-regulated Activities
- Update on the research programme
- Background paper on Discussion Papers and Exposure Drafts

Please click to access the following documents.

- **IASB Update** on the IASB website
- **Agenda and related agenda** papers on the IASB website
- **Updated IASB work plan** on the IASB website
- **Detailed notes** taken by Deloitte observers on the IASPlus website

For more information please see
the following websites:

www.iasplus.com

www.deloitte.com

IFRS 17 Insurance contracts: meeting of the transition resource group (February 2018)

The Transition Resource Group (TRG) for Insurance Contracts held its first technical meeting on 6 February 2018. The following topics were discussed.

- Separation of insurance components of a single insurance contract
- Boundary of contracts with annual repricing mechanisms
- Boundary of reinsurance contracts held
- Insurance acquisition cash flows paid on an initially written contract
- Determining quantity of benefits for identifying coverage units
- Insurance acquisition cash flows when using fair value transition

Please click to access the following documents.

- **Meeting summary** notes on the IASB website
- **Agenda** and related agenda papers on the IASB website
- **Podcast** discussing the deliberations at the meeting on the IASB website
- **IFRS in Focus** – Transition Resource group discusses implementation of IFRS 17 on the IASPlus website

IFRS Advisory Council meeting (February 2018)

The IFRS Advisory Council met on 27–28 February 2018. The following topics were on the agenda.

- Effects analysis
- Engagement with emerging economies
- IASB engagement with academics
- Social media strategy
- Accounting Standards Advisory Forum–2018 Review
- Update on the Board and the Foundation

Please click to access **agenda** and agenda papers on the IASB's website.

Global Preparers Forum (GPF) (March 2018)

Representatives from the IASB will meet with the Global Preparers Forum on 6 March 2018. The following topics are on the agenda.

- IASB and IFRIC update.
- Principles of disclosure
- Primary financial statements
- Goodwill and impairment

Please click to access **agenda and agenda papers** on the IASB's website.

Capital Markets Advisory Council (CMAC) meeting (March 2018)

Representatives from the IASB met with the Capital Markets Advisory Council (CMAC) on 2 March 2018. The following topics were on the agenda.

- IASB update
- Principles of disclosure
- Primary financial statements
- Goodwill and impairment
- Rate-regulated activities

Please click to access the **agenda and agenda papers** on the IASB's website.

Emerging Economies Group meeting (December 2017)

The 14th meeting of the IASB's Emerging Economies Group (EEG) was held on 4–6 December 2017. The following topics were on the agenda

- Business Combinations Under Common Control (BCUCC)
- Accounting for micro entities
- IAS 12 *Income Taxes*
- Initial measurement of payables when payment is deferred
- IASB Update
- Introduction to IFRS 17 Insurance Contracts

The IASB has published a report of the discussions at the meeting. The next meeting of the EEG will be held 14–16 May 2018 in Kuala Lumpur, Malaysia.

Please click to access the **report** on the IASB website.

Accounting Standards Advisory Forum (ASAF) meeting (December 2017)

The staff of the IASB have made available a summary of the discussions of the ASAF meeting held on 7 and 8 December 2017. The following topics were on the agenda.

- Academic Liaison
- Business Combinations under Common Control
- Disclosure Initiative–Definition of Material
- Disclosure Initiative–Principles of Disclosure
- Improvements to IFRS 8 *Operating Segments*
- Information Deficiencies and Consolidated Financial Statements
- Post-implementation Review of IFRS 13 *Fair Value Measurement*
- Primary Financial Statements
- Wider Corporate Reporting

Please click to access the **summary** on the IASB website.

Webinar on the scope of the Business Combinations under Common Control project

On 31 January 2018, the IASB hosted a live webinar on the scope of its Business Combinations under Common Control project. A recording of the webinar is available on the IASB website.

Please click to access the **recording** on the IASB website.

IASB member discusses the importance of financial reporting when investing

At the ICAEW's Information for Better Markets event on 18 December 2017, IASB member Nick Anderson provided his views on the important role financial statements continue to have in enabling investors to make investment decisions.

Please click to access **Mr Anderson's** views on the IASB's website.

