

## STAFF PAPER

May 2022

## IASB® meeting

Project	Work plan
Paper topic	Update
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This paper has been prepared for discussion at a public meeting of the International Accounting Standards Board (IASB) and does not represent the views of the IASB or any individual member of the IASB. Comments on the application of IFRS® Accounting Standards do not purport to set out acceptable or unacceptable application of IFRS Accounting Standards. Technical decisions are made in public and reported in IASB® *Update*.

**Purpose of the paper**

1. This paper provides an update on the IASB's [work plan](#) since its last update in January 2022.
2. The purpose of this paper is to provide a holistic view of the IASB's technical projects to support:
  - (a) decisions about whether to add or remove projects, as may be discussed in individual project papers.
  - (b) assessment of overall progress on the work plan, including project prioritisation and timing.
3. This paper does not ask the IASB to make any decisions.
4. The staff expects to provide the next work plan update in around three or four months.

**Structure of the paper**

5. This paper is structured as follows:
  - (a) completed projects (paragraph 6-10);
  - (b) new projects (paragraphs 11–12);
  - (c) current projects (paragraphs 13–21); and
  - (d) question for the IASB.

## Completed projects

6. In February 2022, the IASB discussed the project *Availability of a Refund* (Amendments to IFRIC 14). Having reviewed the project's prospects for progress, the IASB concluded that these prospects were limited. Therefore, the IASB decided to withdraw the project from its work plan.
7. In February 2022, the IASB completed the Post-implementation Review of IFRS 10 *Consolidated Financial Statements*, IFRS 11 *Joint Arrangements* and IFRS 12 *Disclosures of Interests in Other Entities* and concluded that the Standards are working as intended. The staff are preparing the Report and Feedback Statement, which they expect to publish in June 2022.
8. In April 2022, the Project Summary for the IASB's research project on Pension Benefits that Depend on Asset Returns was published, summarising research findings and the IASB's decisions.
9. The IASB did not object to the following Agenda Decisions:
  - (a) in March 2022, *TLTRO III Transactions* (IFRS 9 and IAS 20).
  - (b) in April 2022, *Demand Deposits with Restrictions on Use arising from a Contract with a Third Party* (IAS 7).
10. The following IFRS Accounting Taxonomy updates were also published:
  - (a) in February 2022, *Amendments to IAS 1, IAS 8 and IFRS Practice Statement 2*.
  - (b) in March 2022, *IFRS Accounting Taxonomy 2022*.
  - (c) in March 2022, *2021 Technology Update*.
  - (d) in March 2022, *Initial Application of IFRS 17 and IFRS 9—Comparative Information*.

## New projects

11. Since the last update in January 2022, the IASB has not added any new projects to its work plan. However:

- (a) the IASB will decide in May 2022 whether to add a high-priority project to clarify particular aspects of the requirements for assessing a financial asset's contractual cash flow characteristics, based on feedback on the post-implementation review of the classification and measurement requirements in IFRS 9 *Financial Instruments*.
- (b) at a future meeting, the IASB will be asked whether to add a narrow-scope project to its work plan on the interaction of IFRS 10 and IFRS 16 related to the Sale of a Subsidiary with a Leaseback.
- (c) as decided in November 2021, the staff expects to begin discussions with the IASB in H2 2022 about the post-implementation reviews (PIRs) of IFRS 15 *Revenue from Contracts with Customers* and the impairment requirements in IFRS 9. In advance of starting those PIRs, the staff is exploring more clearly communicating on the IFRS Foundation's website the wording in the *Due Process Handbook* about PIR objectives and possible outcomes. Any communications would also cover process, including the prioritisation process the IASB decided on in January 2022.

12. In April 2022, as part of the conclusion of the IASB's Third Agenda Consultation, the IASB added:

- (a) to its research pipeline:
  - (i) a project on intangible assets.
  - (ii) a project on the statement of cash flows and related matters.

The research pipeline comprises projects the IASB expects to start before its next five-yearly agenda consultation.

- (b) to its maintenance project pipeline a maintenance project to research and consider whether any narrow-scope actions might be needed on the accounting for climate-related risks in the financial statements.
- (c) to a newly-created reserve list:
  - (i) a project on operating segments.
  - (ii) a project on pollutant pricing mechanisms.

The reserve list comprises projects that will be added to the IASB's work plan if additional capacity unexpectedly becomes available before the IASB's next five-yearly agenda consultation.

## **Current projects**

### ***Expected Final Amendments in H2 2022***

13. In February 2022 the IASB decided that the amendments proposed in the Exposure Draft *Lease Liability in a Sale and Leaseback* do not require re-exposure. The IASB expects to issue the final amendments to IFRS 16 *Leases* in Q3 2022.
14. Depending on the outcome of the IASB's consideration of the feedback on the Exposure Draft *Non-current Liabilities with Covenants*, the IASB would plan to issue any final amendments to IAS 1 *Presentation of Financial Statements* before the end of 2022.

### ***Consultation documents***

15. There are currently no IASB documents out for consultation.
16. The next document to be published for consultation will be an exposure draft of the 3<sup>rd</sup> Edition of the *IFRS for SMEs* Accounting Standard, which is expected to be published in Q3 2022.

### ***Deliberations***

17. The IASB's work continues to be focused on deliberations of projects in early stages and redeliberations of the consultation documents published over the past two years. Paragraphs 18 to 19 provide updates on projects that the IASB has not discussed recently, and paragraphs 20 to 21 provide updates on projects that have had changes to their timetables.
18. The comment period on the Exposure Draft *Non-current Liabilities with Covenants* (proposed amendments to IAS 1) ended on 21 March 2022 and the comment period

on the Exposure Draft *Supplier Finance Arrangements* ended on 28 March 2022. Both projects will return to the IASB for discussion, starting with the analysis of feedback received, in June 2022.

19. The IASB’s work plan includes a project to make targeted improvements to IAS 37 *Provisions, Contingent Liabilities and Contingent Assets*. In February 2022, the IASB reviewed the project’s prospects for progress and concluded that efficient progress is possible. Therefore, the IASB decided to keep the project on its work plan. The staff is working on this project and expects to resume discussions with the IASB in Q4 2022.
  
20. In April 2022, the IASB reviewed staff research into concerns raised by stakeholders on the IASB’s preliminary views about disclosures relating to business combinations included in the Discussion Paper *Business Combinations—Disclosures, Goodwill and Impairment*. To help the IASB strike a balance between user needs and preparer concerns, the staff will complete its research into those concerns, including through additional engagement with stakeholders. The IASB expects to make decisions about disclosures in Q3 2022 and about whether to reintroduce amortisation of goodwill in Q4 2022.
  
21. The IASB are planning to publish a Proposed IFRS Taxonomy update summarising proposed general improvements and updates to common practice elements in the IFRS Accounting Taxonomy. 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 will be updated to refer to this project as the Taxonomy Update—2022 General Improvements and Common Practice.

**Question for the IASB**

**1. Question for the IASB**

1. Do you have any questions or comments on the projects or about the work plan?