
Update on the IASB's activities

IFRS Advisory Council
April 2026

Update on the IASB's activities

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Looking back on 2025

Successfully executing on our mission

- Issued the third edition of the **IFRS for SMEs** Accounting Standard
 - Issued a revised Practice Statement **Management Commentary**
 - Issued amendments to **IFRS 19** and **IAS 21**
 - Issued Illustrative examples **Disclosures about Uncertainties in the Financial Statements**
 - Published **two consultation documents** (RMA and PIR of IFRS 16)
 - Published **new educational materials** (IFRS for SMEs, RMA, going concern, etc.)
-
- **Over 900 external meetings** reaching approximately 23,000 participants
 - **Joint meetings** with the **ISSB** and with the **FASB**



Keeping the momentum

IASB Goals for 2026

1 Advance strategic workplan and partnerships






- Execute workplan:
 - Issue final requirements on Rate-regulated activities
 - Complete IFRS for SMEs educational modules
 - Progress other technical projects to next milestones
- Continue horizon-scanning activities for new financial reporting challenges
- Begin next agenda consultation concurrently with ISSB – expected Q4 2026

2 Being effective and efficient in how we do things

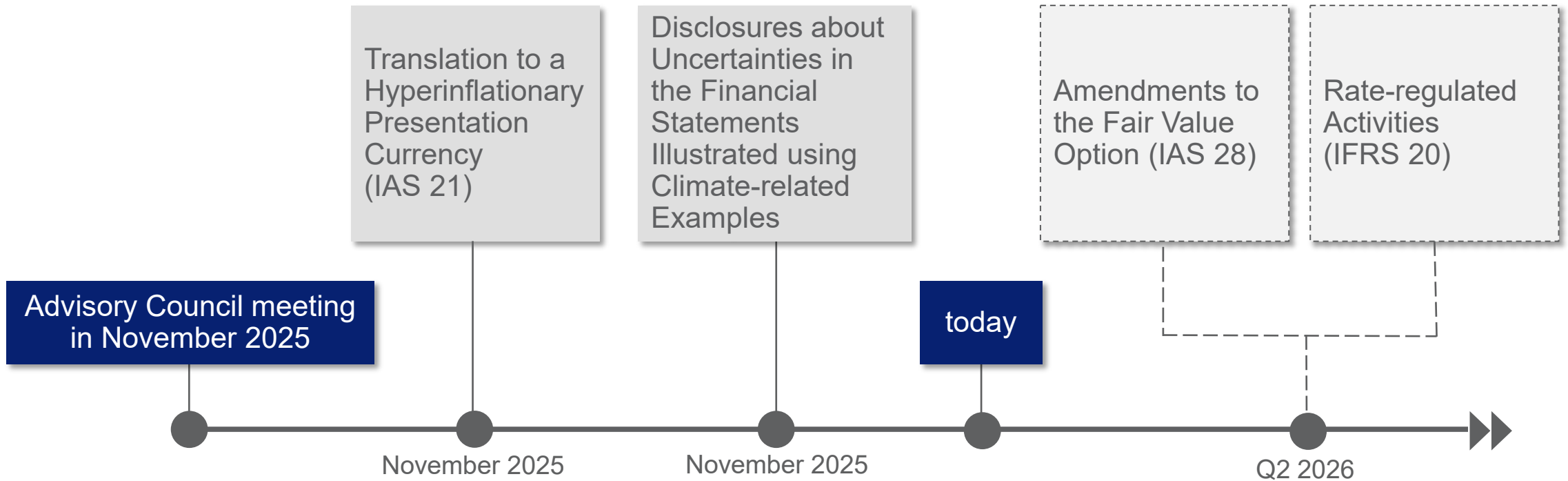
- Improving effectiveness and efficiency to balance resources with workplan goals, including:
 - appropriately prioritising when, how and with whom to consult
 - being agile in determining project priorities so that we can adjust to changing circumstances
 - leveraging available tools and technology

3 Foster a supportive IASB culture focused on collaboration and growth

IASB work plan: overview

Type of project		As of 27/03/2026
Post-implementation reviews		2
Research projects		1
Standard-setting projects		7
Maintenance projects		3
Total projects		13
Application questions (IFRS IC)		9

