

# AGENDA PAPER

IFRS Foundation Trustees meeting

Singapore 11-12 January 2012

Agenda ref 2-appendix A

---

## IASB Work Plan, updated 20 December 2011

## IASB work plan - projected targets as at 20 December 2011

To access the project pages of these active projects, click on the respective project name in the table. A full list of all projects since 2006 and a list of recently completed and research projects, can be accessed via the links on the left hand side.

		Next major project milestone					
<b>Agenda consultation</b>	<b>2011 Q4</b>	<b>2012 Q1</b>	<b>2012 Q2</b>	<b>2012 Q3</b>	<b>2012 Q4</b>		
<b>Three-yearly public consultation</b>		Feedback Statement/ RT	Agenda decisions				
		Next major project milestone					
<b>Financial Crisis related projects</b>	<b>2011 Q4</b>	<b>2012 Q1</b>	<b>2012 Q2</b>	<b>2012 Q3</b>	<b>2012 Q4</b>	<b>MoU</b>	<b>Joint</b>
<b>IFRS 9: Financial instruments (replacement of IAS 39)</b>							
<b>Impairment</b>			Re-exposure			✓	✓
<b>Hedge accounting</b>							
<b>General hedge accounting</b>		Review draft	Target IFRS			✓	
<b>Macro hedge accounting</b>				Target ED		✓	
		Next major project milestone					
<b>Memorandum of Understanding projects</b>	<b>2011 Q4</b>	<b>2012 Q1</b>	<b>2012 Q2</b>	<b>2012 Q3</b>	<b>2012 Q4</b>	<b>MoU</b>	<b>Joint</b>
<b>Leases</b>			Re-exposure			✓	✓
<b>Revenue recognition [ED, comments due 13 March 2012]</b>	Comment period					✓	✓
		Next major project milestone					
<b>Other Projects</b>	<b>2011 Q4</b>	<b>2012 Q1</b>	<b>2012 Q2</b>	<b>2012 Q3</b>	<b>2012 Q4</b>	<b>MoU</b>	<b>Joint</b>
<b>Insurance contracts</b>			Review draft or revised ED				✓
<b>Annual improvements 2009-2011</b>			Target completion				

Annual improvements 2010-2012		Target ED					
Annual improvements 2011-2013				Target ED			
Amendment to IFRS 1 (Government Loans) [ED, comments due 5 January 2012]	Comment period						
Consolidation– Investment entities [ED, comments due 5 January 2012]	Comment period	RT					✓
Transition Guidance (Proposed amendments to IFRS 10) [ED, comments due 21 March 2012]	Comment period		Target IFRS				
		Next major project milestone					
Post-implementation reviews	2011 Q4	2012					
IFRS 8 Operating Segments	Initiate review	Target completion					
IFRS 3 Business Combinations		Initiate review					

The work plan indicates the projected timing of the next milestone in the projects. Once deliberations are complete and before proceeding to the balloting of an exposure draft or IFRS (including amendments) the Board will consider whether re-exposure of the proposal is needed (such as a revised discussion paper or exposure draft). If the boards conclude that re-exposure is necessary the next due process publication will be the re-exposed document. The work plan as displayed assumes that re-exposure is not required and is therefore subject to change on completion of the relevant deliberations. The work plan will be updated once balloting has commenced to indicate the nature of the next due process document (exposure draft or IFRS) and its likely publication date.

### Key

**AD** Agenda Decision (to add the topic to the active agenda)

**Ballot** See note below

**DP** Discussion Paper

**ED** Exposure Draft

**IFRS** International Financial Reporting Standard

**PS** IFRS Practice Statement

**RT** Roundtables

**RV** Request for Views

**TBD** To be determined

## Ballot

The formal process of seeking the Board's approval to publish a due process document (discussion paper, exposure draft or IFRS). Once the Board has concluded its deliberations on a particular stage of a project the technical staff prepare the relevant due process document. Each Board member is required to vote, indicating whether they approve the document for publication. Balloting takes place outside of Board meetings. If a document receives enough support it is prepared for publication (print and online). Publication of the approved document normally takes place several weeks or more after the balloting process has been completed. That time is necessary for the discussion paper, exposure draft or IFRS to be formatted and any accompanying documents, such as a feedback statement, to be prepared.

