

AGENDA PAPER

IFRS® Foundation Trustees meeting – Due Process Oversight Committee

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Agenda ref 1B

CONTACT

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IASB Technical Activities: Key Issues and Update

Purpose of the report

1. This report provides the Due Process Oversight Committee (DPOC) with an update on the activities of the International Accounting Standards Board (IASB) and the IFRS Interpretations Committee (Interpretations Committee) for the period March 2022 to May 2022.
2. The report sets out how the IASB and the Interpretations Committee have fulfilled their due process obligations as set out in the *Due Process Handbook*. The report aims to assist the DPOC in fulfilling its role of overseeing the due process activities of the IASB and the Interpretations Committee, as set out in paragraphs 2.1–2.15 of the *Due Process Handbook*. Paragraph 2.8(a) of the *Due Process Handbook* explains:

The DPOC is responsible for ... reviewing regularly, and in a timely manner, together with the [IASB] and the IFRS Foundation staff, the due process activities of the [IASB] and the Interpretations Committee, including standard-setting, the development of materials to support the consistent application of IFRS [Accounting] Standards, and the IFRS [Accounting] Taxonomy.
3. At this meeting there are no projects for which the DPOC is being asked to specifically confirm that due process has been followed. **Accordingly, all information in this report is for noting only.**
4. The report is structured as follows:
 - (a) due process matters in the period for noting (paragraphs 6–9); and
 - (b) other matters occurring during the period for the attention of the DPOC (paragraphs 10–29).
5. The accompanying appendices are as follows:

Appendix A—Overview of projects on the work plan

Appendix B—Due process documents published in the period.

Due process matters in the period for noting

Due process documents published

6. The due process documents published in the period are listed in Appendix B. The staff confirm that the required due process steps have been completed for each of the documents listed. When the IASB is required to review a summary of the due process steps undertaken for a due process document, the DPOC receives a copy of the supporting IASB paper in advance of the IASB's discussion.

Due process decisions

7. The IASB's project on Dynamic Risk Management is exploring whether it can develop an accounting model that will enable investors to better understand the effect of a company's dynamic risk management of repricing risk due to changes in interest rate (which is predominately used in the banking industry), and to evaluate the effectiveness of that risk management. Based on staff analysis in [Agenda Paper 4B](#) to the IASB's May 2022 meeting, the IASB decided to:
 - (a) move its Dynamic Risk Management project from research to standard-setting, after considering paragraph 5.4 of the *Due Process Handbook*. This paragraph sets out the criteria for adding a standard-setting project to its work plan. The IASB will next progress towards publication of an exposure draft.
 - (b) continue using the expertise of existing advisory bodies, instead of establishing a dedicated consultative group for the project, after considering paragraph 3.59-3.60 of the *Due Process Handbook*. This is because:
 - i. given the long history of the project, the IASB has already obtained extensive feedback throughout previous consultations.
 - ii. during 2020, the staff already undertook targeted outreach where detailed specialist knowledge was obtained. Further targeted outreach could be undertaken, if and when needed, for particular issues.
 - iii. the IASB's existing consultative groups, including the expertise of relevant parties in their jurisdictions, collectively have the necessary experience and expertise to advise on this project.
 - iv. one-to-one outreach may be more effective on this topic due to sensitivities amongst banks in discussing their risk management strategies in public.
8. As discussed at the DPOC's May 2022 meeting:
 - (a) The IASB concluded decision-making on its Third Agenda Consultation in April 2022. The Feedback Statement is expected to be published in July 2022. (See [Agenda Paper 1](#) to the DPOC's May 2022 meeting for the due process matters discussed.)

- (b) the DPOC agreed that the IASB has completed its post-implementation review (PIR) of IFRS 10 *Consolidated Financial Statements*, IFRS 11 *Joint Arrangements* and IFRS 12 *Disclosure of Interests in Other Entities* satisfactorily and that the Report and Feedback Statement can be published. The Report and Feedback Statement is expected to be published in June 2022. (See [Agenda Paper 2A](#) to the DPOC’s May 2022 meeting for the due process matters discussed.)

