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## IASB<sup>®</sup> meeting

Date **September 2025**  
Project **Amortised Cost Measurement**  
Topic **Project overview and next steps**  
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This paper has been prepared for discussion at a public meeting of the International Accounting Standards Board (IASB). This paper does not represent the views of the IASB or any individual IASB member. Any comments in the paper do not purport to set out what would be an acceptable or unacceptable application of IFRS<sup>®</sup> Accounting Standards. The IASB's technical decisions are made in public and are reported in the IASB<sup>®</sup> *Update*.

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## Purpose of paper

1. The purpose of this paper is:
  - (a) to provide a recap of [IASB's discussions to date](#) on the project;
  - (b) to provide an [overview of the session for this meeting](#); and
  - (c) to set out the [next steps](#) in the project, including staff analysis on [establishing a consultative group for the project](#).
2. We do not ask the IASB to make any decisions in this paper but invite questions or comments on the staff analysis regarding the consultative group for the project.

## IASB's discussions to date

3. In [September 2024](#), the IASB began the Amortised Cost Measurement project in response to feedback on the post-implementation reviews of IFRS 9 *Financial Instruments*. At that meeting, the IASB discussed initial views on the project objectives, approach, and scope.
4. In Q4 2024, the IASB consulted with the IFRS Interpretations Committee, the Accounting Standards Advisory Forum and the Emerging Economies Group, seeking feedback on the project objectives, approach and scope.

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5. In [February 2025](#), the IASB reviewed the feedback from its advisory groups and, in light of the positive feedback, it finalised the project objectives, approach, scope, and project criteria. The project objectives are:
    - (a) to clarify principles underlying the amortised cost measurement requirements in IFRS 9, addressing application issues that are widespread and have a material effect on entities' financial statements; and
    - (b) to improve specific information provided to users of financial statements about financial instruments
  6. As advised by its consultative groups, the IASB decided to meet with stakeholders, primarily preparers, to gather information on the root causes of the diversity in the application of amortised cost measurement requirements in IFRS 9.
  7. Between March and May 2025, the IASB conducted extensive outreach with stakeholders from various industries and geographical regions.
  8. In [June 2025](#), the IASB reviewed the feedback from stakeholders about root causes of the diversity in application. The IASB noted that the feedback clearly distinguishes between issues arising from unclear or insufficient requirements in IFRS 9 (which can be resolved through standard-setting), and those stemming from application of judgement to different facts and circumstances (which cannot be effectively resolved through standard-setting).

## Overview of the session for this meeting

9. At this meeting, the IASB begins deliberations of issues in scope of the project:
  - (a) Agenda Paper 11A for this meeting provides staff analysis on whether the IASB should take any action relating the issues that arise in determining the effective interest rate (EIR) for financial instruments with conditions attached to the interest rate. The staff recommend that the IASB take no further action on these matters.

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- (b) Agenda Paper 11B for this meeting provides the preliminary staff analysis on issues that arise in accounting for subsequent changes to the EIR, specifically on application of paragraphs B5.4.5 and B5.4.6 of IFRS 9. We do not ask the IASB to make any decisions in this paper but invite questions or comments on the staff analysis.
10. We plan to discuss the topic of accounting for subsequent changes to the EIR with the IASB's consultative groups during Q4 2025. The IASB will then review the feedback from its consultative groups and be asked to make decisions on this topic in Q1 2026.

## Next steps

11. In Q4 2025, we plan to bring to the IASB meetings the preliminary staff analysis on remaining project topics, such as accounting for modification of financial instruments and the interaction between modification, derecognition and impairment.
12. We also plan to discuss these topics with the IASB's consultative groups during that time. The IASB will then review the feedback from its consultative groups and be asked to make decisions on these topics during Q1–Q2 2026.
13. The IASB's plan is to publish an Exposure Draft in H2 2026.<sup>1</sup>

### ***Establishing a consultative group for the project***

14. In [June 2025](#), the IASB decided to move the Amortised Cost Measurement project from the research programme to the standard-setting programme.
15. Paragraph 3.60 of the [Due Process Handbook](#) (Handbook) states that once a major project is added to the IASB's standard-setting programme, the IASB considers whether a consultative group should be established for that project. It is not mandatory to have such a group, but if the IASB decides not to do so, it explains that decision on the project page and informs the Due Process Oversight Committee.

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<sup>1</sup> Date subject to the project progressing as planned.

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16. The Amortised Cost Measurement is not considered a major project as it aims to make targeted improvements to IFRS 9 requirements rather than major amendments.
17. Nonetheless, we note that the IASB is planning to establish a new consultative group for its financial instruments' projects. The IASB issued a [call for members for the Financial Instruments Consultative Group](#) in July 2025, seeking practical preparer or investor experience with knowledge relevant to the IASB's financial instruments projects. The remit of the Financial Instruments Consultative Group includes the Amortised Cost Measurement project.
18. Therefore, a separate consultative group for this project would not be warranted.

## Question for the IASB

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Do IASB members have any questions or comments on this paper?