Projects completed and to be completed



Consultations

Published since November 2025

- Risk Mitigation Accounting (previously Dynamic Risk Management)
- Amendments to the Fair Value Option (IAS 28)

Open until
31/07/26

Open until
20/04/26

Forthcoming in 2026

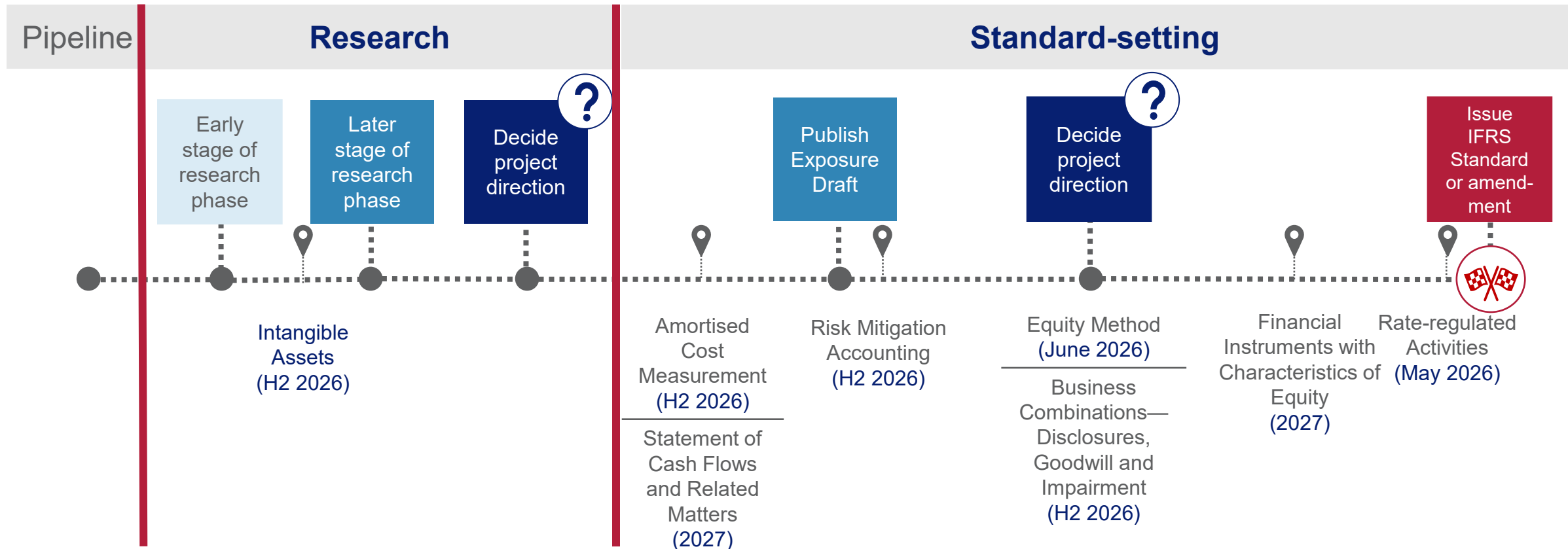
- May 2026: Exposure Draft proposing narrow-scope amendments to the *IFRS for SMEs Accounting Standard*
- H2 2026: Post-implementation Review of IFRS 9—Hedge Accounting
- H2 2026: *Amortised Cost Measurement* – proposed amendments to IFRS 9 *Financial Instruments*

New projects

Dates represent expectation for next milestone

Technical work

Standard-setting and research projects




The IASB's Prioritisation Framework*

Objective

To help the IASB prioritise technical projects in between agenda consultations

Prioritisation framework overview

- Describes technical and operational considerations for adding or removing a project from the work plan
 - **Technical** considerations primarily influence **whether** to add a project
 - **Operational** decisions primarily influence **when** to add a project
- Requires judgment – no individual consideration is determinative
- Bigger projects require more evidence to add to the work plan



Technical considerations	Operational considerations
Pervasiveness	Time-sensitivity
Effects	Synergies with other projects
Feasibility	Capacity (internal and stakeholder)
Strategic priority	Effort to restart