Agenda paper compliance report¹

9. In the period March 2022 to May 2022, all agenda papers discussed by the IASB and the Interpretations Committee were made available on the public website unaltered. In April 2022 two IASB educational (non-decision-making) papers were posted three days after the posting deadline due to a resource constraint:
- (a) Agenda Paper 21: Primary Financial Statements: Cover note and summary of feedback and redeliberations; and
 - (b) Agenda paper 21A: Primary Financial Statements: Analysis of operating expenses by nature in the notes.

¹ Paragraph 3.12 of the *Due Process Handbook* states ‘The technical staff is required to report to the [IASB] and the DPOC at least annually on the extent to which material discussed by the [IASB] or the Interpretations Committee has not been made available to observers and the main reasons for doing so. In addition, the technical staff is required to include in that report the number of meeting papers that have been distributed less than five working days in advance and the main reasons for doing so.’

Other matters occurring during the period for the attention of the DPOC

Project updates

Goodwill and Impairment

10. The IASB continues to discuss the two main aspects of this project: disclosures about business combinations and their subsequent performance and whether to reintroduce amortisation of goodwill.
11. In April 2022, the staff provided the IASB with a summary of their research on disclosures, specifically on business combination information that entities currently disclose outside financial statements; the usefulness of disclosures proposed in the IASB's Discussion Paper; and practical concerns with the proposed disclosures about the potential for competitive harm and litigation, availability of information after integration of the acquired business and auditability of disclosures.
12. In May 2022, the staff provided the IASB with a summary of their research on the feasibility of estimating a useful life of goodwill and the effect on historic goodwill balances of transitioning to an amortisation model, should the IASB decide to reintroduce amortisation of goodwill.
13. The staff will perform further research and consult with the IASB's consultative groups on possible paths forward for disclosures. The IASB is expected to decide on a disclosure package of disclosure requirements in Q3 2022, and on whether to reintroduce amortisation of goodwill in Q4 2022.
14. The FASB had also been undertaking a project that considers the subsequent accounting for goodwill. On 15 June 2022, the FASB decided to remove its project from its technical agenda. To update IASB members on the FASB's reasons for its decision, we are still planning a joint FASB-IASB educational meeting on 30 September 2022. The IASB will make its decision about whether to reintroduce the amortisation of goodwill after that joint meeting.

Primary Financial Statements

15. During the period, the IASB continued redeliberating the proposals in the Exposure Draft *General Presentation and Disclosures*. In these meetings, the IASB continued to make progress with decisions on aspects in each of the three main components of the project.
16. On the structure of the statement of profit or loss, the IASB proposed a 'general model'. It also proposed specific requirements for entities that invest in assets that generate a return individually and largely independently of other resources held by the entity or provide financing to customers. In April 2022, the IASB tentatively decided to provide additional guidance to that proposed in the Exposure Draft to clarify application of these specific requirements.

17. On disaggregation, the IASB discussed alternatives to address feedback on challenges associated with disaggregation of operating expenses by nature and on disaggregation of unusual items.
18. On management performance measures, the IASB tentatively decided:
 - (a) to confirm the proposed requirement for an entity to disclose information about management performance measures in a single note to the financial statements.
 - (b) to confirm the proposed requirement to disclose the tax effect and the effect on non-controlling interests on items in the reconciliation between a management performance measure and the most directly comparable total specified by IFRS Accounting Standards (Accounting Standards), with some new accommodations to simplify the calculation.

