



2023

World Standard-setters Conference

#WSS2023

**Better information
for better decisions**

25–26 September 2023



IASB update—Q&A with IASB Chair and Executive Technical Director

Andreas Barckow
Nili Shah

#WSS2023

Presenters



Andreas Barckow
IASB Chair



Nili Shah
IASB Executive
Technical Director

- 1 Changes at the IASB
- 2 Stakeholder engagement
- 3 Technical work
- 4 Connectivity with the ISSB
- 5 Digital financial reporting
- 6 What will affect you in the coming months
- 7 Questions and answers session

Changes to the composition of the IASB

1

Appointed IASB Vice-Chair



Linda
Mezon-Hutter

2

Started their term



Patrina
Buchanan



Florian
Esterer



Hagit
Keren

3

Reappointed to a second term



Tadeu
Cendon

4



Rika
Suzuki

5

6

7

More details on the IFRS Foundation Website [International Accounting Standards Board](#)

Partnering with national standard-setters (NSS)

1

Why partnering is important?

2



It improves the quality of financial information

3



It enhances the international comparability

4

IFRS Foundation benefits from working with NSS through their:

5

- knowledge of local requirements;
- relationships with key stakeholders;
- standard-setting experience;
- technical accounting capabilities;
- role in the endorsement of new Standards

6

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NSS benefit by:

- influencing the development of IFRS standards;
- representing their stakeholders in the international debate;
- sharing information and ideas with other NSS

How are we engaging with NSS?

1



Consultative groups,
advisory bodies



Support of project-
specific work



Supporting consistent
application



NSS newsletters

3



World Standard-setters
conference



Technical consultations



IFASS and meetings of
regional bodies



Secondments of
NSS staff

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Point of contact:

Elena Kostina

IASB Stakeholder engagement team

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Use of IFRS Accounting Standards by jurisdiction

1



To assess progress towards the global adoption of IFRS Accounting Standards, the IFRS Foundation monitors the adoption of those standards in each jurisdiction

2

3



We have complete profiles for 168 jurisdictions

4

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We update profiles on an ongoing basis

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We welcome your input.
Would like to update your profile? Contact us!

7

Standard-setting projects

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Publish Exposure Draft

Decide project direction

IFRS Accounting Standard (new/amended)



Financial Instruments with Characteristics of Equity

Breakout Session 1

Business Combinations—Disclosures, Goodwill and Impairment

Breakout Session 5 [AM]

Dynamic Risk Management
Equity Method

Management Commentary

Optional drop-in – Day 2

Rate-regulated Activities

Review of the *IFRS for SMEs* Accounting Standard

Primary Financial Statements

Subsidiaries without Public Accountability: Disclosures

Technical work concluded

Further details in Plenaries – Day 2

Dynamic Risk Management (DRM)

1

Why started?

- ✓ Develop an accounting model to better reflect the effect of DRM in a companies' financial statements

2

What is DRM model?

- ✓ A DRM adjustment is recognised in the statement of financial position
- ✓ Represents the extent to which designated derivatives successfully mitigated the variability from the risk mitigation intention, and achieved entity's target profile

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What next?

- ✓ Further discussions on the DRM model
- ✓ Publish Exposure Draft in 2025

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Equity Method

1

Why started?

- ✓ Develop answers to application questions about the equity method, as set out in IAS 28 *Investments in Associates and Joint Ventures*

2

3

What application questions were resolved?

- Those within the project's scope for **investments in associates**:
- ✓ Ownership changes
 - ✓ Recognition of losses
 - ✓ Transactions with (and between) associates
 - ✓ Deferred taxes
 - ✓ Impairment
 - ✓ Contingent consideration

4

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What next?

- ✓ Discuss any implications of applying IASB tentative decisions about associates to investments other than those in associates
- ✓ Publish Exposure Draft in H2 2024

7

Management Commentary

1

Why started?

- ✓ Overhaul IFRS Practice Statement 1—building on innovations in narrative reporting and focusing on capital market needs

2

3

What happened recently?