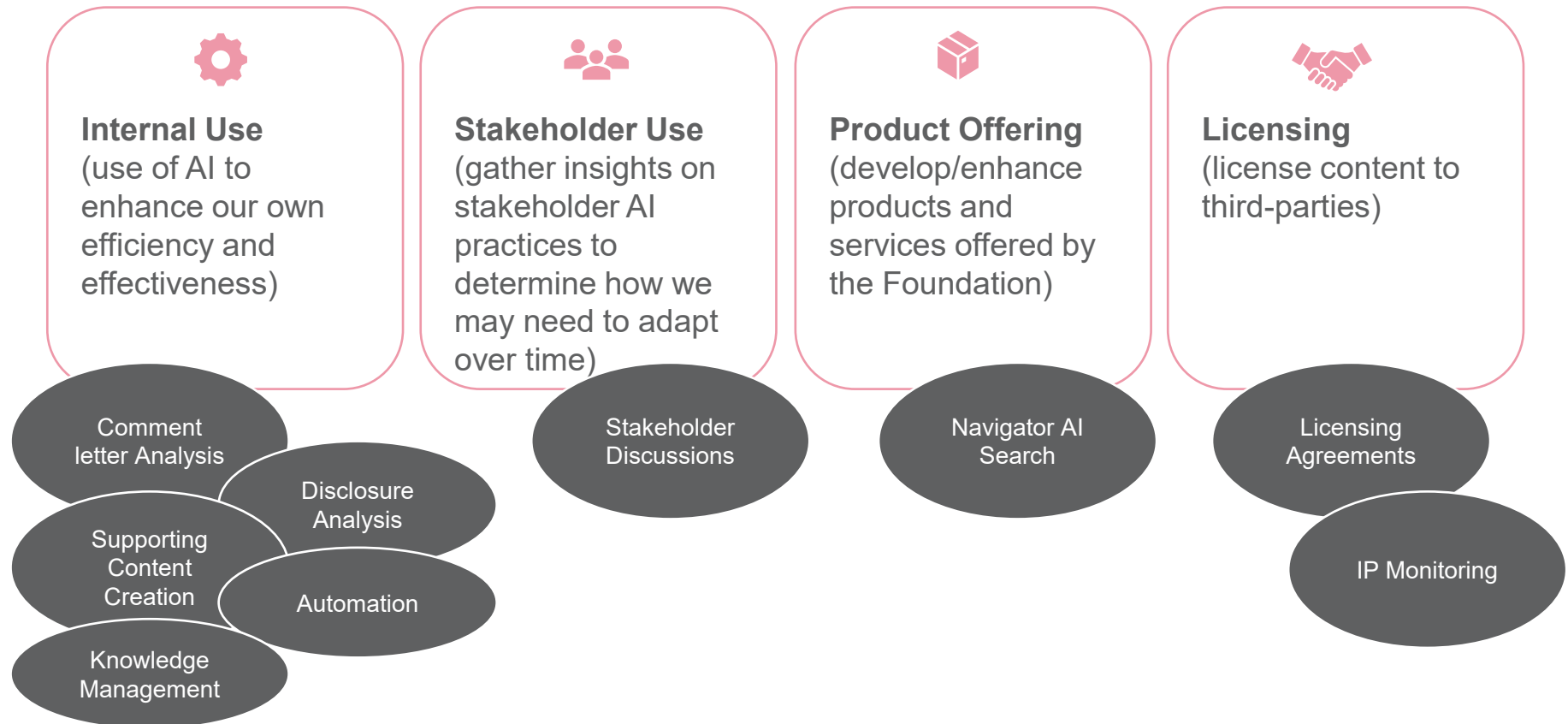
* [IFRS - IASB prioritisation framework](#)

Application of AI

Objective

To harness AI to strengthen organisational efficiency and effectiveness. To be laser focused on supporting the strategy of adapting and meeting investor’s evolving information needs

AI priorities



Appendix:
Description of projects on
the IASB's work plan

PIR of IFRS 16—Leases

Objective

Assess whether the effects of applying IFRS 16 on users of financial statements, preparers, auditors and regulators are as intended when the Standard was issued