Management Commentary

19. As previously reported, the IASB published the Exposure Draft *Management Commentary* in May 2021. The comment period ended in November 2021. The IASB received 82 comments letters. In addition, during the consultation period IASB members and staff participated in more than 65 outreach events with stakeholders from various jurisdictions.
20. The IASB discussed feedback on the Exposure Draft at its March and April 2022 meetings. Most significantly, most stakeholders who provided feedback on the Exposure Draft commented on the interaction between the Management Commentary project and the future IFRS Sustainability Disclosure Standards to be developed by the International Sustainability Standards Board (ISSB). In particular, many stakeholders:
 - (a) emphasised the need for connectivity between the two boards;
 - (b) suggested that the boards should work together in deliberating the proposals on management commentary; or
 - (c) asked the IASB to pause the project until the ISSB is up and running.
21. Both IASB meetings were attended by the International Sustainability Standards Board (ISSB) Vice-Chair and staff from the Value Reporting Foundation.
22. The staff expects to ask the IASB to consider a path forward for this project at a future meeting, in light of the evolving landscape, including creation of the ISSB and announcement of plans for the Integrated Reporting Framework.

PIR of the classification and measurement requirements in IFRS 9

23. The PIR of IFRS 9 *Financial Instruments* is being completed in three parts, consistent with how the Accounting Standard was developed. The comment period for the Request for Information on the PIR of the first part—classification and measurement

requirements—ended on 28 January 2022. The IASB is in the process of analysing feedback and deciding next steps.

24. The main areas of focus are:
- (a) assessing the contractual cash flow characteristics of financial assets with sustainability-linked features for the purpose of determining whether to measure such assets at fair value or amortised cost. In May 2022, the IASB decided to add a narrow-scope project to its work plan to address this topic as a high priority, as the IASB thinks that clarification is needed before diverse practice in this area becomes embedded.
 - (b) accounting for equity investments for which an entity elects to present fair value changes in other comprehensive income (OCI), in particular, the fact that gains and losses presented in OCI whilst the company holds the investment are not subsequently taken out of OCI and recognised in profit or loss ('recycled') when the investment is sold.
 - (c) calculating the effective interest rate for amortised cost measurement, in particular when the contractual interest rate is adjusted upon the occurrence of non-occurrence of a contingent future event.

Supporting consistent application

Interpretations Committee

25. The Interpretations Committee met in March and April 2022. At those meetings, the Interpretations Committee published four tentative agenda decisions and voted to finalise two agenda decisions (see the table in Appendix B). Both agenda decisions have been presented to the IASB and were published following confirmation by the IASB in accordance with paragraph 8.7 of the *Due Process Handbook*. The agenda decisions include material explaining how the applicable principles and requirements in IFRS Accounting Standards apply to the transaction or fact pattern described in the agenda decision.
26. At the close of the April 2022 meeting, there were two submissions recently received that the Interpretations Committee had not yet considered.

Consultative groups

Consultative Group for Rate Regulation

27. In October 2021, the staff reported a possible need for change to the membership of the Consultative Group for Rate Regulation, given some departures from the Group and our desire for greater participation from preparers in some jurisdictions, and users of financial statements generally. Given the limited number of changes to the members

and the expected future use of the group, the IASB's thinking was to identify possible new members by drawing on the support of the national standard-setters and our experience of which countries and industries are affected, rather than undertaking a public call for members.

28. In May 2022 we completed this process and updated the DPOC by email noting that changes to the Group's composition relate to:
- (a) replacement of individuals previously designated by key, relevant organisations represented in the Group. These changes were mostly motivated by changes in the roles of individuals within the organisations or staff turnover.
 - (b) the IASB's goal to ensure an appropriate balance of perspectives, including geographical and types of stakeholders balance.
29. In that update we also reported that:
- (a) the Group met twice publicly in March 2022 to discuss issues related to total allowed compensation.
 - (b) the staff is planning to discuss discount rate and disclosure issues with the Group. The staff would not expect more than one meeting for each topic with the Group. These meetings would most probably take place in 2023.

