



Accounting Roundup

July 2022

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Recent developments

IFRS

UK endorsement:

[The United Kingdom Endorsement Board \(UKEB\) formally adopts IFRS 17 Insurance Contracts](#)

[The UKEB adopts three amendments from Annual Improvements to IFRS Standards 2018–2020 and three further narrow-scope amendments to IFRS Accounting Standards](#)

Click [here](#) for the latest IFRS Foundation work plan, which covers the International Accounting Standards Board (IASB) and the International Sustainability Standards Board (ISSB).

Meeting minutes and further information:

[April](#), [May](#) and [June](#) IASB meetings

[April](#) and [June](#) IFRSIC meetings

Recent developments (continued)

UK GAAP

Amendments:

[The Financial Reporting Council \(FRC\) publishes FRED 80 *Draft Amendments to FRS 100 Application of Financial Reporting Requirements*](#)

Exposure drafts published:

[The FRC issues amendments to the Basis for Conclusions of FRS 101 *Reduced Disclosure Framework*](#)

Corporate Governance

[The Department for Business, Energy and Industrial Strategy \(BEIS\) publishes its response to its 'Restoring trust in audit and corporate governance' White Paper](#)

Other

BEIS

[BEIS includes its draft audit reform bill alongside the Queen's Speech](#)

The European Financial Reporting Advisory Group (EFRAG) and other EU developments

[Accountancy Europe comments on the US Securities and Exchange Commission \(SEC\)'s proposed climate-related disclosure requirements](#)

[The European Parliament and Council reach a provisional agreement on the Corporate Sustainability Reporting Directive \(CSRD\)](#)

[EFRAG publishes its bases for conclusions on draft sustainability standards](#)

[EFRAG publishes a feedback statement on supplier finance arrangements](#)

[EFRAG publishes a feedback statement on the IASB's Exposure Draft of amendments to IAS 1](#)

[EFRAG provides recommendations for the IASB following its discussion paper on crypto-assets](#)

[EFRAG publishes a draft comment letter regarding a tentative agenda decision on IFRS 17](#)

[EFRAG publishes a feedback statement on the IASB's proposed reduced disclosure IFRS](#)

[EFRAG publishes its final comment letter on supplier finance arrangements](#)

[EFRAG publishes its final comment letter on the classification of debt with covenants](#)

[EFRAG launches a consultation on its draft European Sustainability Reporting Standards \(ESRS\)](#)

The European Securities and Markets Authority (ESMA)

[ESMA publishes its 26th enforcement decisions report](#)

[ESMA publishes disclosure recommendations regarding the expected impact of IFRS 17 application](#)

[ESMA publishes a statement on the implications of Russia's invasion of Ukraine](#)

[ESMA expands its Q&A document on the implementation of its APM guidance](#)

The Financial Conduct Authority (FCA)

[The FCA finalises its proposals to enhance disclosure of diversity on listed company boards and executive committees](#)

FRC

[The FRC responds to the International Sustainability Standards Board \(ISSB\)'s consultation](#)

[The FRC publishes updated Guidance on the Strategic Report](#)

[The FRC publishes its thematic review on discount rates](#)

[The FRC Lab publishes insights into supply chain disclosures](#)

[The FRC publishes its report on modern slavery in the UK](#)

[The FRC publishes its three-year Plan and Budget for 2022-25](#)

[The FRC issues an update on its periodic review of UK and Ireland accounting standards](#)

[The FRC Lab calls for participants for a new net zero disclosures project](#)

IASB

[The IASB completes its post-implementation review of IFRS 10-12](#)

[The IASB issues a podcast on latest board developments](#)

[The IASB issues a project summary on pension benefits that depend on asset returns project](#)

[The IASB issues a call for research on making materiality judgements](#)

[The IFRS Foundation publishes its 2021 annual report](#)

Institute of Chartered Accountants in England and Wales (ICAEW)

[ICAEW publishes updated guidance on the disclosure of auditor remuneration](#)

The International Organisation of Securities Commissions (IOSCO)

[IOSCO begins its review of the draft ISSB standards](#)

ISSB

[The United Nations \(UN\) issues a statement on the ISSB exposure drafts](#)