Request for Information feedback

- Most stakeholders' overall assessment of IFRS 16 has been positive
- Most stakeholders also raised various concerns (some more significant than others) related to:
 - usefulness of information resulting from application of judgement in determining the lease term or incremental borrowing rate;
 - high ongoing costs (with many saying that they are significantly higher than expected); and
 - usefulness of information about lessees' lease-related cash flows.
- Despite some concerns, only a few stakeholders expressed appetite for major changes



Next milestone

Project Summary and Feedback Statement in H2 2026

PIR of IFRS 9—Hedge Accounting

Objective

Assess whether the effects of applying the hedge accounting requirements in IFRS 9 on users of financial statements, preparers, auditors and regulators are as intended when the Standard was issued

Refer to [Slide 17](#) featuring *Risk Mitigation Accounting* project

Project plan

- Outreach with the IASB's consultative groups and other stakeholders to help inform a request for information
- Review of academic research and other materials (e.g., financial statements)
- Consideration of market developments since IFRS 9 was issued



Next milestone

Request for Information in H2 2026

Intangible Assets

Objectives

- Improve the usefulness of information companies provide about intangible items in their financial statements
- Update IAS 38, in particular to make it more suitable for newer types of intangible items and new ways of using them

Targeted start of a comprehensive review*

User information needs

Potential changes to some aspects of the definition of an intangible asset and recognition requirements



Build on the input received to date



Explore—by sector and type of intangible asset:

- what information about intangible assets users are trying to understand
- what users are doing with that information
- where users are getting that information today



Based on test cases—cloud computing arrangements and agile software development—to identify aspects of IAS 38 to improve



Develop principles-based solutions



Test on a broader population of intangible assets

* This includes initial streams and for the later streams see [AP4 from the November 2025 IFRS Advisory Council meeting](#)



Next milestone





Explore initial streams and decide project direction in H2 2026

Statement of Cash Flows and Related Matters

Objective

Assess potential ways to improve the requirements of IAS 7 *Statement of Cash Flows* in response to feedback on the Third Agenda Consultation and initial project research

Targeted improvements for:

-  strengthening the link between the statement of cash flows and other parts of the financial statements
-  specifying the content and location of information about non-cash transactions and about non-cash changes in specified assets and liabilities
-  extending the management-defined performance measure requirements in IFRS 18 to also include cash flow measures
-  improving the consistent application of requirements to classify cash flows as operating, investing or financing and of the definition of cash equivalents



The IASB is also considering the applicability of the statement of cash flows and any possible improvements for financial institutions



Next milestone

Exposure Draft expected in 2027

Amortised Cost Measurement

Objectives

- 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
- to **improve specific information** provided to **users** of financial statements about financial instruments

Approach

- Targeted improvements to amortised cost measurement requirements
- Not a fundamental review of those requirements

Targeted improvements for:



Mechanics of effective interest method



Modification, derecognition, write-off



Interaction with impairment



Next milestone

Exposure Draft is expected in H2 2026

Risk Mitigation Accounting

Objectives

The proposed RMA model aims to:

- better represents the economic effect of risk management activities when entity manages repricing risk on a net basis
- addresses challenges of current accounting models with respect to transparency, eligible items, dynamic nature and performance management

Refer to [Slide 13](#) featuring *PIR of IFRS 9—Hedge Accounting* project

Open for comment:

- The Exposure Draft *Risk Mitigation Accounting* is [open for comment](#) until 31 July 2026
- The IASB is seeking feedback on the proposed withdrawal of IAS 39 *Financial Instruments: Recognition and Measurement*
- In addition, the IASB also invites companies that manage repricing risk on a net basis to carry out fieldwork during the comment period, based on their risk management practices. Access the request for fieldwork [here](#)












Next milestone

Exposure Draft feedback expected in H2 2026

Equity Method

Objectives

- **Reduce diversity** in practice by answering application questions
- **Improve understandability** by reordering requirements in IAS 28 *Investments in Associates and Joint Ventures*

Proposals in the Exposure Draft	Feedback
Measurement of cost at initial recognition	 Support
Purchase of an additional ownership interest	 Mixed feedback
Other changes in an investor’s ownership interest	 Mixed feedback
Transactions between an investor and its associates	  Divergent views
Impairment indicators	  Mixed feedback
Use of the equity method in separate FSs	 Polarised views
Retrospective recognition of gains and losses from transactions with associates	 Request to apply prospectively

NB: Objective was **not to clarify the nature** of the equity method!