Appendix A—Overview of projects on the Work Plan

[abbreviations: DP=Discussion Paper; ED=Exposure Draft; RFI=Request for Information; ASAF=Accounting Standards Advisory Forum; CMAC=Capital Markets Advisory Committee; GPF=Global Preparers Forum; EEG=Emerging Economies Group; SMEIG=SME Implementation Group; IFCG=Islamic Finance Consultative Group]

Project	Objective	Next due process step	Date	Timeline consistent with prior report	Current activity	Last due process document	Consultative group discussions ²
Research projects							
Business Combinations under Common Control	To explore possible reporting requirements that would reduce diversity in practice and improve the transparency and comparability of the reporting on business combinations under common control	Decide project direction	TBD	✓	<ul style="list-style-type: none"> IASB discussed summary of feedback on DP in December 2021 and January 2022. IASB began deliberations at its March 2022 meeting. 	<ul style="list-style-type: none"> DP published Nov 2020 (comment period ended Sep 2021) 	ASAF: June 2021 CMAC: March 2021 EEG: May 2021 GPF: Jun 2019
Dynamic Risk Management	To explore whether an accounting model can be developed to better reflect how a company's interest rate risk management strategy may affect the amount, timing and uncertainty of future cash flows and the effect of risk management activities on its financial statements.	Exposure Draft	Q2 2022	✓	<ul style="list-style-type: none"> At its May 2022 meeting the IASB decided to move the project from research to standard-setting. 	<ul style="list-style-type: none"> DP published in 2014 	ASAF: Dec 2020
Equity method	To assess whether application problems with the equity method as set out in IAS 28 <i>Investments in Associates and Joint Ventures</i> can be addressed in consolidated and individual financial statements by identifying and explaining the principles of IAS 28	Decide project direction	Q3 2022	Deferred by two quarters for staff to undertake additional research and analysis.	<ul style="list-style-type: none"> Project moved from research pipeline in Oct 2020 At its April 2022 meeting the IASB continued its discussion and reviewed research findings. 	n/a	ASAF: Oct 2021 GPF: Nov 2021 EEG: Dec 2021

² Most recent discussion with each group highlighted

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Project	Objective	Next due process step	Date	Timeline consistent with prior report	Current activity	Last due process document	Consultative group discussions ²
Extractive Activities	To explore: (a) developing requirements or guidance to improve the disclosure objectives and requirements about an entity's exploration and evaluation expenditure and activities to provide more useful information to primary users of financial statements (b) removing the temporary status of IFRS 6 <i>Exploration for and Evaluation of Mineral Resources</i>	Decide project direction	Q3 2022	✓	<ul style="list-style-type: none"> At its March 2022 meeting the IASB discussed the staff's project plan. Staff conducting further research to assist IASB in determining project direction. 	n/a	ASAF: March 2021 CMAC: March 2019 EEG: Dec 2019
Goodwill and Impairment	To explore whether entities can, at a reasonable cost, provide users with more useful information about the acquisitions those entities make. The IASB is considering ways to meet the objective through improving the disclosure requirements about business combinations and the subsequent accounting for goodwill	Decide project direction	H2 2022	✓	<ul style="list-style-type: none"> IASB continues redeliberations 	DP published Mar 2020 (extended comment period ended Dec 2020)	ASAF: Dec 2021 CMAC: Nov 2021 EEG: Dec 2020 GPF: Nov 2021 Joint IASB and FASB: July 2021

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Project	Objective	Next due process step	Date	Timeline consistent with prior report	Current activity	Last due process document	Consultative group discussions ²
Pension Benefits that Depend on Asset Returns	To gather evidence to help decide whether to start a project to develop proposals for targeted amendments to the requirements for defined benefit plans in IAS 19 <i>Employee Benefits</i> . The amendments would relate to employee benefits that depend on the return on a specified pool of assets	N/A	N/A	✓	<ul style="list-style-type: none"> At its October 2021 meeting the IASB decided not to propose amendments to IAS 19. In April 2022 the Project Summary was published, providing an overview of research discussed by the IASB. The project has now been removed from the work plan. 	n/a	ASAF: Jul 2019
PIR of IFRS 10, IFRS 11 and IFRS 12	To examine further the matters in the Request for Information to assess whether IFRS 10 <i>Consolidated Financial Statements</i> , IFRS 11 <i>Joint Arrangements</i> and IFRS 12 <i>Disclosure of Interests in Other Entities</i> are working as intended	Feedback Statement	Q2 2022	✓	<ul style="list-style-type: none"> IASB concluded that IFRS 10, IFRS 11 and IFRS 12 are working as intended in October 2021. IASB decided in February 2022 that none of the matters identified in the review were of high or medium priority. Five matters were assessed to be of low priority. Staff are preparing the Report and Feedback Statement. 	RFI published Dec 2020 (comment period ended May 2021)	ASAF: March 2021 CMAC: March 2021 EEG: Dec 2020 GPF: March 2021

