AGENDA PAPER

IFRS Foundation Advisory Council

London 14-15 October 2013 Agenda paper 1A

Memorandum

To: Advisory Council

From: Hans Hoogervorst/Sue Lloyd/Alan Teixeira

Date: 17 September 2013

Re: Technical Projects - update

Overview

Since the last meeting in June we have published the exposure drafts on Insurance Contracts, and on the accounting for Bearer Plants. The Conceptual Framework Discussion Paper was also published and amendments were made to IAS 39 *Financial Instruments: Recognition and Measurement* to allow hedge accounting to continue following the novation of a derivative to a central clearing party.

The IASB has also published its Feedback Statement on the Post-implementation Review (PIR) of IFRS 8 *Operating Segments* and launched its PIR of IFRS 3 *Business Combinations.*

The Interpretations Committee has also continued to be very active.

Financial Instruments

In July 2013 the IASB tentatively decided to defer the mandatory effective date of IFRS 9 *Financial Instruments* from 1 January 2015. The new mandatory effective date will be decided at a later date. The appropriate date will depend both on when deliberations are completed and also on the final details of the expected credit loss model which is critical to determining the appropriate implementation period.

IFRS 9—Classification and Measurement (limited amendments)

As discussed in previous meetings, in November 2012 the IASB published an Exposure Draft *Classification and Measurement: Limited Amendments to IFRS 9* (*Proposed amendments to IFRS 9 (2010)*). This Exposure Draft proposed limited amendments to the classification and measurement requirements for financial instruments already contained in IFRS 9. The main changes proposed in the ED were to clarify the notion of principal and interest, to propose the introduction of a fair value through OCI category for simple debt investments and to propose clarifications to the concept of 'holding to collect' contractual cash flows.

The FASB issued an Exposure Draft on the classification and measurement of financial instruments in February 2013. While the Exposure Drafts reflect joint decisions made by the boards, given the different stage of development of our projects (the IASB is revising IFRS 9 whereas the FASB is proposing completely new requirements), the documents are not identical.

A summary of the comments received on each of these documents has been presented to the boards. At the September meeting joint redeliberations commenced with discussion of the features of debt instruments with simple features ('solely principal and interest') that would be eligible for measurement other than at fair value through profit or loss. The next topic that will be deliberated will be the business model.

The IASB tentatively decided to amend IFRS 9 so that entities can apply the own credit requirements in IFRS 9 before other phases of the standard. This means that entities would be permitted to choose to present the changes in fair value for liabilities measured at fair value under the fair value option before making any other changes to their accounting for financial instruments in accordance with IFRS 9.

The objective is to complete the substantive redeliberations on classification and measurement by the end of 2013.

Impairment

The objective of the Impairment project is to increase the usefulness of financial statements by improving the transparency of information about the credit quality of loans subject to impairment[1],

[1] We refer to all financial assets subject to impairment as "loans" in the Impairment section of this paper for ease of discussion.

and improving the timeliness of recognition of expected credit losses.

In March 2013 the IASB published an Exposure Draft *Financial Instruments: Expected Credit Losses*. The proposals in that document were based on the model that the IASB had been developing jointly with the FASB. The proposals would result in expected credit losses always being recognised (from when a financial instrument is first purchased or originated) with full lifetime expected credit losses being recognised when a financial instrument suffers a significant deterioration in credit quality.

As discussed at previous meetings, in July 2012 the FASB decided to explore a different approach—one still based on expected credit losses, but in which full (all) lifetime expected credit losses are recognised for all loans from initial recognition.

In late December 2012, the FASB published their Exposure Draft on impairment. The IASB and FASB have shared the feedback they have received on their respective exposure drafts. While many still request a converged solution, geographical differences in feedback continue to be apparent including from users of financial statements and few suggestions have been made for how convergence could be achieved. Each board is now considering changes they would make to their proposals considering the comments that they have received. Following those amendments the boards will be able to consider the prospects for further aligning the models.

Overall the feedback received by the IASB was supportive. In particular, there was support for a model that measures expected credit losses differently on the basis of a significant increase in credit risk and the operationality of the proposals was confirmed. Some did however raise concerns about the timeliness of identification of significant increases in credit risk so the IASB will consider ways to make the model more responsive to changes in credit information. The Accounting Standards Advisory Forum (ASAF) will have the opportunity to comment on these changes at their September meeting.