- ✓ Strong investor support for the project
- ✓ Calls to work together with the ISSB
- ✓ IASB discussed staff comparison with *Integrated Reporting Framework* and feedback on comparison

4

5

What next?

- ✓ Decide project direction

6

7

Rate-regulated Activities

1

Why started?

- ✓ In response to questions from stakeholders whether rate regulation creates any rights and obligations that could qualify for recognition as assets and liabilities

2

What are main proposals?

- ✓ In some cases, rate regulation creates differences in timing that arise when compensation for goods or services supplied in one period is included in the regulated rate charged in a different period
- ✓ Reflect compensation for goods or services in the period goods or services are supplied and
- ✓ Recognise regulatory assets, regulatory liabilities, regulatory income and regulatory expense

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What next?

- ✓ Finish redeliberations
- ✓ Publish new IFRS Accounting Standard in 2025, which will replace IFRS 14 *Regulatory Deferral Accounts*

Research projects and pipeline

1

2

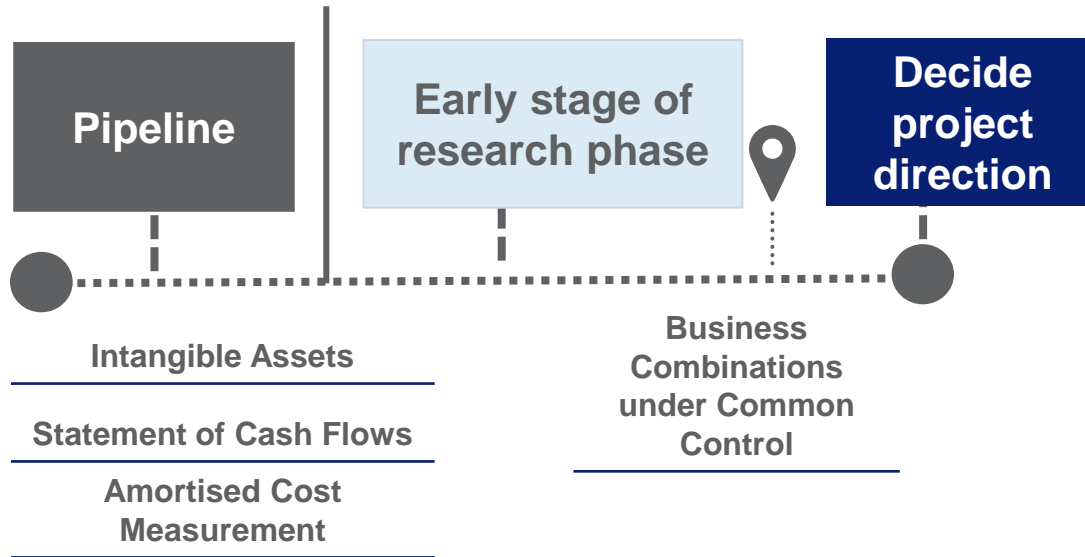
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Extractive activities

- ✓ **Stopping work** on the project
- ✓ Remove IFRS 6 temporary status in next *Annual Improvements* volume
- ✓ Publish **project summary**

