IASB Update

From the International Accounting Standards Board

March 2013

Welcome to the IASB *Update*

The IASB met in public from 19–21 March 2013 at the IASB offices in London, UK.

The topics for discussion were:

- Agriculture: Bearer Biological Assets
- IFRS for SMEs: Comprehensive Review 2012–2014
- Conceptual Framework
- Fair Value Measurement
- IAS 19 *Employee Benefits*
- Annual Improvements 2010–2012
- Proposed narrow-focus amendment to IAS 1 *Presentation of Financial Statements*
- Revenue Recognition
- Put options written on non-controlling-interests

Contact us

International Accounting Standards Board
30 Cannon Street
London EC4M 6XH
United Kingdom

Tel: +44 (0)20 7246 6410
Fax: +44 (0)20 7246 6411
E-mail: **info@ifrs.org**
Website:**http://www.ifrs.org/**

Future Board meetings

The IASB meets at least once a month for up to five days.

The next Board meetings in 2013 are:

17–26 April
16–24 May
17–21 June

To see all Board meetings for 2013, **click here**.

Archive of IASB *Updates*

To view archived copies of past issues of IASB *Update* on the IFRS website, **Click here**.

Podcast summaries

To listen to short Board meeting audio summaries (podcasts) of previous Board meetings, **click here**.

Agriculture: Bearer Biological Assets

The IASB finalised its technical discussions on the limited-scope project on bearer biological assets at its February 2013 meeting. Consequently, the IASB met on 19 March to review the due process steps taken so far and decide whether the staff should begin the balloting process for an Exposure Draft of proposed amendments to IAS 16 *Property, Plant and Equipment* and IAS 41 *Agriculture*.

Due process steps and permission for balloting (Agenda Paper 10)

The IASB considered a paper summarising the steps that it has taken in developing the proposals, the action taken to comply with the necessary due process steps and an initial effect analysis of the proposals.

The IASB concluded that it had met the due process requirements and gave permission for the staff to begin the process of balloting the Exposure Draft. In addition, the IASB decided that the Exposure Draft should be open for comment for 120 days. All IASB members agreed.

Two IASB members noted their tentative intentions to dissent from the publication of the Exposure Draft.

Next steps

The IASB will proceed with the balloting process and plans to publish the Exposure Draft for comment in Q2 2013.

IFRS for SMEs: Comprehensive Review 2012–2014

The IASB met on 19 March to start discussing the issues in the IASB's 2012 Request for Information: *Comprehensive Review of the IFRS for SMEs*. The IASB discussed the issues relating to the scope of the *IFRS for SMEs* as well as a framework for considering new and revised Standards that have been issued since the *IFRS for SMEs* was published.

Scope of the IFRS for SMEs (Agenda Paper 6A)

Use of the IFRS for SMEs by publicly accountable entities

The intended scope of the *IFRS for SMEs* is entities that do not have public accountability. At present, paragraph 1.5 of the *IFRS for SMEs* prohibits publicly accountable entities from stating compliance with the *IFRS for SMEs*.

The IASB considered whether paragraph 1.5 is too restrictive and whether jurisdictions should decide which entities should be able to use and state compliance with the *IFRS for SMEs*. Specifically, the IASB discussed whether paragraph 1.5 could be replaced by a requirement for publicly accountable entities to disclose that they are not within the intended scope of the *IFRS for SMEs* if laws in their jurisdiction permit use of the *IFRS for SMEs*. The IASB concluded that it needed additional clarity about how such a disclosure requirement would be expressed before it was able to make a decision.

No decisions were made.

Clarification of use of the IFRS for SMEs by not-for-profit entities

The IASB tentatively decided that soliciting and accepting contributions does not automatically make a not-for-profit entity publicly accountable. It noted that paragraph 1.4 of the *IFRS for SMEs* provides sufficient guidance on this matter and, consequently, it decided that no changes need to be made to the *IFRS for SMEs*. All IASB members agreed with this decision.

New and revised IFRSs (Agenda Paper 6B)

The IASB discussed how the *IFRS for SMEs* should be updated in the light of new and revised Standards that have been issued since it was first published.

The IASB developed the following principles for dealing with new and revised Standards during this comprehensive review and future reviews:

- New and revised Standards should be considered individually on a case-by-case basis.
- They should be considered after publication rather than waiting until after the Post-implementation Review has been completed.
- Changes to the *IFRS for SMEs* could be considered at the time that the new and revised Standards are published. However the *IFRS for SMEs* would only be updated for those changes at the next three-yearly review, in order to provide a stable platform for SMEs.