The IASB aims to complete the substantive deliberations on the impairment requirements in 2013.

Hedge Accounting

The objective of this project is to improve hedge accounting by more closely aligning it with a company's risk management activities, thereby improving financial reporting. As previously discussed, the Hedge Accounting phase of the Financial Instruments project is not a joint project.

However, the FASB sought comments from its stakeholders on the IASB's Hedge Accounting Exposure Draft.

At the April 2013 IASB meeting, the IASB finalised its deliberations on hedge accounting and granted the staff permission to draft the final hedge accounting requirements for inclusion in IFRS 9. These final requirements are now being balloted in preparation for publication.

Accounting for Macro Hedging

All planned discussions on the model for accounting for macro hedging, prior to publication of the Discussion Paper, have been completed. Publication of the Discussion Paper is planned to occur during 2013.
This project will be discussed by the ASAF at their September meeting.

Leases

The objective of the Leases project is to improve the quality and comparability of financial reporting by providing greater transparency about leverage, the assets an entity uses in its operations and the risks to which it is exposed from entering into lease transactions.

This is a joint project with the FASB. In May 2013, both boards published a joint and revised Exposure Draft on leases, which was open for comment until 13 September 2013. Under the proposals, a lessee would report assets and liabilities for all leases of more than 12 months on its balance sheet. The recognition of lease-related expenses in the lessee's income statement for most real estate leases would be different from that for most other leases to better reflect the differing economics of those leases. The Exposure Draft also proposes some changes to the accounting applied by many equipment and vehicle lessors, which would better reflect how such lessors price their leases.

Extensive outreach activities have been undertaken during the comment period focussing in particular on obtaining feedback from users of the financial statements and understanding the drivers of costs for preparers. In addition, a series of public roundtables are planned.

The ASAF will discuss their feedback on the exposure draft at the September 2013 meeting.

Redeliberations will recommence in the fourth quarter of 2013.

Revenue Recognition

The objective of this project is to improve financial reporting by creating common revenue recognition Standard that clarifies principles that can be applied consistently across various transactions, industries and capital markets. The project applies to all contracts with customers (except leases, financial instruments and insurance contracts).

This project is near completion and the draft of the final IFRS is at an advanced stage. At the September 2013 meeting three issues raised in the drafting of the final document will be discussed with the boards and the staff will ask for direction on how the boards would like to address these issues. These extra steps reflect the importance the boards place on ensuring that the final document is clear and operational.

As discussed at the last Advisory Council meeting, due to the importance of revenue and the broad scope of the new Standard, the IASB and the FASB intend to establish a limited life transition resource group to support preparers in the transition to the new Standard. Importantly, it is not envisaged that the group provides authoritative guidance.

Insurance Contracts

The objective of this project is to eliminate inconsistencies and weaknesses in existing practice by replacing IFRS 4 *Insurance Contracts* and to provide a single principle-based Standard to account for all insurance contracts.

The IASB published its revised Exposure Draft at the end of June 2013. Due to the importance of completing this project, and in view of the extensive debate the IASB has undertaken over the years, the exposure draft seeks feedback on five key matters on which there have been significant changes to the proposals in the 2010 Exposure Draft. The IASB hopes that targeting its revised Exposure Draft in this way will avoid further undue delay in finalising a much-needed Standard for insurance contracts accounting.

The comment period for the exposure draft ends on 25 October 2013. During the comment period extensive outreach is being undertaken across a broad range of jurisdictions.

At the September 2013 meeting the ASAF will provide feedback on the five key areas on which questions are asked in the exposure draft.

The Conceptual Framework

The Conceptual Framework sets out the concepts that underlie the preparation and presentation of financial statements. It is not a Standard or Interpretation and does not override any specific Standard or Interpretation. However, it identifies principles for the IASB to use when it develops and revises its IFRSs.

The existing Conceptual Framework has enabled the IASB to develop high quality IFRSs that have improved financial reporting. However, it does not cover some important areas and some guidance needs updating. Consequently, most respondents to the 2011 agenda consultation identified the Conceptual Framework as a priority project for the IASB.

The Discussion Paper, published in July 2013, is the first step towards issuing a revised Conceptual Framework. It is designed to obtain initial views and comments on important issues that the IASB will consider as it develops an exposure draft of a revised Conceptual Framework. It focuses on those areas that have caused the IASB problems in practice, including:

- definitions of assets and liabilities;
- recognition and derecognition;
- the distinction between equity and liabilities;
- measurement;
- presentation and disclosure; and
- other comprehensive income (OCI).