IPSASB's strategy and work plan for 2019-2023

The International Public Sector Accounting Standards Board (IPSASB) has proposed a new strategy and work plan for 2019 through 2023. The strategic objective of the IPSASB is stated as strengthening public financial management through increasing adoption of the International Public Sector Accounting Standards (IPSAS). The IPSASB intends to deliver this objective through developing IPSAS and other high-quality financial reporting guidance for the public sector and raising awareness of IPSAS and the benefits of accrual adoption. Comments on the proposals are requested by 15 June 2018.

Please click to access **proposed strategy, work plan and supporting material** on the IPSASB website.

International Forum of Accounting Standard Setters (IFASS) (April 2018)

The International Forum of Accounting Standard Setters (IFASS) will meet in Mumbai, India on 12 and 13 April 2018. Among the topics to be discussed are the strategy of the IFRS Interpretations Committee regarding tentative agenda decisions as well as approaches and experiences regarding the adoption of new standards (IFRS 15, IFRS 16 and IFRS 17).

EFrag publishes IFRS 17 briefing paper

The European Financial Reporting Advisory Group (EFRAG) has issued a background briefing paper discussing the requirements regarding level of aggregation in IFRS 17 *Insurance Contracts*.

Please click to access the **briefing paper** through the press release on the EFRAG website.

EFrag publishes a simplified case study on IFRS 17 Insurance Contracts

The European Financial Reporting Advisory Group (EFRAG) has published an invitation to complete a simplified case study on the expected impact of IFRS 17 *Insurance Contracts*. This is in response to requests for a simplified case study for those who do not have the resources to complete the full case study. European insurers applying IFRS have until 31 May 2018 to respond.

Please click to access the **press release** on the EFRAG website.

FASB and ASBJ hold biannual meeting

The Financial Accounting Standards Board (FASB) and the Accounting Standards Board of Japan (ASBJ) met in Tokyo on 31 January and 1 February 2018. In addition to giving updates on their respective standard-setting activities, the two boards exchanged views on technical topics in which they both have an interest, including the conceptual framework, financial statement presentation and disclosures, impairment of financial assets, and leases.

Please click to access the **press release** on the FASB website.

The Institute of Chartered Accountants of India (ICAI) publishes an exposure draft on Insurance Contracts

The Accounting Standards Board of the Institute of Chartered Accountants of India (ICAI) has published an Exposure Draft (ED) of Indian Accounting Standard (Ind AS) 117, Insurance Contracts. Appendix 1 of the ED highlights the limited differences with IFRS 17 *Insurance Contracts*. Comments are requested by 31 March 2018.

Please click to **access the ED on the ICAI website**.

Compendium of Ind AS Clarification Bulletins

India is currently in its process of implementing the Indian Accounting Standards (Ind AS), which are largely converged with IFRS. To address transition related queries, an Ind AS Transition Facilitation Group (ITFG) has been set up that issues clarification bulletins. For ease of reference, the 14 bulletins issued so far, comprising 104 issues, have been compiled into one compendium.

Please click to access the **compendium** on the ICAI website.

Paper on the new revenue recognition requirements from the investors' view

The CFA Institute, a global association of investment professionals, has published 'Revenue Recognition: Top Ten Questions Investors Should Be Asking Regarding the Adoption of the New Standard'.

Please click to **access the full paper on the CFA Institute website**.

Responses to the IVSC consultation on its future agenda

The International Valuation Standards Council (IVSC) has published a report on the result of its consultation to gain feedback on the topics that IVSC should address as part of its current agenda and additional topics that stakeholders think should be priorities or added to IVSC's agenda.

Please click here to access the **report** on the IVSC website.

Recent sustainability and integrated reporting developments

- The Center for ESG Research has released the *Integrated Ratio Guideline*, which aims to be a practical formula collection for companies, investors and analysts, to help them calculate a number of non-financial and integrated ratios.

Please click to access the **guideline** on the ESG Research website.

- The World Business Council for Sustainable Development (WBCSD), in partnership with the Climate Disclosure Standards Board (CDSB), has released Corporate reporting in the United States and Canada. This report provides a description of the non-financial reporting landscape in the United States and Canada using research conducted by WBCSD and the CDSB.

Please click to access the **report** on the WBCSD website.

Deloitte IFRS communications and publications

Issuance Date	Description
22 February 2018	IFRS in Focus – Transition Resource group discusses implementation of IFRS 17 'Insurance Contracts'

Effective dates

Click **here** for upcoming and recent effective dates.

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