
Consistent application of IFRS Accounting Standards

World Standard-setters Conference 2026
Plenary session

Presenters



Bruce Mackenzie
IASB Member



Bob Uhl
IASB Member

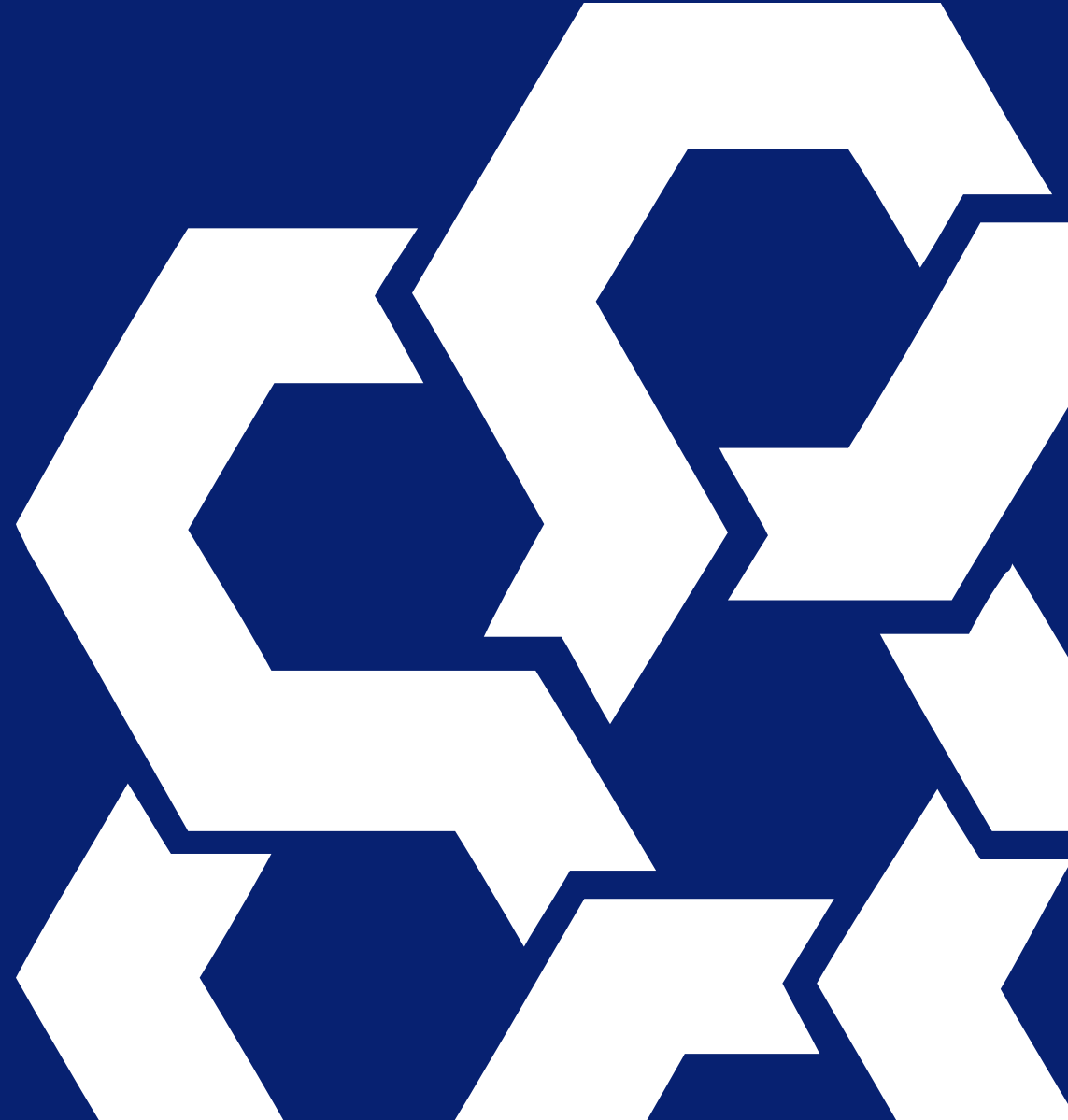