The IASB did not make any decisions about amending the *IFRS for SMEs* as a result of new or revised Standards.

Next steps

The IASB will continue discussing the issues raised by the IASB's 2012 Request for Information: *Comprehensive Review of the* IFRS for SMEs at its next meeting.

Conceptual Framework

The IASB continued its discussion on an early draft of sections of a Discussion Paper on the *Conceptual Framework*, addressing:

a. presentation and disclosure, including other comprehensive income (OCI);
b. additional guidance on constructive obligations and economic compulsion, to support the definition of liability;
c. measurement;
d. the boundary between liabilities and equity;
e. the definitions of income and expense; and
f. capital maintenance.

Presentation and disclosure (Agenda reference 5A)

The existing *Conceptual Framework* does not include any guidance on presentation and disclosure.

The IASB tentatively agreed to propose the following in the Discussion Paper:

a. Financial statements comprise the primary financial statements and the notes to the financial statements. The primary financial statements are:
    i. the statement of financial position;
    ii. the statement(s) of profit or loss and other comprehensive income (or the statement(s) of income and expenses);
    iii. the statement of changes in equity; and
    iv. the statement of cash flows.
b. The primary financial statements convey summarised information that communicates a financial picture of the entity. They are not complete in themselves and are supported by notes to the financial statements.
c. No primary financial statement has primacy over the other primary statements. They should be looked at as a group.
d. Presenting the primary statements in such a way that users can understand the linkage between the items in the individual statements makes the information more useful.
e. In order to provide information that is useful to users, classification and aggregation into line items and sub-totals should be based on similar properties (for example, the nature, function or measurement basis of the item).
f. Because offsetting aggregates dissimilar items, offsetting will generally not provide the most useful information for

assessing an entity's prospects for future net cash inflows. However, the IASB may choose to require offsetting where such a presentation provides a more faithful representation of a particular position, transaction or other event.

g. The purpose of the notes to the financial statements is to supplement and complement the primary financial statements and to provide any additional information to meet the objective of the financial statements.
h. Notes to the financial statements would focus on information about an entity's existing resources and obligations, and about changes in them. If an entity discloses information about the resources and obligations it may have in the future, it would disclose that information outside of the financial statements, for example in management commentary.

Presentation in the statement of comprehensive income – profit or loss and OCI (Agenda reference 5B)

Currently, there is no principle in IFRS that determines the presentation of income and expense in the statements(s) of profit or loss and OCI.

Financial performance

The IASB tentatively agreed that the Discussion Paper will not propose to equate financial performance with either 'comprehensive income' or 'profit or loss' or any other total or sub-total. Instead, the Discussion Paper will propose that all recognised items of income and expense provide information about an entity's financial performance.

A majority of IASB members expressed support for an approach to communicating financial performance that builds on the understanding that profit or loss is widely used as the main indicator of an entity's performance.

The approach discussed focuses on two questions:

a. What distinguishes recognised items of income and expense that are presented in profit or loss from other recognised items of income and expense, ie those presented in OCI?
b. What items (if any) presented in OCI in one period should be reclassified (recycled) into profit or loss in the same period or a later period, and why?

Principles for presentation in profit or loss or OCI

The IASB tentatively agreed that the Discussion Paper should propose a set of principles for determining whether a recognised item of income or expense should be presented in profit or loss or in OCI. The principles are:

a. Principle 1: Items presented in profit or loss communicate the primary picture of an entity's financial performance for a reporting period.
b. Principle 2: All items of income and expense should be recognised in profit or loss unless presenting an item in OCI provides a better depiction of the financial performance.
c. Principle 3: An item that has previously been presented in OCI should be reclassified (recycled) to profit or loss if the reclassification results in relevant information about financial performance in that period.