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Project	Objective	Next due process step	Date	Timeline consistent with prior report	Current activity	Last due process document	Consultative group discussions ²
PIR of IFRS 9—Classification and Measurement	To assess the effects of the new requirements on entities, users, auditors and regulators	Feedback Statement	H2 2022	✓	<ul style="list-style-type: none"> • Comment period on RFI ended 28 January 2022 • The IASB started discussing feedback at its March 2022 meeting. • The IASB is in the process of analysing feedback and deciding next steps. 	RFI Published September 2021	ASAF: March 2021 CMAC: March 2021 GPF: March 2021 IFCG: Nov 2021 EEG: Dec 2021
Standard-setting projects							
Disclosure Initiative—Subsidiaries without Public Accountability: Disclosures	To develop a reduced-disclosure IFRS Standard—using the disclosure requirements of the <i>IFRS for SMEs</i> Standard and adapting them where there are recognition and measurement differences between the <i>IFRS for SMEs</i> Standard and IFRS Standards—that would apply on a voluntary basis to subsidiaries that do not have public accountability	Decide Project Direction	Q2 2022	✓	<ul style="list-style-type: none"> • Comment period on ED ended 31 January 2022. • The IASB discussed feedback at its April 2022 meeting. • The IASB considered the proposed scope of the draft Standard at its May 2022 meeting. 	ED published July 2021	ASAF: Dec 2021 GPF: Nov 2021 EEG: Dec 2021 SMEIG: Sep 2021

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Project	Objective	Next due process step	Date	Timeline consistent with prior report	Current activity	Last due process document	Consultative group discussions ²
Disclosure Initiative— Targeted Standards-level Review of Disclosures	To develop guidance for the Board itself to use when developing and drafting disclosure requirements in IFRS Standards The Board will test this guidance by applying it to the disclosure requirements in IAS 19 <i>Employee Benefits</i> and IFRS 13 <i>Fair Value Measurement</i>	Decide Project Direction	Q3 2022	✓	<ul style="list-style-type: none"> • Comment period on ED ended 12 January 2022 • The IASB continued discussing feedback at its May 2022 meeting. 	ED published Mar 2021	ASAF: Dec 2021 CMAC: Jun 2021 EEG: Dec 2020 GPF: Jun 2021
Financial Instruments with Characteristics of Equity	To improve the information that entities provide in their financial statements about the financial instruments they have issued and address challenges with applying IAS 32 <i>Financial Instruments: Presentation</i>	Exposure Draft	TBD	✓	<ul style="list-style-type: none"> • Developing proposals for ED • The IASB continues redeliberations. 	DP published Jun 2018 In light of feedback, the IASB decided to achieve the project objectives by clarifying existing IAS 32 classification principles to address practice issues and improving presentation and disclosure requirements	ASAF: Dec 2020 CMAC: Mar 2020 GPF: Nov 2018 EEG: Oct 2018 IFCG: May 2022