Gary Berchowitz
IFRS IC Member

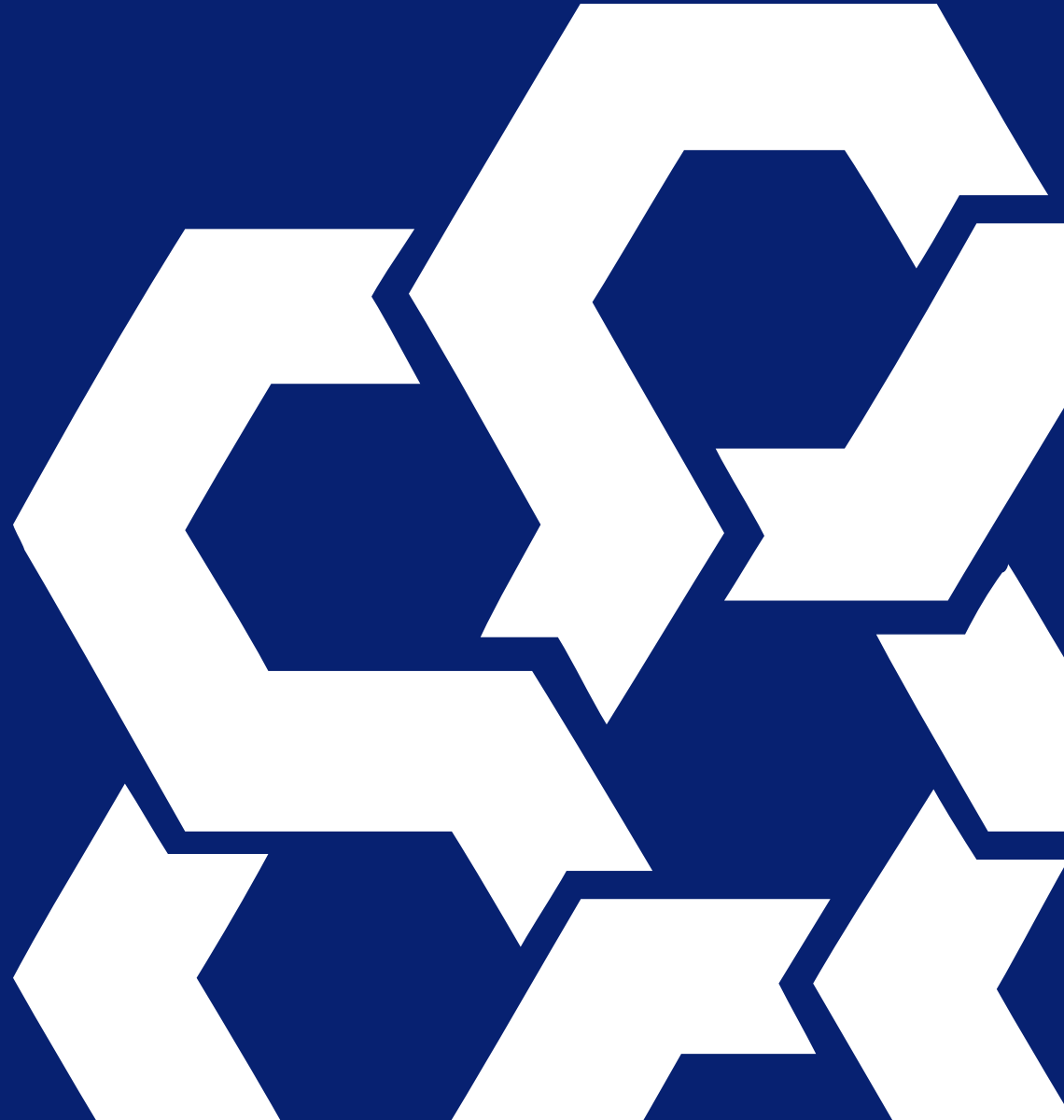
Agenda

- 1 How do national standard-setters support consistent application?
- 2 The IASB's approach to consistent application
- 3 Recent IC discussions