## Effective dates

The effective date of amendments and new standards is usually 6-18 months after publication date. In setting an effective date the Board considers all relevant factors. In appropriate circumstances, early adoption of new standards will be allowed. The Board will consider staggering effective dates of new standards to help entities that apply IFRSs undertake an orderly transition to any new requirements.

## Other projects

In November 2010 the IASB and FASB decided to amend the timetable for projects that are important but less urgent. The projects affected are **Financial Statement Presentation** (the replacement of IAS 1 and IAS 7), **Financial instruments with characteristics of equity**, **Emissions Trading Schemes**, **Liabilities** (IAS 37 amendments) and **Income Taxes**. The Board will review these projects as part of its agenda consultation process, at the beginning of 2012.

**Conceptual Framework:** The Board completed Phase A by publishing in September 2010 the *Objectives* and *Qualitative characteristics* chapters of the new Conceptual Framework. The IASB and the FASB will amend sections of their conceptual frameworks as they complete individual phases of the project. The boards have considered the comments they received on the exposure draft for Phase D *Reporting Entity*. In the light of those comments the boards have decided that they will need more time to finalise this chapter than they initially anticipated. The boards have not yet published discussion papers for Phase B *Elements* or Phase C *Measurement*. The IASB expects to recommence development of the Conceptual Framework at the beginning of 2012.

## Research and other projects

---

In 2009 the Board published an exposure draft addressing **rate-regulated activities**. In September 2010 the Board concluded that it could not resolve the matter quickly and decided to develop an agenda proposal for consideration for its future agenda in 2011.

In October 2010 the staff presented to the Board a summary of comments received on a Discussion Paper on **extractive activities** prepared for it by national standard-setters from Australia, Canada, Norway and South Africa. The Board will use this feedback to help it assess whether to add a project to its agenda when it considers its future agenda in 2011.

**Common control** was added to the agenda in December 2007. The Board will consider whether to restart the project when it considers its future agenda in 2011.

In October 2009 the Board stopped work on **credit risk in liability measurement** as a free-standing work stream and decided not to reach a general conclusion on credit risk at this time but instead to incorporate the topic in the conceptual framework measurement project. The Board is also considering the input received on this topic when it considers the measurement of liabilities in other topics.

In April 2009 the Board considered comments received on proposed amendments to **IAS 33 Earnings per Share**. In the light of other priorities, the Board stopped work on the project. The Board will consider whether to restart the project when it considers its future agenda in 2011.

Work on the **government grants** project has been deferred pending progress in the revenue recognition and emissions trading schemes projects. The Board will consider whether to restart the project when it considers its future agenda in 2011.

In December 2007 the IASB decided not to add a project on **intangible assets** to its active agenda. National standard-setters are carrying out research for a possible future project. The Australian Accounting Standards Board has published a discussion paper *Initial Accounting for Internally Generated Intangible Assets*. The Board will consider whether to restart the project when it considers its future agenda in 2011.

## Recently completed projects

---

**IAS 32 Offsetting Financial Assets and Financial Liabilities (Amendments to IAS 32)**. On 16 December 2011 the IASB published amendments to IAS 32 *Financial Instruments: Presentation* to clarify the application of the offsetting requirements. The amendments are effective for annual periods beginning on or after 1 January 2014, with earlier application permitted.

**Disclosures—Offsetting Financial Assets and Financial Liabilities (Amendments to IFRS 7)**. On 16 December 2011 the IASB published new disclosures requirements jointly with the FASB that enable users of the financial statements to better compare financial statements prepared in accordance with IFRS and US GAAP. The new requirements are effective for annual periods beginning on or after 1 January 2013.

**Mandatory Effective Date of IFRS 9 and Transition Disclosures (Amendments to IFRS 9 (2009), IFRS 9 (2010) and IFRS 7)**. On 16 December 2011 the IASB deferred the mandatory effective date of IFRS 9 to 1 January 2015. The amendments also provide relief from restating comparative information and require disclosures (in IFRS 7) to enable users of financial statements to understand the effect of beginning to apply IFRS 9.