The comment period for the Discussion Paper ends on 14 January 2014. During the comment period, outreach is being conducted to obtain feedback on the issues included in the Discussion Paper.

Rate-regulated Activities

The objective of the Rate-regulated Activities research project is to develop a Discussion Paper that assesses different types of rate regulation and considers whether any of those types create assets or liabilities (in addition to those already recognised in accordance with IFRS for non-rate-regulated activities). A Request for Information *Rate Regulation* was published in March 2013 to gather more information about the common features of rate regulation. A summary of the 79 responses received was discussed in July by a formal consultative group that was assembled for this project. In September 2013, the IASB began deliberations on the common features identified as being most important to distinguish rate-regulated activities from general commercial activities, and that have the biggest impact on the amount, timing and certainty of cash flows and the stability of ‘regulated’ earnings. Future deliberations will consider these features in the context of the developments in the Conceptual Framework project.

In addition, in September 2013 the staff presented an initial summary of the responses received to proposals for an interim IFRS designed to assist those adopting IFRS prior to completion of the broader project. The closing date for comments was 4 September 2013 and the IASB expect to begin redeliberations on the proposals in the October 2013 meeting.

Narrow-scope projects

Recently completed

IAS 39—Novation of Derivatives and Continuation of Hedge Accounting

In June 2013 the IASB amended IAS 39 to enable hedge accounting to continue following the novation of a derivative to effect clearing with a central counterparty as a result of law or regulations. This change was in response to recent or pending legislative changes that require novation of some derivative contracts to a central counterparty as a result of a G20 commitment to improve transparency and regulatory oversight of over-the-counter derivatives in an internationally consistent and non-discriminatory way. The hedge accounting model in IFRS 9 will also contain these requirements.

On-going narrow-scope projects

IAS 41—Bearer Plants

In June 2013, in response to the 2011 Agenda Consultation, the IASB published for public comment an Exposure Draft of proposals to include bearer plants within the scope of IAS 16 *Property, Plant and Equipment*. Bearer plants are a class of biological assets that, once mature, are held by an entity to grow produce over their productive life. Examples include grape vines, rubber trees and oil palms.

Currently, IAS 41 *Agriculture* requires all biological assets that are related to agricultural activity, including bearer plants, to be measured at fair value less costs to sell. This requirement is based on the principle that biological transformation is best reflected by fair value measurement. However, once mature, bearer plants no longer undergo significant biological transformation. Furthermore, their operation is similar to that of manufacturing. Consequently, the Exposure Draft proposes that bearer plants are accounted for by IAS 16 instead of IAS 41, thus permitting the use of either a cost model or a revaluation model. The produce growing on the bearer plants would remain under the fair value model in IAS 41.

The Exposure Draft is open for comment until 31 October 2013.

IAS 27—Separate Financial Statements (Equity Method)

When an entity prepares separate financial statements it has the choice of measuring investments in subsidiaries, joint ventures and associates at cost or at fair value. Corporate law in some countries requires listed entities to present separate financial statements using the equity method of accounting to measure these investments. Consequently, entities in those countries must currently prepare two sets of financial statements.

Feedback received from the 2011 Agenda Consultation indicated there was strong support from stakeholders in those countries affected, particularly from Latin America, for the IASB to address this issue.

As a result the IASB agreed to consider a proposal to amend IAS 27 *Separate Financial Statements* to allow the use of the equity method of accounting. At the same time, we are considering amendments to clarify the requirements for reporting in separate financial statements an interest in a joint operation.

We aim to publish an Exposure Draft in the first quarter of 2014.

IAS 19—Actuarial Assumptions: Discount Rate

The Interpretations Committee was asked to clarify whether corporate bonds with a rating lower than ‘AA’ can be considered to be high-quality corporate (HQC) bonds for the purposes of calculating the defined benefit obligation for post-employment benefits. According to prevailing past practice, listed corporate bonds have usually been considered to be HQC bonds if they receive one of the highest two ratings given by a recognised rating agency (‘AAA’ and ‘AA’). Because of the financial crisis the number of these bonds has decreased. The Interpretations Committee discussed various proposals to address this issue but concluded that this topic is too broad for a narrow-scope amendment to IAS 19 *Employee Benefits*. It therefore asked the staff to focus on an analysis of whether ‘high quality’ is an absolute or relative concept. The Interpretations Committee discussed this analysis at its July 2013 meeting and published a tentative Agenda Decision setting out its views on the topic and its reasons for not adding the issue to its agenda. This tentative agenda decision is open for comment until 25 September 2013. The Interpretations Committee will discuss the comments received at its November 2013 meeting with a view to finalising the Agenda Decision. It will then report its conclusion to the IASB.