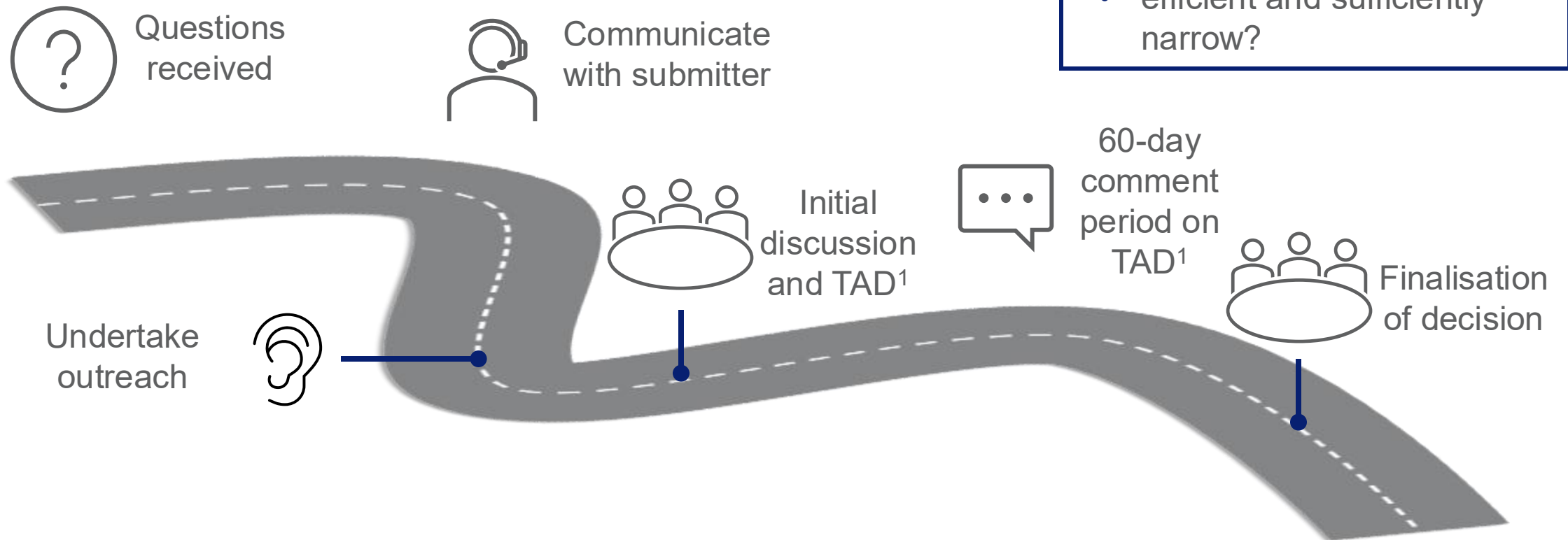
How do national standard-setters support consistent application?



The IASB's approach to consistent application



How does the IC deal with submissions?



¹ Tentative Agenda Decision (TAD)

Changes to the *Due Process Handbook*

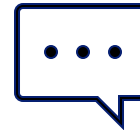
What is widespread effect?

Prevalence
(or expected prevalence)