[The G7 welcomes the ISSB's progress on global baseline of sustainability disclosures](#)

[The ISSB and the Global Reporting Initiative \(GRI\) announce their future collaboration](#)

[The ISSB staff seek feedback on future on a future IFRS sustainability disclosure taxonomy for digital reporting](#)

[The IASB and ISSB outline their future plans for the use of the integrated reporting framework](#)

[The ISSB forms a working group to enhance compatibility between global baseline and jurisdictional initiatives](#)

International Valuation Standards Council (IVSC)

[The IVSC issues a second perspectives paper on intangible assets](#)

UK Endorsement Board (UKEB)

[The UKEB publishes a comment letter regarding a tentative agenda decision on IFRS 17](#)

[The UKEB publishes a draft comment letter on ISSB Exposure Drafts IFRS S1 and IFRS S2](#)

US Financial Accounting Standards Board (FASB)

[FASB removes goodwill project from its technical agenda](#)

Public Sector

[The Chartered Institute of Public Finance and Accountancy \(CIPFA\) and the Local Authority \(Scotland\) Accounts Advisory Committee \(LASAAC\) issue an exceptional consultation on time-limited changes to the Code of Practice on Local Authority Accounting](#)

[The International Public Sector Accounting Standards Board \(IPSASB\) issues a consultation paper on natural resources](#)

[The IPSASB finalises guidance on non-current assets held for sale](#)

[The IPSASB launches a global consultation on public sector sustainability reporting](#)

[CIPFA and LASAAC issue a statement on the deferral of the implementation of IFRS 16 Leases for local authorities](#)

[The IPSASB issues an exposure draft ED 82 Retirement Benefit Plans](#)



Tools and resources

Deloitte publications and recordings

Need to know

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

[European sustainability reporting — EFRAG launches consultation on first set of European Sustainability Reporting Standards](#)

[Financial reporting — Reporting on periods ending on or after 30 June 2022 — Inflation in Turkey](#)

[Sustainability reporting — ISSB proposes global baseline of sustainability disclosure standards for capital markets](#)

Governance in focus

Provides guidance and views on key aspects of the latest developments in Corporate governance:

[Governance in focus – Effectiveness of the external audit process – 2022 framework](#)

Insurance webcasts

[Insurance webcast 88 — Impact of cash flow settlement arrangements in accounting for reinsurance contracts](#)

Other publications

[On the board agenda - half year 2022](#) – this publication provides a reminder of key matters for the half year report, and helps boards set the agenda for the remainder of the year.

[2022 update on half-yearly financial reporting](#) – this guide sets out the requirements for half-yearly financial reports and changes for preparers to contend with in 2022. It includes a section on 'Interim reporting in 2022' which provides a number of key messages from ESMA's public statement on the implications of Russia's invasion of Ukraine on half-yearly financial reports and the FRC's latest Thematic Review on interim reporting and other areas of consideration for 2022 half-yearly reporters. The guide also includes a model half-yearly financial report, including illustrative IAS 34 condensed financial statements and a disclosure checklist.

[IAS 34 compliance checklist 2022](#) – This checklist summarises the requirements set out in IAS 34 Interim Financial Reporting in issue as of 31 December 2021. This is a "pure" IFRS compliance checklist. UK IFRS reporters should additionally refer to the 2022 update on half-yearly financial reporting mentioned above for the legal and regulatory requirements which UK IFRS reporters will also need to comply with.

[IFRS compliance, presentation and disclosure checklist 2022](#) – this checklist summarises the recognition, measurement, presentation and disclosure requirements set out in IFRSs in issue as of 31 December 2021. This is a "pure" IFRS compliance, presentation and disclosure checklist. UK IFRS reporters should additionally consider the legal and regulatory requirements which UK IFRS reporters will also need to comply with.

Deloitte comment letters**IFRS**

[Tentative agenda decision on lessor forgiveness of lease payments](#)

[Tentative agenda decision on transfer of insurance coverage under a group of annuity contracts](#)

[Tentative agenda decision on SPACs and the classification of public shares as financial liabilities or equity](#)

[Tentative agenda decision on SPACs and the accounting for warrants at acquisition](#)

[Tentative agenda decision on negative low emission vehicle credits](#)

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



New and revised pronouncements for 30 June 2022 year-ends

The table below provides a summary of pronouncements that will be newly effective for those with 30 June 2022 year-ends.