IAS 1—Disclosure Initiative

In May 2013 the IASB issued the Feedback Statement: *Discussion Forum—Financial Reporting Disclosure* (the 'Feedback Statement'). The Feedback Statement sets out a number of short-term and medium-term projects the IASB will be asked to consider in response to the concerns raised about financial reporting disclosure. The package of these projects is referred to as the Disclosure Initiative.

At its September 2013 meeting, the IASB considered the first of the proposed Disclosure Initiative projects—narrow scope amendments to IAS 1 *Presentation of Financial Statements*. These amendments are intended to clarify, rather than significantly change, existing IAS 1 requirements. However, it is considered that the relatively modest proposed amendments will address some problems that have emerged in practice in areas such as the application of materiality and determining the order of the notes to the financial statements. In October 2013, the IASB is expected to discuss further proposals as part of this project, including net debt and the presentation of subtotals of IFRS recognised amounts such as EBIT and EBITDA.

The Exposure Draft is scheduled to be published in the first quarter of 2014.

IAS 1—Disclosure Requirements about Assessment of Going Concern

IAS 1 requires that when management are aware of material uncertainties about an entity's ability to continue as a going concern, those uncertainties should be disclosed. The submitter, the IAASB, thinks that the guidance about the disclosure of these uncertainties is not clear. A similar topic had been presented to the Advisory Council in June 2012 by the chair of the UK FRC on actions that they were taking in response to the Sharman Inquiry. The Advisory Council's advice at that time was that perhaps the Interpretations Committee or the IASB could provide guidance on these disclosures.

At its March 2013 meeting the IASB discussed proposals for a narrow-scope amendment to IAS 1 that would clarify when disclosures about material uncertainties connected with going concern should be disclosed and what disclosures should be given. The IASB requested that the proposals should be further developed and since then work has been continuing. The IASB is expected to discuss the revised proposals in October 2013. It is expected that these proposals will be exposed for comment with other proposed amendments to IAS 1 relating to work on the Disclosure Initiative and sundry amendments with respect to, for example, classification of liabilities. The Exposure Draft is scheduled to be published in the first quarter of 2014.

Put Options Written on Non-controlling Interests (NCI)

In March 2013, the IASB decided not to proceed with the finalisation of the draft interpretation regarding the accounting for NCI puts. The Board asked the staff to undertake further analysis on the accounting for puts over own equity including over NCI. Work on this issue has been continuing and the Board is expected to discuss the new analysis of the issue in the fourth quarter of 2013. On the basis of these discussions the Board will decide what the next steps should be.

Other new narrow-scope projects

A narrow-scope amendment on the unit of account for fair value measurement of equity investments in subsidiaries, associates and joint ventures is currently with the IASB for development. Since the IASB discussed this issue a question has been raised about the application of the portfolio exception in IFRS 13 *Fair Value Measurement* to Level 1 financial instruments. The IASB has decided to consider both issues before publishing any proposed amendments.

The IASB has also decided to propose a narrow-scope amendment to IAS 28 *Investments in Associates and Joint Ventures* to clarify the accounting for a 'downstream' transaction between an entity and its associate or joint venture when the gain from the transaction exceeds the carrying amount of the entity's interest in the associate or joint venture. The exposure draft is scheduled for publication in the first quarter of 2014.

Annual Improvements

Annual Improvements 2010–2012

The 2010–2012 Annual Improvements Exposure Draft was published in May 2012. The Interpretations Committee has discussed the comments received on all of these annual improvements. The recommendations from the Interpretations Committee on how to finalise many of these issues were presented to the IASB in the first and second quarters of 2013. The IASB expects to issue the final requirements in the fourth quarter of 2013.

Annual Improvements 2011–2013

The 2011–2013 Annual Improvements Exposure Draft was published in November 2012. A summary of the comment letters received was presented to the Interpretations Committee in May 2013 and the IASB has discussed the recommendations from the Interpretations Committee on how to finalise these proposed amendments. The IASB expects to issue the final requirements in the fourth quarter of 2013.