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Project	Objective	Next due process step	Date	Timeline consistent with prior report	Current activity	Last due process document	Consultative group discussions ²
Management Commentary	To revise and update Practice Statement 1 <i>Management Commentary</i> issued in 2010	Decide Project Direction	TBD	✓	<ul style="list-style-type: none"> • Comment period on ED ended 23 November 2021 • The IASB discussed feedback at its March and April 2022 meetings. 	ED published May 2021	<p>Management Commentary Consultative Group: Jul 2021 (private education session)</p> <p>IFRS Taxonomy Consultative Group: Nov 2021</p> <p>ASAF: Oct 2021 CMAC: Jun 2021 EEG: July 2021 GPF: Jun 2021</p>
Primary Financial Statements	To improve how information is communicated in the financial statements, with a focus on information in the statement of profit or loss including introducing a more disciplined and transparent approach to the reporting of management-defined performance measures (a subset of ‘non-GAAP’)	Issue new Accounting Standard	TBD	✓	<ul style="list-style-type: none"> • Redeliberating the proposals in ED in light of feedback 	ED published Dec 2019	<p>ASAF: Mar 2022 CMAC: Mar 2022 GPF: Nov 2021 EEG: May 2020</p>

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Project	Objective	Next due process step	Date	Timeline consistent with prior report	Current activity	Last due process document	Consultative group discussions ²
Rate-regulated Activities	To develop a new accounting model to give users of financial statements better information about a company's incremental rights and obligations arising from its rate-regulated activities	Issue new Accounting Standard	TBD	✓	<ul style="list-style-type: none"> • IASB discussed summary of feedback on ED in October and November 2021. • IASB continues redeliberations. 	ED published Jan 2021	Consultative Group for Rate Regulation: Feb 2022 (private education session) ASAF: Mar 2022 CMAC: Mar 2021 GPF: Mar 2021 EEG: May 2021
Second Comprehensive Review of the <i>IFRS for SMEs</i> Standard	To undertake the second periodic comprehensive review of the <i>IFRS for SMEs</i> Standard	Exposure Draft	Q3 2022	✓	<ul style="list-style-type: none"> • At its March, April and May 2022 meetings the IASB continued to develop proposals for an ED 	RFI published Jan 2020	EEG: May 2021 SMEIG: Jan 2022
Other projects							
Third Agenda Consultation	To gather views on: <ul style="list-style-type: none"> • the strategic direction and balance of the Board's activities • the criteria for assessing the priority of financial reporting issues that could be added to the work plan and • new financial reporting issues that could be given priority in the Board's work plan 	Feedback Statement	Q3 2022	✓	<ul style="list-style-type: none"> • The IASB concluded decision-making at its April meeting, at which it decided which project to add to its work plan. • The staff are drafting the Feedback Statement. 	RFI published March 2021	ASAF: Dec 2021 CMAC: Mar 2022 GPF: Jun 2021 EEG: May 2021 IFRS Taxonomy Consultative Group: Jun 2021

Appendix A—Overview of projects on the Work Plan

Project	Objective	Next due process step	Date	Timeline consistent with prior report	Current activity	Last due process document
Maintenance projects						
Availability of a Refund (Amendments to IFRIC 14)	To clarify the accounting when other parties have rights to make particular decisions about a company's defined benefit plan	n/a	n/a	n/a	<ul style="list-style-type: none"> • Project completed – the IASB decided not to finalise the amendments, having concluded that the project's prospects for progress are limited. 	n/a
Lack of Exchangeability (Amendments to IAS 21)	To specify requirements to help entities assess when a currency is not exchangeable and the spot exchange rate to use in that situation	Decide project direction	TBD	Deferred by a quarter so that input can be obtained from the Interpretations Committee before asking the IASB to make decisions.	<ul style="list-style-type: none"> • Analysing feedback and developing recommendations on the project direction 	ED published Apr 2021
Lease Liability in a Sale and Leaseback	To improve the sale and leaseback requirements in IFRS 16 by (i) adding subsequent measurement requirements for sale and leaseback transactions; and (ii) specifying the method a seller-lessee uses in initially measuring the right-of-use asset and liability arising in such transactions	IFRS Amendment	Q3 2022	✓	<ul style="list-style-type: none"> • In February 2022 the IASB: <ul style="list-style-type: none"> ○ confirmed it would not re-expose the proposals. ○ reviewed the due process steps undertaken to date and confirmed it has complied with all applicable requirements. • Staff currently drafting the amendments. 	ED published Nov 2020
Provisions—Targeted Improvements	To develop proposals for three targeted improvements to IAS 37: (i) aligning the IAS 37 liability definition and requirements for identifying liabilities with the <i>Conceptual Framework</i> ; and (ii) clarifying two aspects of the measurement requirements	Decide project direction	TBD	✓	<ul style="list-style-type: none"> • Developing recommendations on the project direction. 	n/a