Diversity
(or expected diversity)
that has a material
effect

Other clarifications

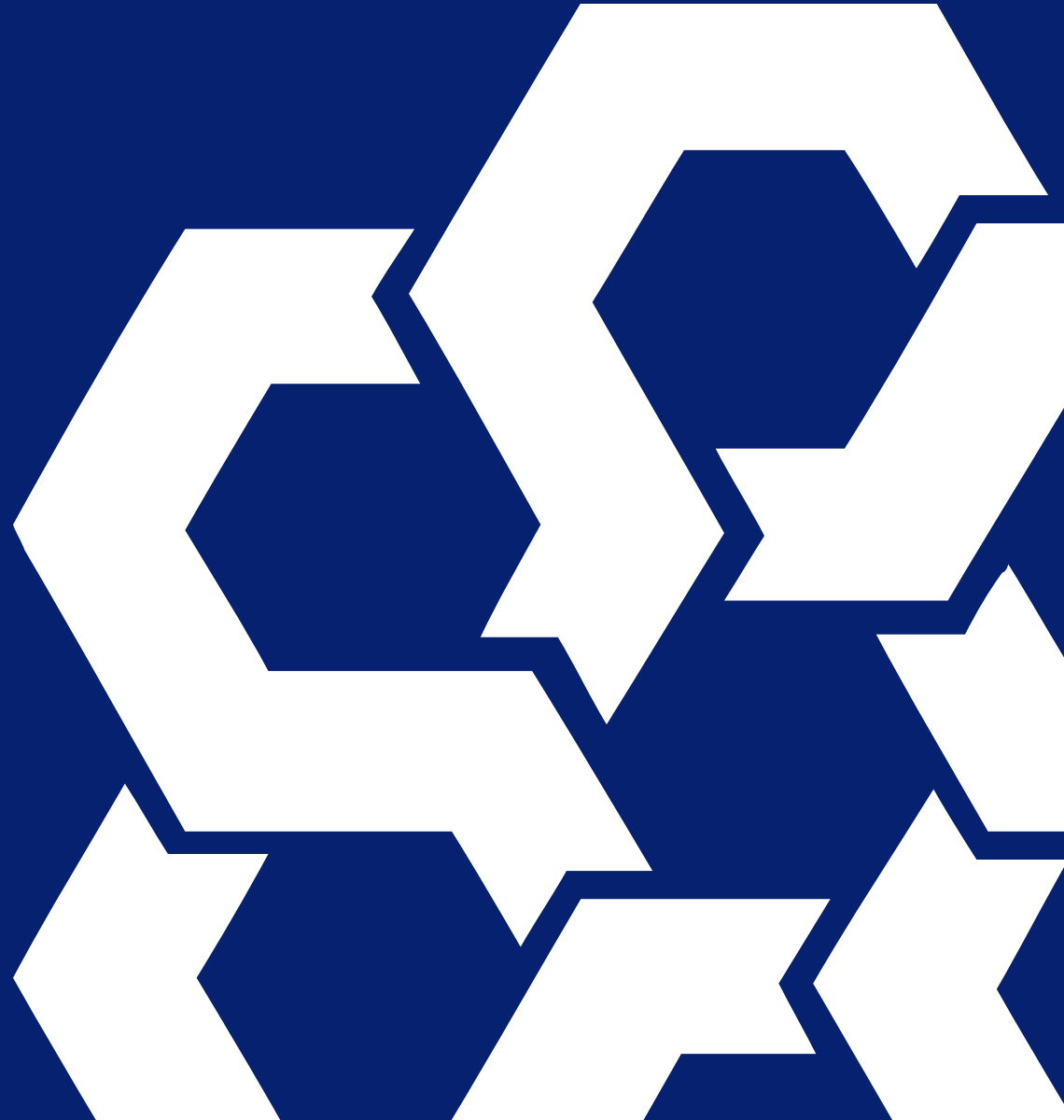


Reporting information to the IASB



Maintaining agenda decisions

Recent IC discussions



Supporting consistent application of IFRS 18

IC Discussions

Question

March 2026
(Final AD)

Classification of a foreign exchange difference arising from an intragroup monetary liability that has been eliminated on consolidation

March 2026
(Final AD)

Classification of gains or losses on a derivative financial instrument used to manage the foreign currency risk of a net liability exposure

Analysis

- Accounting policy choice between 2 views:
 - ✓ View 1—in the operating category as the default category
 - ✓ View 2—subject to undue cost or effort, in the same category in which the income and expenses from the intragroup loan would have been classified before their elimination
- An entity first needs to identify the risk(s) a derivative is used to manage
- The entity classifies any gain or loss on the external derivative in the same category as the income and expenses affected by the risks the derivative is used to manage

IC Discussions

Question

March 2026
(Final AD)

Investing in unconsolidated subsidiaries in a parent's separate financial statements

June 2026
(Tentative AD)

Whether lease-activities of a manufacturer lessor constitute a specified main business activity

Analysis

- Assessment requires judgement
 - Entities operations include—but are not limited to—one or more main business activities
 - For the parent in the request, the absence of any other substantive activity is sufficient evidence to conclude that activity is a main business activity
-
- Assessment requires judgement
 - Classification of some leases as operating leases does not preclude the aggregated lease activity from being a type that provides financing to customers

IC Discussions

Question

Sept 2026
(Pending
discussion)

Assets that generate a return individually and largely independently of an entity's other resources

June 2026
(Tentative AD)

Whether a performance measure that includes hypothetical income and expenses can meet the definition of an MPM

Analysis

- Verbal update on the September IC meeting will be provided
- IFRS 18 contains no restrictions on how an entity calculates a subtotal of income and expenses
- 'Management's view of an aspect of the financial performance of the entity as a whole' describes the information the measure purports to represent

Other IFRS 18 IC Discussions

Classification of income and expenses

March 2026 (TAD / IASB project)	Presentation of taxes or other charges that are not income taxes within the scope of IAS 12 <i>Income Taxes</i>
June 2026 (TAD)	Classification of income and expenses from cash and cash equivalents
June 2026 (TAD)	Classification of income and expenses from specified liabilities when an entity has a main business activity of providing financing to customers

MPMs

June 2026 (TAD)	Management-defined Performance Measures—Public Communications
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Other IFRS 18 IC Discussions

Aggregation and disclosure requirements

March 2026 (AD)	Scope of the Requirement to Disclose Expenses by Nature
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June 2026 (TAD)	Labels of subtotals
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June 2026 (TAD)	Presentation of Operating Expense
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Other IC discussions

Non-IFRS 18 topics discussed by the IC

Final agenda decisions

- | | |
|---------------|---|
| November 2025 | Embedded Prepayment Option (IFRS 9) |
| November 2025 | Determining and Accounting for Transaction Costs (IFRS 9) |
| March 2026 | Economic Benefits from Use of a Battery under an Offtake Arrangement (IFRS 16) |
| March 2026 | Fair Presentation and Compliance with IFRS Accounting Standards (IAS 1) [IAS 8] |

Tentative agenda decisions

- | | |
|---------------|---|
| November 2025 | Reassessment of Control (IFRS 10) |
| June 2026 | Control Assessment for a Single-investor Fund (IFRS 10) |

Get involved

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