Annual Improvements 2012–2014

The Interpretations Committee has so far identified four potential issues for inclusion in the Exposure Draft for the 2012–2014 cycle of Annual Improvements; one of these has been agreed by the IASB. The others will be presented to the IASB in the fourth quarter of 2013. The IASB expects to publish the 2012-2014 Exposure Draft in the fourth quarter of 2013.

Education Initiative

Fair value measurement – educational material

A draft chapter is currently being prepared on the concept of 'highest and best use' in fair value measurement. This is being prepared with the assistance of the IASB's fair value measurement expert advisory panel.

Framework-based IFRS teaching material for IFRS teachers

This project aims to improve the rigour and consistency with which IFRS is applied by supporting those that teach IFRS to develop in their students the ability to make the judgements and estimates that are necessary to apply IFRS.

In January 2013 the Education Initiative has published comprehensive teaching material on non-financial assets.

In the months following its publication, translation of that material into all of the world's most widely spoken languages (including the United Nations' five non-English official languages) has begun.

To train IFRS teachers in the use of this material the Education Initiative staff and leading IFRS teachers co-facilitated half-day workshops in 2013 in Africa and the Middle East, Asia-Oceania, Europe, Latin America and North America.

The education staff are developing material on other topics (liabilities, business combinations and consolidated financial statements) for publication late in 2013/2014.

Workshops for regulators

In 2013 for the first time the Education Initiative is, jointly with the world's development agencies and selected others, facilitating regional five-day IFRS workshops for those regulating IFRS. Regional workshops have been organised jointly with the World Bank for Latin America, the Caribbean and Central and Eastern Europe; and with the Asian Development Bank for East Asia.

Investor-focused project

In 2013 an Investor Education Manager was appointed. This is part of a new initiative to educate investors in the use of IFRS. Investor focussed materials are being prepared including descriptions of the effects of application of some new IFRS on the financial statements.

In 2013 two half-day investor-focused events were arranged around our main IFRS conferences (in São Paulo and in Amsterdam).

IFRS for SMEs

Comprehensive Review 2012–2014

As discussed previously, when the IASB issued the International Financial Reporting Standard for Small and Medium-sized Entities (*IFRS for SMEs*) in July 2009, it stated that it would undertake an initial comprehensive review of the Standard. This review would allow the IASB to assess the first two years' experience in implementing the Standard and consider whether there is a need for any amendments. In many jurisdictions, companies started using the *IFRS for SMEs* in 2010. Consequently, the IASB commenced its initial comprehensive review in 2012.

In order to assist in the process of identifying which items to consider for amendment, the IASB issued a Request for Information (RfI) in June 2012 to seek public views and consulted with the SME Implementation Group, an advisory body to the IASB. The IASB finalised its technical discussion at its June 2013 meeting. After considering the feedback it received, and taking into account the fact that the *IFRS for SMEs* is still a new Standard, the IASB only proposes to make limited amendments to the *IFRS for SMEs*. The proposed amendments are not expected to result in significant changes in practice for SMEs or to have a significant impact on their financial statements.

The IASB expects to issue an Exposure Draft of proposed amendments to the *IFRS for SMEs* in late September/early October 2013 with an extended comment period of 150 days to allow organisations additional time in order to solicit and consolidate the views of smaller businesses in their jurisdictions.

Guidance for micro-sized entities

In June 2013 the IASB staff published guidance to help micro-sized entities apply the *IFRS for SMEs*. This guidance supports the *IFRS for SMEs* and does not constitute a separate Standard for micro-sized entities.

Post-implementation Review (PIR)

In July 2013 the IASB completed its first PIR, the review of IFRS 8. A report and feedback statement was published by the IASB. The general conclusion of the report was that IFRS 8 is functioning as was anticipated. IFRS 8 is a converged standard so the IASB noted that in those limited areas where further investigation is warranted the IASB will liaise with the FASB and that any changes would be considered within the context of the convergence with US GAAP that was achieved with IFRS 8.

In July 2013 the IASB launched its PIR of IFRS 3 *Business Combinations*. IFRS 3 was undertaken in two stages, the first was completed in 2004 and the second in 2008. The review will consider both stages and will also include the changes to the presentation of consolidated financial statements that were made at the same time. Currently the PIR is in its first phase during which outreach is undertaken to identify implementation problems or unexpected costs that have arisen in the application of IFRS 3 and academic and other studies about the standard will be considered. This will be followed by a second phase when a Request for Information will be published.

