eIFRS® Professional

Subscriber Newsletter Issue 1 2019

Contents

1. New on eIFRS

The Required IFRS® Standards 2019

This is the official edition of the International Accounting Standards Board's authoritative pronouncements as required at 1 January 2019. It is one of the IFRS Foundation's four major annual publications.

What does 'Required' mean?

'Required' is how we describe the Standards that are currently effective. Companies must report using these Standards from the date they become effective. For example, in January 2019, IFRS 16 will become effective and must be used in reporting.

It is possible to apply Standards before their effective date; all Standards are published in the *Issued IFRS Standards*. An annotated version of the *Required IFRS Standards* 2019 is also available.

Where to find our publications

The new *Required* and *Annotated Required IFRS® Standards* became available as bound volumes in January 2019. eIFRS Comprehensive subscribers have automatically received a copy of the bound volumes as part of their subscription.

eIFRS Comprehensive and eIFRS Professional subscribers can access the electronic versions on eIFRS.

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2. Spotlight on Annotated IFRS Standards

By Elizabeth Buckley, Technical Staff member

We annotate IFRS Standards to help readers navigate and apply them. Our annotations take three forms: footnotes, cross-references and explanatory notes.

Footnote references to IFRS Interpretations Committee agenda decisions are placed in paragraphs or headings in the Standards, which are followed by the related agenda decision. Agenda decisions often contain material that helps entities apply IFRS Standards by explaining how the principles and requirements of IFRS Standards apply to a given fact pattern. For example, in March 2018, the Interpretations Committee published three agenda decisions that explain the requirements of paragraph 35 of IFRS 15 *Revenue from Contracts with Customers* using an example of a real estate developer. These agenda decisions are all referenced in paragraph 35.

35 An entity transfers control of a good or service over time and, therefore, satisfies a performance obligation and recognises revenue over time, if one of the following criteria is met:[E2,E3]

(a) the customer simultaneously receives and consumes the benefits provided by the entity's performance as the entity performs (see paragraphs B3–B4); [Refer: Basis for Conclusions paragraphs BC125–BC128 and Illustrative Examples, examples 13, 18, 55, 57, 58 and 61]

(b) the entity's performance creates or enhances an asset (for example, work in progress) that the customer controls as the asset is created or enhanced (see paragraph B5); [Refer: Basis for Conclusions paragraphs BC129–BC131 and Illustrative Examples, example 8 paragraph IE37] or

(c) the entity's performance does not create an asset with an alternative use [Refer: Basis for Conclusions paragraphs BC134–BC141] to the entity (see paragraph 36) and the entity has an enforceable right to payment for performance completed to date (see paragraph 37).[E4] [Refer: Basis for Conclusions paragraphs BC142–BC147 and Illustrative Examples, examples 14–17]

[Link to Basis for Conclusions paragraphs BC149–BC152 for the agreements for the construction of real estate]

Cross-references added as annotations complement references already in the Standards. These annotations direct readers to explanations in the bases for conclusions or to further information (such as illustrative examples, application guidance or other Standards). For example, paragraph 5(b) of IFRS 16 *Leases* permits an exemption for leases of low-value assets. We added a reference to an illustrative example that highlights some low-value assets and discusses why some other assets are not low value. We also added a reference to the Basis for Conclusions paragraphs with the reasons for the exemption and examples of the type and value of exempt assets.

Recognition exemptions (par

5 A lessee may elect [Refer: paragrap

(a) short-term leases; [Refer: Ba

(b) leases for which the underlyi paragraphs BC98–BC104 ar

Meeting the objective

2 To meet the objective in paragraph 1, the core principle of this Standard is that an entity shall recognise revenue to depict the trans of promised goods or services to customers in an amount that reflects the consideration to which the entity expects to be entitled i exchange for those goods or services. [Refer: Basis for Conclusions paragraphs BC12, BC19–BC21 and BC25–BC27]

[Note: Paragraph IN7 of the Introduction that accompanied the issue of IFRS 15 in May 2014 summarised the five steps that an entity applies when recognising revenue in accordance with the Standard's core principle. The steps are:
Step 1: Identify the contract(s) with a customer.
Step 2: Identify the performance obligations in the contract.
Step 3: Determine the transaction price.
Step 4: Allocate the transaction price to the performance obligations in the contract.
Step 5: Recognise revenue when (or as) the entity satisfies a performance obligation.]

Explanatory notes provide brief explanations or highlight important information. For example, following paragraph 2 of IFRS 15, we list the five steps for recognising revenue.

