

Agenda ref 12A

Implementation

Revenue recognition (IFRS 15)
Leases (IFRS 16)

FASB I IASB meeting June 2018

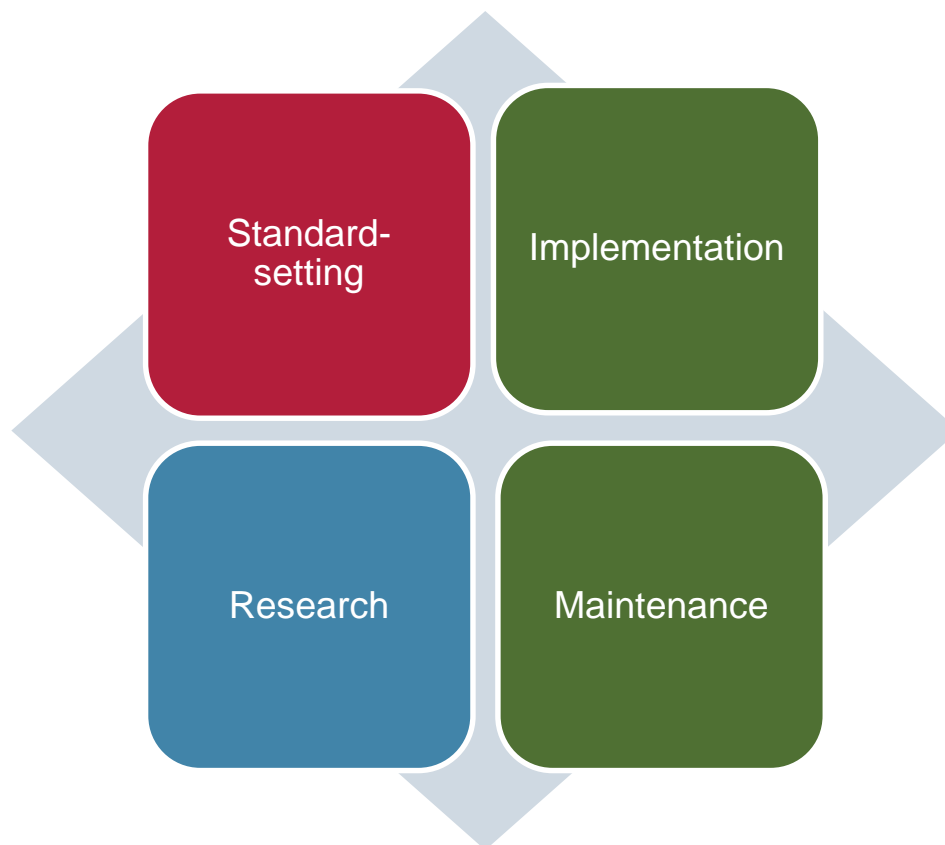
This paper has been prepared for discussion at a public educational meeting of the US Financial Accounting Standards Board (the FASB) and the International Accounting Standards Board (Board). It does not represent the views of the Board or any individual member of the Board. Comments on the application of IFRS® Standards do not purport to set out acceptable or unacceptable application of IFRS Standards. Technical decisions are made in public and reported in IASB® Update.

Contacts

Henry Rees	hrees@ifrs.org	+44 (0)20 7246 6466
Patrina Buchanan	pbuchanan@ifrs.org	+44 (0)20 7246 6468

The Board's work

- In recent years, the Board has dedicated an increasing amount of time and resource to supporting the implementation of new Standards (IFRSs 9, 15, 16 and 17)



Objective in supporting the Standards

We...

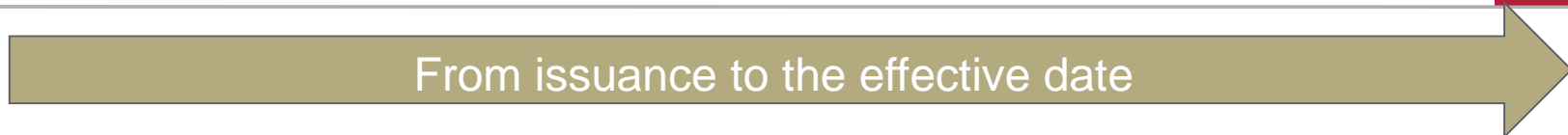
help stakeholders
obtain a common
understanding of the
requirements - ie what
they are aiming for



In order to...

support consistent
application of IFRS
Standards

Overview—support for new Standards



Issuance of New Standard	Comparative period		Effective date	
IASB support for implementation	<ul style="list-style-type: none"> • Effects Analysis • Articles • Introductory webinars 	<ul style="list-style-type: none"> • Transition Resource Group meetings • Webinars on particular topics • Conferences and articles • Education for investors, NSS, regulators • Board and Interpretations Committee discussions • Narrow-scope standard-setting 	<ul style="list-style-type: none"> • Interpretations Committee discussions (if needed) • Emphasis on disclosure 	New Standard is effective
Expectations	Some companies begin implementation process General questions Specific implementation questions		Companies are finalising implementation	
Companies disclose expected effects of new Standard				
Objective	Monitor and proactively support implementation		Provide period of calm for implementation	

Implementation support for IFRS 15

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Transition
Resource
Group



Articles and
other materials



Conferences



Webinars



Education for

- investors
- regulators
- standard-setters

Narrow-scope
standard setting—
Clarifications project

Board discussions

Informal technical
discussions with

- regulators
- standard-setters
- audit firms

IFRS Interpretations
Committee Agenda
Decisions

- Late in 2017, the IFRS Interpretations Committee received 3 questions on the application of IFRS 15 to real estate contracts:
 - 1 asked about the identification of performance obligations
 - All 3 asked about the recognition of revenue over time or at a point in time
- Uncertainty about the application of IFRS 15 in these cases was causing disruption to implementation in particular jurisdictions
- In March 2018, the Committee published final Agenda Decisions relating to all 3 topics:
 - Those Agenda Decisions include explanatory material that aims to help stakeholders obtain a common understanding of the relevant requirements and their application => provides context for the requirements by linking together relevant pieces of the Board’s literature; explains the principles/objectives; outlines factors to consider in applying the requirements
 - The Agenda Decisions are available here: <https://www.ifrs.org/news-and-events/updates/ifric-updates/march-2018/>

Implementation support for IFRS 16

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Introductory webinar & series of 7 webinars on specific topics

Narrow-scope standard setting

- proposed annual improvement
- ongoing Committee work on interaction with deferred tax



Articles and other materials



Dedicated Conferences



Email box for questions



Education for

- investors
- regulators
- standard-setters

Informal technical discussions with

- regulators
- standard-setters
- audit firms

IFRS 16—Webinars to support implementation of IFRS 16

- We developed a series of webinars to explain in a user-friendly way the main aspects of the requirements in IFRS 16 => the webinars are publicly available on our website.
- Implementation questions that we were informed of formed the basis of much of the content of these webinars.

January 2016

Introducing IFRS 16

March 2016

Transition to IFRS 16

April 2016

Definition of a lease

April 2016

Exemptions

June 2016

Lessee measurement

March 2017

Lease modifications

July 2017

Lessee disclosure

October 2017

Lease term Q&A

Support after a Standard is effective