IFRS Taxonomy

In July the IFRS Foundation Due Process Oversight Committee (DPOC) considered a request from the IASB staff to assess potential changes to the due process requirements for developing the IFRS Taxonomy. The DPOC expressed support for the plans outlined.

Interim releases have been issued for several years. However, the possible changes to the Taxonomy due process would make the interim release be the main focus for public consultative, rather than the year-end ‘compilation’.

In September 2013 the IASB staff issued a proposed update to the IFRS Taxonomy, recommending a non-mandatory definitions link-base, some minor architectural changes (including modularising the taxonomy to separate the Management Commentary requirements) and updates to capture new IFRS requirements. The interim release included the following statement:

> The IASB and the Trustees’ Due Process Oversight Committee are reviewing the due process requirements for XBRL. One of the changes being considered is to make each proposed interim release the primary document for public consultation. This would replace the end of year consultation on the compiled IFRS Taxonomy. We strongly encourage you to provide us with comments on these proposed IFRS Taxonomy 2013 updates by 11 November 2013 to help us assess how effective this staggered review process is likely to be.

The Taxonomy team has developed a draft paper setting out a new due process.

Additionally, a proposal to replace the IFRS Advisory Council (XAC) and the XBRL Quality Review Team (XQRT) with a single body is being considered by the DPOC, XAC and XQRT. The recommendation reflects feedback from the IFRS Advisory Council.

Work plan - as at 18 September 2013

Major IFRSs

Next major project milestone				
	2013 Q3	**2013 Q4**	**2014 Q1**	**2014 Q2**
IFRS 9: *Financial Instruments* (replacement of IAS 39)				
Classification and Measurement (Limited Amendments)			Target IFRS	
Impairment			Target IFRS	
Hedge Accounting		Target IFRS		
Accounting for Macro Hedging		Target DP		
	2013 Q3	**2013 Q4**	**2014 Q1**	**2014 Q2**
Insurance Contracts [comment period ends 25 October 2013]		Redeliberations		
Leases		Redeliberations		
Rate-regulated Activities				
Interim IFRS		Redeliberations		
Rate Regulation			Target DP	
Revenue Recognition		Target IFRS		
IFRS for SMEs: Comprehensive Review 2012-2014 – see project page http://www.ifrs.org/IFRS-for-SMEs				

Implementation

Next major project milestone				
Narrow-scope amendments	**2013 Q3**	**2013 Q4**	**2014 Q1**	**2014 Q2**
Acquisition of an Interest in a Joint Operation (Proposed amendments to IFRS 11)		Target IFRS		
Actuarial Assumptions: Discount Rate (Proposed amendments to IAS 19)		TBD		
Annual Improvements 2010-2012		Target IFRS		
Annual Improvements 2011-2013		Target IFRS		
Annual Improvements 2012-2014		Target ED		
Bearer Plants (Proposed amendments to IAS 41) [comment period ends 28 October 2013]			Redeliberations	
Clarification of Acceptable Methods of Depreciation and Amortisation (Proposed amendments to IAS 16 and IAS 38)		Target IFRS		
Defined Benefit Plans: Employee Contributions (Proposed amendments to IAS 19)		Target IFRS		

Next major project milestone				
Narrow-scope amendments	**2013 Q3**	**2013 Q4**	**2014 Q1**	**2014 Q2**
Disclosure Initiative				
Amendments to IAS 1 (Disclosure initiative)			Target ED	
Disclosure Requirements about Assessment of Going Concern (Proposed amendments to IAS 1) (Now part of the Disclosure Initiative)			Target ED	
Elimination of gains arising from 'downstream' transactions (Proposed amendments to IAS 28)			Target ED	
Equity Method: Share of Other Net Asset Changes (Proposed amendments to IAS 28)		Target IFRS		
Fair Value Measurement: Unit of Account			Target ED	
Put Options Written on Non-controlling Interests (Proposed amendments to IAS 32)			Target ED	
Recognition of Deferred Tax Assets for Unrealised Losses (Proposed amendments to IAS 12)		Target ED		
Sale or Contribution of Assets between an Investor and its Associate or Joint Venture (Proposed amendments to IFRS 10 and IAS 28)		Target IFRS		
Separate Financial Statements (Equity Method) (Proposed amendments to IAS 27)		Target ED		
Post-implementation reviews	**2013 Q3**	**2013 Q4**	**2014 Q1**	**2014 Q2**
IFRS 8 *Operating Segments* [Report and Feedback Statement published 18 July 2013]				
IFRS 3 *Business Combinations*		Publish Request for Information		