Post-implementation reviews



Recently completed

IFRS 9—Classification and Measurement



Out for comment

IFRS 9—Impairment

Comments due 27.09.2023

IFRS 15 Revenue from Contracts with Customers

Comments due 27.10.2023



Forthcoming

IFRS 16 *Leases*

IFRS 9—Hedge Accounting

Maintenance projects

1

2

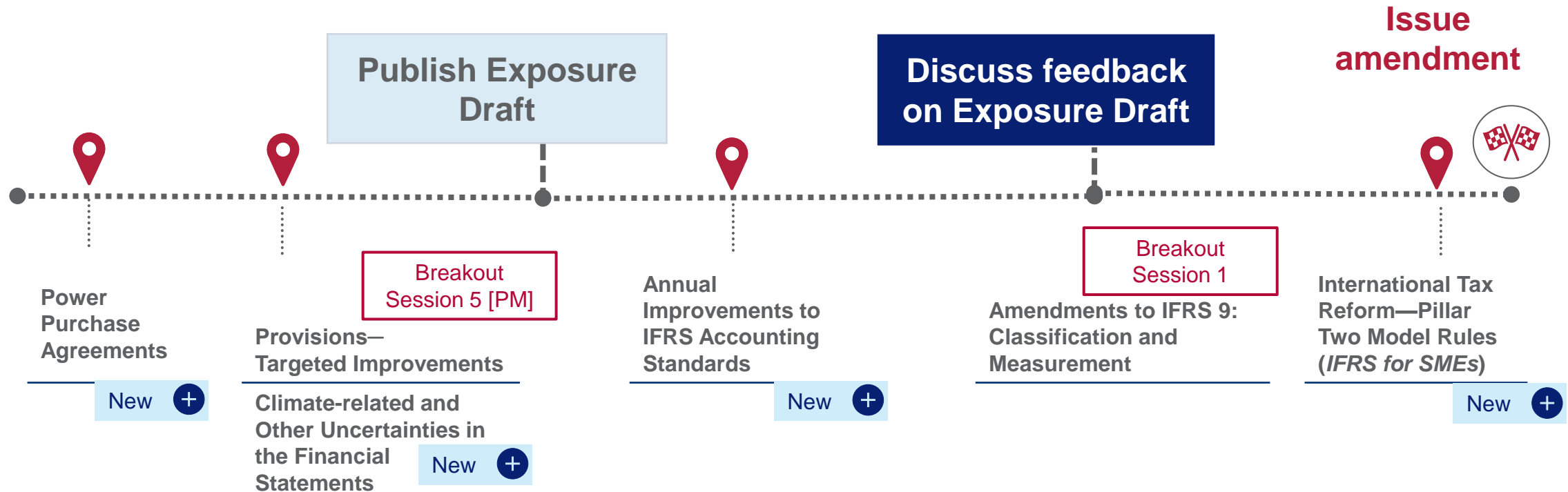
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Power Purchase Agreements (PPAs)

1

Why started?

- ✓ Explore whether narrow-scope amendments could be made to better reflect PPAs in financial statements

2

Project scope

- ✓ Own-use requirements for physical PPAs
- ✓ Hedge accounting requirements for Virtual PPAs

3

4

5

What next?

- ✓ Decide on project direction in H1 2024

6

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Climate-related and Other Uncertainties in the Financial Statements

1

Why started?

- ✓ In response to stakeholder feedback shared in the Third Agenda Consultation about:
 - insufficient information about climate-related risks in the financial statements and
 - inconsistency in information between financial statements and other reports

2

3

4

What is it about?

- ✓ Explore whether and how financial statements can better communicate information about climate-related risks
- ✓ Consider the work of the ISSB

