



STAFF PAPER

April 2016

IASB meeting

Project	IFRS Implementation Issues: Classification of liabilities (Proposed amendments to IAS 1)		
Paper topic	Project timing		
CONTACT(S)	Michael Stewart	mstewart@ifrs.org	+44 (0)20 7246 6922

This paper has been prepared for discussion at a public meeting of the International Accounting Standards Board® ("the Board") and 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.

Purpose of this paper

1. The purpose of this paper is to inform the Board about changes in the staff's thinking on the timing of the redeliberations on the Classification of Liabilities project. The Board is not asked to make any decisions.

Project timing

2. The Board is in the process of deliberating comments received on its exposure draft *Classification of Liabilities* (Proposed Amendments to IAS 1). The proposed amendments are designed to improve presentation in financial statements by clarifying the criteria for the classification of a liability as either current or non-current. The proposed amendments do this by:
 - (a) clarifying that the classification of a liability as either current or non-current is based on the entity's rights at the end of the reporting period; and
 - (b) making clear the link between the settlement of the liability and the outflow of resources from the entity.
3. At the April Board meeting the Board will start its discussions of the feedback received on the Conceptual Framework ED. That ED includes proposals for revisions to the definitions of an asset and of a liability. The proposed definitions refer to rights

and obligations. Therefore, the staff intend to hold back the redeliberations of the Classification of Liabilities proposals so that they can follow the Board's redeliberations of the definitions of an asset and of a liability in the Conceptual Framework project; this should allow the Classification of Liabilities proposals to be finalised in a manner that is consistent with the Board's conclusions on those revised definitions.

4. Does the Board have any questions about the staff's plan for the timing of the Classification of Liabilities project?