**IFRIC 20 Stripping Costs in the Production Phase of a Surface Mine**. On 19 October 2011 the IASB issued IFRIC 20. The Interpretation clarifies when production stripping should lead to the recognition of an asset and how that asset should be measured, both initially and in subsequent periods. The Interpretation is effective for annual periods beginning on or after 1 January 2013 with earlier application permitted.

**Financial Statement Presentation**. On 16 June 2011 the Board issued amendments to IAS 1 *Financial Statement Presentation*. These

amendments improve how we present components of other comprehensive income. The FASB issued equivalent requirements on the same day. The new requirements are effective for annual periods beginning on or after 1 July 2012.

**Post-employment benefits.** On 16 June 2011 the Board issued amendments to IAS 19 *Employee Benefits*. The amendments will improve the recognition and disclosure requirements for defined benefit plans. The new requirements are effective for annual periods beginning on or after 1 January 2013, with earlier application permitted. This completed one of our narrower-scope MoU projects.

**Fair value measurement.** On 13 May 2011 the IASB issued IFRS 13 *Fair Value Measurement*. IFRS 13 defines fair value, sets out in a single IFRS a framework for measuring fair value and requires disclosures about fair value measurements. IFRS 13 applies when other IFRSs require or permit fair value measurements. It does not introduce any new requirements to measure an asset or a liability at fair value, change what is measured at fair value in IFRSs or address how to present changes in fair value. The new requirements are effective for annual periods beginning on or after 1 January 2013, with earlier application permitted.

**Consolidations, Joint arrangements and Disclosure of Interests in Other Entities.** On 13 May 2011 the IASB issued IFRS 10 *Consolidated Financial Statements*, IFRS 11 *Joint Arrangements* and IFRS 12 *Disclosure of Interests in Other Entities*. IFRS 10 provides a single consolidation model that identifies control as the basis for consolidation for all types of entities. IFRS 10 replaces IAS 27 *Consolidated and Separate Financial Statements* and SIC-12 *Consolidation— Special Purpose Entities*. IFRS 11 *Joint Arrangements* establishes principles for the financial reporting by parties to a joint arrangement. IFRS 11 supersedes IAS 31 *Interests in Joint Ventures* and SIC-13—*Jointly Controlled Entities—Non-monetary Contributions by Venturers*. IFRS 12 combines, enhances and replaces the disclosure requirements for subsidiaries, joint arrangements, associates and unconsolidated structured entities. As a consequence of these new IFRSs, the IASB also issued amended and retitled IAS 27 *Separate Financial Statements* and IAS 28 *Investments in Associates and Joint Ventures*. The new requirements are effective for annual periods beginning on or after 1 January 2013, with earlier application permitted.

**Deferred tax: recovery of underlying assets,** an amendment to IAS 12 *Income Taxes* was issued in December 2010. The amendment provides a practical solution to the problem of determining whether assets measured using the fair value model in IAS 40 *Investment Property* are recovered through use or through sale. The amendment is effective for annual periods beginning on or after 1 July 2011, with earlier application permitted.

**Severe Hyperinflation and Removal of Fixed Dates for First-time Adopters,** amendments to IFRS 1 *First-time Adoption of International Financial Reporting Standards* was issued in December 2010. The amendments replace references to a fixed transition date with 'the date of transition to IFRSs' and set out the requirements for how an entity resumes presenting financial statements in accordance with IFRSs after a period when the entity was unable to comply with IFRSs because its functional currency was subject to severe hyperinflation. The amendments are effective from 1 July 2011, with earlier application permitted.

IFRS Practice Statement **Management Commentary** was issued in December 2010. The Practice Statement provides a broad, non-binding framework for the presentation of narrative reporting to accompany financial statements prepared in accordance with IFRSs.

**Derecognition – Disclosures.** Amendments to IFRS 7 *Financial Instruments: Disclosures* were issued in October 2010. Those amendments improve the disclosure requirements in relation to transferred financial assets. The amendments are effective for annual periods beginning on or after 1 July 2011, with earlier application permitted.