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Project	Objective	Next due process step	Date	Timeline consistent with prior report	Current activity	Last due process document
Non-current Liabilities with Covenants (Amendments to IAS 1)	To improve the information a company provides about liabilities with covenants, in addition to addressing stakeholders' concerns about how a company classifies those liabilities as current or non-current.	Exposure Draft Feedback	Q2 2022	✓	<ul style="list-style-type: none"> • Comment period ended 21 March 2022. • Staff analysing feedback. 	ED published Nov 2021
Supplier Finance Arrangements	To improve information provided to users to enable them to assess the effects of a company's supplier finance arrangements on its liabilities and cash flows.	Exposure Draft Feedback	Q3 2022	Deferred by a month to focus on higher priority matters	<ul style="list-style-type: none"> • Comment period ended 28 March 2022. • Staff analysing feedback. 	ED published Nov 2021
Contractual Cash Flow Characteristics of Financial Assets (Amendments to IFRS 9)	To make narrow scope amendments to IFRS 9 <i>Financial Instruments</i> to clarify the particular requirements for assessing a financial asset's contractual cash flow characteristics.	Exposure Draft	Q1 2023	N/A	<ul style="list-style-type: none"> • The IASB will discuss the project plan, including the scope of the proposed amendments in June 2022. • The IASB will start deliberations on the specific requirements in July 2022. 	N/A

Appendix A—Overview of projects on the Work Plan

Project	Objective	Next due process step	Date	Timeline consistent with prior report	Current activity	Last due process document
IFRS Accounting Taxonomy projects						
IFRS Taxonomy Update—2022 General Improvements and Common Practice	To reflect potential improvements to the Accounting Taxonomy, such as common practice elements, to support high-quality tagging of financial statements.	Proposed Accounting Taxonomy Update	TBD	Deferred to focus on higher priority taxonomy matters	<ul style="list-style-type: none"> Staff are researching potential improvements, with focus on financial instruments disclosures Publication of this proposed taxonomy update has been delayed due to other priorities and as a result it is now expected to be published in 2022 (rather than 2021). As such, the work plan has been updated to refer to this project as the Taxonomy Update—2022 General Improvements and Common Practice. 	N/A
Initial Application of IFRS 17 and IFRS 9—Comparative Information	To reflect Initial Application of IFRS 17 and IFRS 9—Comparative Information, issued in December 2021.	N/A	Q1 2022	✓	<ul style="list-style-type: none"> In March 2022 IASB issued IFRS Accounting Taxonomy 2021—Update 3 <i>Initial Application of IFRS 17 and IFRS 9—Comparative Information</i>. 	Accounting Taxonomy Update published Mar 2022
IFRS Accounting Taxonomy 2022	The annual IFRS Accounting Taxonomy is a compilation of updates to the IFRS Accounting Taxonomy published throughout the year. The IFRS Foundation usually publishes the annual IFRS Accounting Taxonomy in the first quarter of each year.	N/A	Q1 2022	N/A	<ul style="list-style-type: none"> In March 2022 the IASB published the IFRS Accounting Taxonomy 2022. 	Accounting Taxonomy published Mar 2022

Appendix A—Overview of projects on the Work Plan

IFRS Accounting Taxonomy Update—2021 Technology Update	To reflect developments in the technology (in its more general sense) that underlies or relates to the IFRS Accounting Taxonomy. The changes are also necessary, or beneficial, in order to reflect developments in standards and practices, and in the usage of the IFRS Accounting Taxonomy or comparable taxonomies in various regulatory environments.	N/A	Q1 2022	N/A	<ul style="list-style-type: none"> In March 2022 the IASB published the IFRS Accounting Taxonomy Update—2021 Technology Update. 	Accounting Taxonomy Update published Mar 2022
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Appendix B —Due process documents published in the period

Standard-setting due process documents

No Standard-setting due process documents were published in the period.