IFRS

Pronouncement	Newly effective for those reporting under IFRS Standards as issued by the IASB	Newly effective for those reporting under IFRS Standards as endorsed by the UK/EU*
Amendments		
<i>Applying IFRS 9 Financial Instruments with IFRS 4 Insurance Contracts (Amendments to IFRS 4)</i>	Optional #	Optional #
<i>Covid-19-Related Rent Concessions (Amendment to IFRS 16)</i>	Yes	Yes
<i>Interest Rate Benchmark Reform — Phase 2 (Amendments to IFRS 9, IAS 39, IFRS 7, IFRS 4 and IFRS 16)</i>	Yes	Yes
<i>Covid-19-Related Rent Concessions beyond 30 June 2021 (Amendment to IFRS 16)</i>	Yes	Yes

The application of both approaches (overlay approach/ deferral approach) is optional and an entity is permitted to stop applying them before the new insurance contracts standard is applied.

* Endorsement of IFRS Standards by the EU has not applied in the UK since the end of the transition period following the UK's withdrawal from the EU (31 December 2020). The UK Endorsement Board (UKEB) is now responsible for endorsing IFRS Standards for use in the UK which all UK companies that are required or choose to apply IFRS Standards must apply. However, because UK-endorsed IFRS Standards have not been granted equivalence to EU-endorsed IFRS Standards by the EU, UK companies that are listed in the EEA may need to state compliance with both EU-endorsed and UK-endorsed IFRS Standards. Alternatively, they may state compliance with both UK-endorsed IFRS Standards and IFRS Standards as issued by the IASB, if this is permitted by the relevant listing authority.

The latest UK endorsement status can be found [here](#) and the EU endorsement status can be found [here](#).

UK GAAP

Amendments to FRS 102 have been made in relation to the second phase of the interest rate benchmark reform and also in relation to accounting for temporary rent concessions for operating leases occurring as a direct consequence of the COVID-19 pandemic extending beyond 30 June 2021 (for which an amendment was also made to FRS 105).

Amendments to FRS 101, FRS 102, FRS 104 and FRS 105 have also been issued to reflect changes in company law following the UK's exit from the European Union and to FRS 101 as a result of the 2020/21 annual review of FRS 101. The FRC is currently undertaking its next periodic review of FRS 102 and other UK and Ireland accounting Standards. Any changes that are proposed as a result of the periodic review will be included in a Financial Reporting Exposure Draft (FRED), which is expected to be published during 2022. This will be subject to public consultation of not less than three months.

Click [here](#) to see the UK GAAP options available for financial reporting periods ending on 30 June 2022.

Other regulatory requirements

- Compliance with Listing Rule 9.8.6(8)R, which requires commercial companies with a UK premium listing (including sovereign-controlled commercial companies but excluding open-ended and closed-ended investment companies) to include a statement in their annual financial report setting out:
 - Whether they have made disclosures consistent with the Task Force on Climate-Related Financial Disclosures (TCFD) recommendations and recommended disclosures in their annual financial report.
 - Where they have not made disclosures consistent with some or all of the TCFD's recommendations and/or recommended disclosures, an explanation of why, and a description of any steps they are taking or plan to take to be able to make consistent disclosures in the future – including relevant timeframes for being able to make those disclosures.
 - Where they have included some, or all, of their disclosures in a document other than their annual financial report, an explanation of why.
 - Where in their annual report (or other relevant document) the various disclosures can be found.
 - This rule is effective for accounting periods beginning on or after 1 January 2021.

Further information is available [here](#).

Compliance with DTR 4.1.14 which requires companies on a regulated market to publish annual reports in XHTML format. There is also a requirement for issuers who prepare consolidated annual financial statements in accordance with International Financial Reporting Standards (IFRS) to tag basic financial information. Both requirements apply for accounting periods beginning on or after 1 January 2021. The requirement for issuers who prepare IFRS consolidated annual financial statements to tag notes to the financial statements will apply to financial years starting on or after 1 January 2022.

Further information is available [here](#).



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