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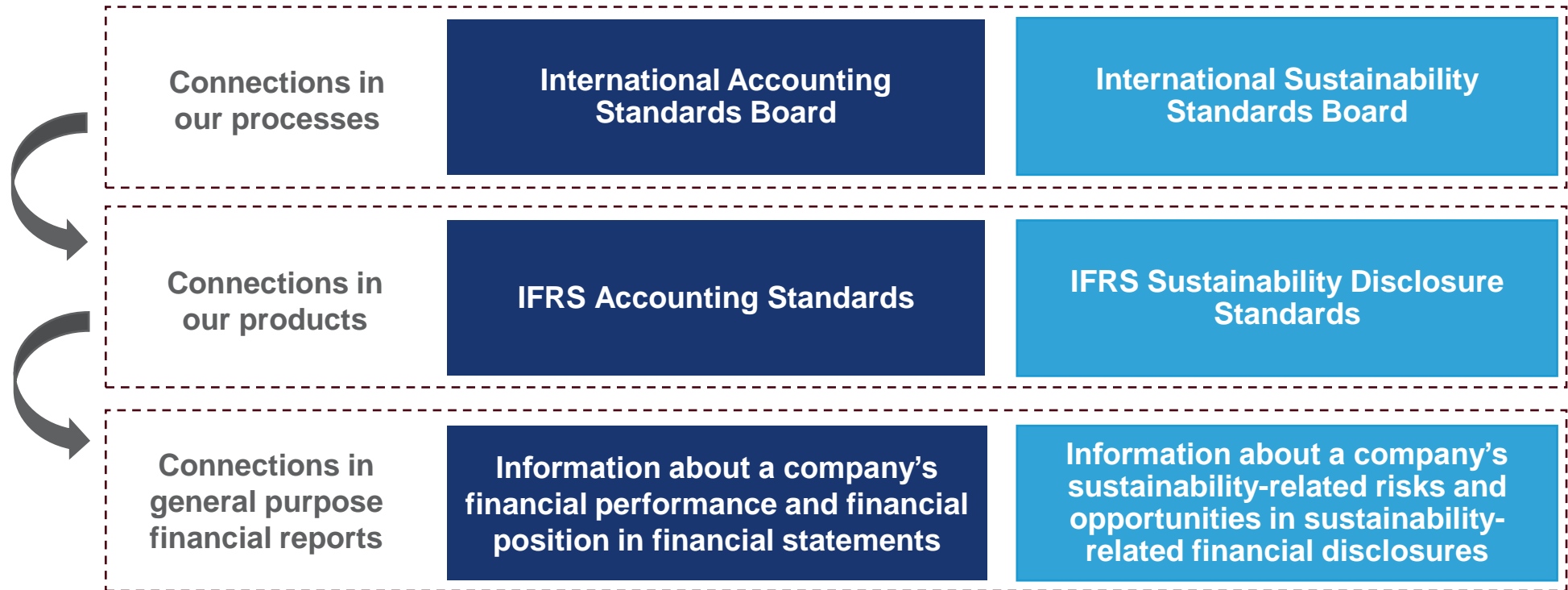
What next?

- ✓ Decide project direction in Q1 2024

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Connections between financial statements and sustainability-related financial disclosures

- 1
- 2
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- 4
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- 6
- 7



Webcast: Connections between accounting and sustainability disclosures
Article: Connectivity—what is it and what does it deliver?

IASB's focus on digital financial reporting

1



Investors are increasingly consuming information through digital means to make investment decisions

2



As part of its Third Agenda Consultation the IASB agreed a **slight increase** in its focus on digital financial reporting

3

4

To help improve the usefulness, quality, accessibility and comparability of digital financial information the IASB is:

5



continuing to improve the IFRS Accounting Taxonomy

6



considering implications for IFRS Accounting Standards from the digital consumption of financial reports

7



working with partners in the digital ecosystem to facilitate the digital consumption of financial reports

New Standards and amendments

1	Amendments since September 2022	Effective date
2	Lease Liability in a Sale and Leaseback [IFRS 16]	1 January 2024
3	Non-current Liabilities with Covenants [IAS 1]	1 January 2024
4	International Tax Reform—Pillar Two Model Rules [IAS 12]	1 January 2023*
5	Supplier Finance Arrangements [IAS 7; IFRS 7]	1 January 2024
6	Lack of Exchangeability [IAS 21]	1 January 2025

New IFRS Standards

Expected in 1H 2024:

- ✓ Primary Financial Statements
- ✓ Subsidiaries without Public Accountability: Disclosures

Effective date - for annual reporting periods beginning on or after **1 January 2027**

Further details in Plenaries – Day 2

* and immediately upon issuance for paras 4A and 88A

Consultations

1

Open for comments

2

Request for information on PIR of IFRS 9—*Impairment*

**Comments due
27.09.2023**

3

4

Request for information on PIR of IFRS 15—*Revenue from Contracts with Customers*

**Comments due
27.10.2023**

5

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Exposure draft proposing Annual Improvements to IFRS Accounting Standards:

**Comments due
11.12.2023**

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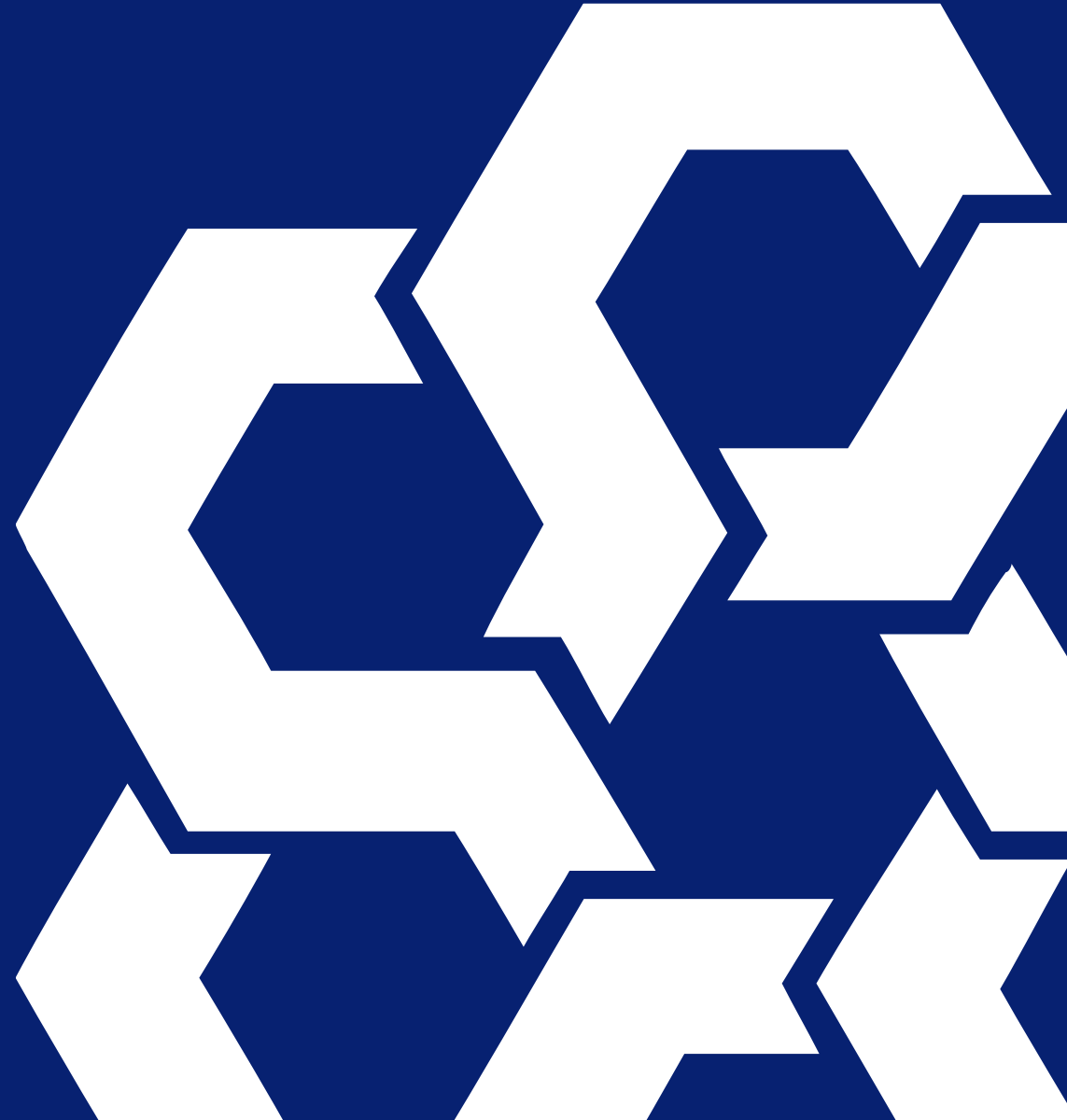
✓ *IAS 7, IFRS 1, IFRS 7, IFRS 9, IFRS 10*

Forthcoming

Expected in Q4 2023:

Exposure draft proposing amendments to IAS 32 *Financial Instruments with Characteristics of Equity*

Q&A session



Join our team



a mission that
matters



working with global
accounting experts



access to network of
influential people



small organization
with a big impact



unique development
opportunities



intellectually
stimulating



international
environment

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