Next milestone

Decide project direction in June 2026

Business Combinations—Disclosures, Goodwill and Impairment

Objective

Improve information entities provide about their acquisitions at a reasonable cost

Package of proposals

- A package of improved disclosure requirements in IFRS 3 *Business Combinations*
- Targeted changes to the impairment test of cash-generating units containing goodwill in IAS 36 *Impairment of Assets*



Next milestone

Decide project direction in H2 2026

Financial Instruments with Characteristics of Equity

Objectives

- Improve information entities provide in their financial statements about financial instruments they have issued
- Address challenges with applying IAS 32 *Financial Instruments: Presentation*

Approach

- Clarify IAS 32 classification principles to address practice issues
- Improve presentation and disclosure
- Provide application guidance and illustrative examples

Progress update

- From October 2024–February 2026 the IASB redeliberated and made decisions on presentation, some disclosures and classification (effects of laws or regulations, shareholder discretion, reclassification and the fixed-for-fixed condition)
- The IASB will continue redeliberating classification (obligations to purchase own equity instruments and contingent settlement provisions), other disclosures and transition



Next milestone

Final amendments are expected in 2027

Rate-regulated Activities

Challenge

Rate regulation might create differences in timing that arise when compensation for regulatory goods or services supplied in one period is included in the regulated rate charged in a different period

When differences in timing arise, the information arising from IFRS 15 is not complete

Proposals

The forthcoming Accounting Standard:

- will require entities to account for differences in timing as regulatory assets, regulatory liabilities, regulatory income and regulatory expense. By doing so, entities will reflect compensation for regulatory goods or services in the period goods or services are supplied
- will include some recognition exceptions for when there is no direct relationship between an entity's regulatory capital base and its property, plant and equipment










Next milestone

IFRS Accounting Standard *Regulatory Assets and Regulatory Liabilities* is expected in May 2026

Provisions—Targeted Improvements

Objective: Improvements to IAS 37 *Provisions, Contingent Liabilities and Contingent Assets*

Exposure Draft proposals	Feedback	Our response
<p>Recognition:</p> <ul style="list-style-type: none"> • step-by-step approach for deciding when to recognise a provision, developed using the <i>Conceptual Framework</i> • earlier recognition of some levies 	<ul style="list-style-type: none">  General support  Concerns about outcomes for some levies  Suggestions for refinements 	<ul style="list-style-type: none"> • Application requirements developed for levies—simple requirements we can add to avoid unwelcome outcomes • Refinements approved
<p>Measurement: clarification of how to measure obligations for goods or services</p>	<ul style="list-style-type: none">  Widespread support  Requests to clarify scope 	<ul style="list-style-type: none"> • Decision taken on how to clarify scope
<p>Measurement: standardisation of discount rates, to improve comparability</p>	<ul style="list-style-type: none">  Widespread support 	



Next milestone
Decide project direction in Q2 2026

Amendments to the Fair Value Option (IAS 28)

Objective

Explore narrow-scope amendments to clarify which investments in associates and joint ventures an entity is eligible to measure using the fair value option in IAS 28

Investments in Associates and Joint Ventures

Proposals

Amend paragraphs 18–19 of IAS 28

- Clarify that an entity that has a main business activity of investing in particular types of assets is eligible to elect the fair value option in IAS 28
- Particular types of assets are those set out in paragraph 49(a) of IFRS 18 *Presentation and Disclosure in Financial Statements**



Next milestone

Exposure Draft feedback expected in May 2026

* Includes investments in associates, joint ventures and unconsolidated subsidiaries; cash and cash equivalents; and other assets if they generate a return individually and largely independently of the entity's other resources.

IFRS for SMEs Accounting Standard - Consolidation Exemption

Objective

Align the *IFRS for SMEs* Accounting Standard with IFRS 10 by adding a comparable exemption from preparing consolidated financial statements

Proposals

- Introduce a new consolidation exemption so that an SME that is an intermediate parent does not have to prepare consolidated financial statements if its own parent prepares financial statements in which subsidiaries are measured at fair value
- This expands the consolidation exemption already in the Standard for an intermediate parent whose own parent prepares consolidated financial statements



Next milestone

Exposure Draft expected in May 2026

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