Conceptual Framework

Next major project milestone				
	2013 Q3	**2013 Q4**	**2014 Q1**	**2014 Q2**
Conceptual Framework (chapters addressing elements of financial statements, measurement, reporting entity and presentation and disclosure) [comment period ends 14 January 2014]			Redeliberations	

Research Projects

Research projects involve preliminary research to help the IASB evaluate whether to add a topic to its work plan.			
Research projects on which preliminary work has commenced			
Business combinations under common control			
Disclosure initiative			
Discount rates			
Emissions trading schemes			
Extractive activities			
Financial instruments with characteristics of equity			
Intangible assets			
Research projects on which preliminary work is not expected to commence until after the 2015 agenda consultation			
Income taxes			
Post-employment benefits (including pensions)			
Share-based payments			
Research projects for which the timing of preliminary work has not yet been confirmed			
Equity method of accounting			
Financial reporting in high inflationary economies			
Foreign currency translation			
Liabilities – amendments to IAS 37			

Completed IFRSs

Major projects	Issued date	Effective date	Year that post-implementation review is expected to start[1]
Amendments to IAS 19 *Employee Benefits*	June 2011	01 January 2013	2015
IFRS 10 *Consolidated Financial Statements*	May 2011	01 January 2013	2016
IFRS 11 *Joint Arrangements*	May 2011	01 January 2013	2016
IFRS 12 *Disclosure of Interests in Other Entities*	May 2011	01 January 2013	2016
IFRS 13 *Fair Value Measurement*	May 2011	01 January 2013	2015
IFRS 9 *Financial Instruments*	October 2010	01 January 2015	TBC
Narrow-scope amendments	**Issued date**	**Effective date**	
Annual Improvements 2009-2011 • IFRS 1 *First-time Adoption of International Financial Reporting Standards*: o Repeated application of IFRS 1 o Borrowing costs • IAS 1 *Presentation of Financial Statements*- Clarification of the requirements for comparative information • IAS 16 *Property, Plant and Equipment* - Classification of servicing equipment • IAS 32 *Financial Instruments: Presentation* - Tax effect of distribution to holders of equity instruments • IAS 34 *Interim Financial Reporting* - Interim financial reporting and segment information for total assets and liabilities	May 2012	01 January 2013	
***Consolidated Financial Statements, Joint Arrangements and Disclosure of Interests in Other Entities: Transition Guidance* (Amendments to IFRS 10, IFRS 11, and IFRS 12)**	June 2012	01 January 2013	
***Disclosures-Offsetting Financial Assets and Financial Liabilities* (Amendments to IFRS 7)**	December 2011	01 January 2013	
IFRIC 20 *Stripping Costs in the Production Phase of a Surface Mine*	October 2011	01 January 2013	
IFRS 1 *First-time Adoption of International Financial Reporting Standards* - Government Loans	March 2012	01 January 2013	
IAS 32 *Financial Instruments: Presentation* - Offsetting Financial Assets and Financial Liabilities	December 2011	01 January 2014	
***Investment Entities* (Amendments to IFRS 10, IFRS 12 and IAS 27)**	October 2012	01 January 2014	
***Novation of Derivatives and Continuation of Hedge Accounting* (Amendments to IAS 39)**	June 2013	01 January 2014	
***Recoverable Amount Disclosures for Non-Financial Assets* (Amendments to IAS 36)**	May 2013	01 January 2014	
IFRS 9 *Financial Instruments* - Mandatory effective date of IFRS 9 and transition disclosures	December 2011	01 January 2015	
Interpretations	**Issued date**	**Effective date**	
IFRIC 21 *Levies*	May 2013	01 January 2014	

[1] A post-implementation review normally begins after the new requirements have been applied internationally for two years, which is generally about 30-36 months after the effective date.

Agenda Consultation

	2013	2014	2015
Three-yearly public consultation [Feedback Statement published 18 December 2012] [Next consultation scheduled 2015]			Initiate second triennial public consultation