Appendix B —Due process documents published in the period

IFRS Accounting Taxonomy due process documents

IFRS Accounting Taxonomy due process document	Due process stage	Date published	Approved by IASB ³	Reviewed Taxonomy Review Panel	Reviewed ITCG	All applicable due process steps completed
IFRS Accounting Taxonomy Update—Initial Application of IFRS 17 and IFRS 9—Comparative Information	IFRS Accounting Taxonomy Update	Mar 2022	Yes	n/a	Yes	Yes
IFRS Accounting Taxonomy Update—2021 Technology Update	IFRS Accounting Taxonomy Update	Mar 2022	n/a	n/a	Yes	Yes

³ The due process procedures for the IFRS Accounting Taxonomy are set out in the Annex to the *Due Process Handbook*. Paragraph A16 sets out the due process requirements for Taxonomy Updates relating to IFRS Accounting Standards. Paragraphs A32–A37 and A47 set out the requirements for general improvements, new common practice and other content changes not referred to explicitly by the IFRS Accounting Standards. The IASB is required to approve IFRS Accounting Taxonomy Updates reflecting new or amended IFRS Accounting Standards; it is not required to approve new common practice or other content changes not referred to explicitly by the IFRS Accounting Standards. Changes for new common practice or other content changes not referred to explicitly by the IFRS Accounting Standards are required to be reviewed by the IFRS Taxonomy Review Panel. The IFRS Taxonomy Consultative Group (ITCG) provides guidance throughout the development of an IFRS Accounting Taxonomy Update and normally also reviews all content changes.

Appendix B —Due process documents published in the period

IFRS Interpretations Committee Agenda Decisions

Topic	Current due process stage	Date published	Approved by Interpretations Committee	IASB not object ⁴	All applicable due process steps completed	Next step	Remarks
Principal versus Agent: Software Resellers (IFRS 15 <i>Revenue from Contracts with Customers</i>)	Agenda decision	30 May 2022	20 April 2022	23 May 2022	✓	N/A	N/A
Demand Deposits with Restrictions on Use arising from a Contract with a Third Party (IAS 7 <i>Statement of Cash Flows</i>)	Agenda decision	29 April 2022	15 March 2022	26 April 2022	✓	N/A	N/A
Transfer of Insurance Coverage under a Group of Annuity Contracts (IFRS 17 <i>Insurance Contracts</i>)	Tentative agenda decision	23 March 2022	15 March 2022	N/A	✓	Tentative agenda decision feedback	The Interpretations Committee will consider feedback on the tentative agenda decision at its June 2022 meeting.
Lessor Forgiveness of Lease Payments (IFRS 9 <i>Financial Instruments</i> and IFRS 16 <i>Leases</i>)	Tentative agenda decision	23 March 2022	15 March 2022	N/A	✓	Tentative agenda decision feedback	The Interpretations Committee will consider feedback on the tentative agenda decision at a future meeting.
Special Purpose Acquisition Companies (SPAC): Classification of Public Shares as Financial Liabilities or Equity (IAS 32 <i>Financial Instruments: Presentation</i>)	Tentative agenda decision	23 March 2022	16 March 2022	N/A	✓	Tentative agenda decision feedback	The Interpretations Committee will consider feedback on the tentative agenda decision at its June 2022 meeting.

⁴ Paragraph 8.7 of the *Due Process Handbook* requires the IASB to be asked whether it objects to a (final) agenda decision approved by the Interpretations Committee before that agenda decision is published.

Appendix B —Due process documents published in the period

Special Purpose Acquisition Companies (SPAC): Accounting for Warrants at Acquisition	Tentative agenda decision	23 March 2022	16 March 2022	N/A	✓	Tentative agenda decision feedback	The Interpretations Committee will consider feedback on the tentative agenda decision at a future meeting.
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