3. Video guides

A new animated series of FAQs and How-to videos

Why?

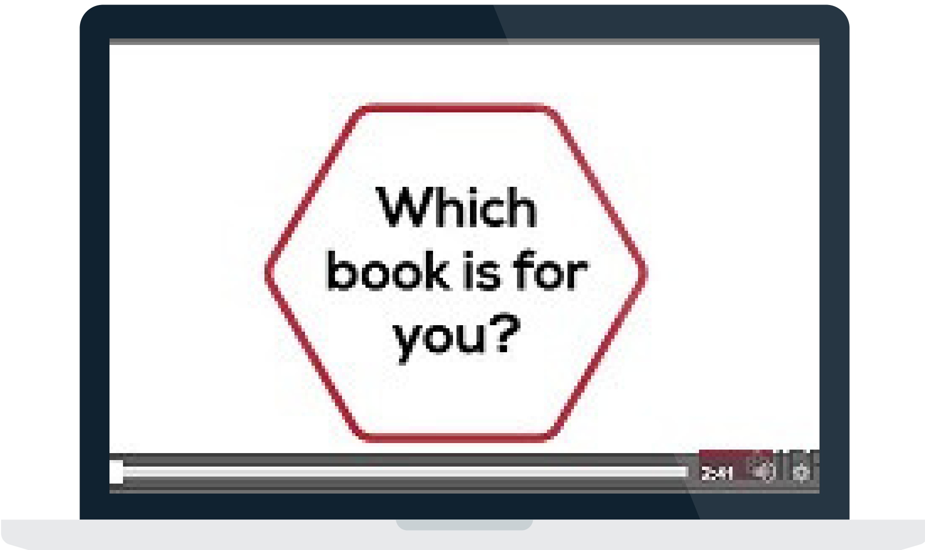
We are producing a series of FAQ and How-to Videos to show subscribers where to find hidden treasures and get the most out of their subscription.

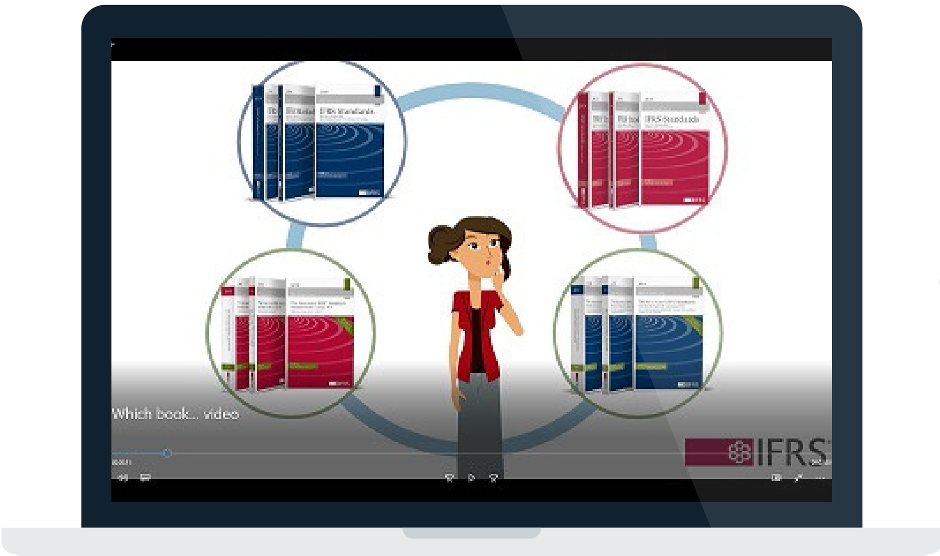
When?

Throughout 2019

Which Book?

This video will help you decide which IFRS Standards book is the right choice for you.





Coming Soon

- Get the most out the of Annotated Standards

-Discover the Translation Terminology Tool

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https://www.ifrs.org/services/which-book-is-for-you/

4. We Want to Hear From You!

We introduced the eIFRS Subscriber Newsletter in 2018 to help you get the best out of your subscription and keep up to date with the latest news and features on eIFRS Professional.

Get in touch and let us know what topics you would like covered in future newsletters: feedback@ifrs.org

Useful resources on ifrs.org

IFRS for SMEs® Standard - Modules Supporting Implementation

- Stand-alone modules, one for each section of the 2015 version of the *IFRS for SMEs* Standard
- Support to anyone learning about, applying, or reading financial statements prepared using the *IFRS for SMEs* Standard.
- All 35 modules are currently available.