Following on from these principles, the Discussion Paper will identify two groups of income and expense that would be eligible for presentation in OCI:

a. Bridging items:
   i. Bridging items arise when the IASB has determined that a recognised asset or liability should have two different measurement bases (one, not based on cost, for use in the statement of financial position, and one for use in profit or loss). An example of a bridging item is the IASB's proposal that some debt instruments should be measured at fair value in the statement of financial position but should be measured at amortised cost for presentation in profit or loss. (See Exposure Draft *Classification and Measurement: Limited Amendments to IFRS 9*.)
   ii. In line with Principle 3, the amounts in OCI should be recycled into profit or loss in a manner (timing and amount) that

is consistent with the measurement basis presented in profit or loss.

b. Mismatched remeasurements:
   i. Mismatched remeasurements arise when an item of income or expense represents an economic phenomenon so incompletely that presenting that item of income or expense in profit or loss would provide information that has little or no relevance for assessing the entity's financial performance in that period. Therefore, presenting the item in OCI results in a better depiction of financial performance in that period. An example of a mismatched remeasurement would be the gain or loss arising on the remeasurement of a derivative in a qualifying cash flow hedging relationship.
   ii. Amounts in OCI relating to mismatched remeasurements should be recycled into profit or loss at the time when they can be presented together with income and expense that arises from the related transaction.

The IASB also discussed an approach to communicating financial performance that makes no distinction between profit or loss and OCI. This approach builds on the view that identifying a single number within comprehensive income as the primary indicator of financial performance oversimplifies the performance of an entity. The IASB tentatively decided that the Discussion Paper should also describe this approach, although a majority of IASB members do not favour it.

The IASB instructed the staff that the next draft of the Discussion Paper should:

a. explain why items presented in profit or loss communicate the primary picture of financial performance; and
b. consider whether there could be another group of OCI items that would not be recycled because recycling those items does not produce information that is relevant to the entity's financial performance during the period.

Additional guidance on constructive obligations and economic compulsion, to support the definition of liability (Agenda reference 5C)

The IASB continued its discussion on the meaning of the term 'obligation'. In particular, the IASB discussed the role of economic compulsion in identifying obligations, and the difference between economic compulsion and a constructive obligation. The IASB noted that problems relating to economic compulsion arise in two different contexts:

a. distinguishing constructive obligations from economic compulsion; and
b. evaluating the effect of economic compulsion on contractual options.

Distinguishing constructive obligations from economic compulsion

The IASB tentatively agreed to propose in the Discussion Paper adding guidance to the *Conceptual Framework* to help distinguish constructive obligations (that result in a liability) from economic compulsion (that does not result in a liability). This guidance would state that, for an entity to have a constructive obligation:

a. the entity must have a duty or responsibility to another party. It is not sufficient that an entity will be economically compelled to act in its own best interests or in the best interests of its shareholders;
b. the other party must be one who would benefit from the entity fulfilling its duty or responsibility, or suffer loss or harm if the entity fails to fulfil its duty or responsibility; and
c. as a result of the entity's past actions, the other party can reasonably rely on the entity to discharge its duty or responsibility.

Evaluating the effect of economic compulsion on contractual options

Questions have arisen as to whether an entity should look beyond the terms of the contract and take into account other facts and circumstances that result in the entity being economically compelled to exercise its contractual rights in a particular way. The IASB noted that several Standards provide guidance on the factors that an entity should consider in assessing the substance of contractual rights and obligations. The IASB tentatively decided that the Discussion Paper should propose including in the Conceptual Framework the following general principles:

a. an entity should report the substance of a contract;
b. a group or series of contracts that achieves, or is designed to achieve, an overall commercial effect should be viewed as a whole;
c. all terms – whether explicit or implicit – should be taken into consideration;
d. terms that have no commercial substance should be disregarded;
e. one situation in which a right (including an option) has no commercial substance is the situation in which it is clear from the inception of the contract that the holder will not have the practical ability to exercise the right; and
f. if, after disregarding options with no commercial substance, an option holder has only one remaining option, that option is in substance a requirement.

The Discussion Paper will also discuss whether economic compulsion should be considered in determining whether a claim against an entity is a liability or part of equity.

Measurement (Agenda references 5D and 5Da)

In February 2013, the IASB discussed different measurement bases and when they might be appropriate. At that meeting, the IASB focused on cost and fair value. At the March 2013 meeting, the IASB discussed measurements other than cost or fair value.

The IASB tentatively agreed that the Conceptual Framework Discussion Paper should include a discussion of the factors that should be considered in constructing a cash-flow-based measure. The IASB suggested the following questions that would need to be addressed in constructing a cash-flow-based measure:

a. Should cash-flow-based measures reflect the uncertainties in the amount and timing of cash flows, or a single possible amount?
b. Should measures of liabilities reflect the possibility that an entity may not be able to settle its liabilities when they are due (the entity's own credit)?
c. Should cash-flow-based measures be discounted and if so, at what rate or rates?
d. Should cash-flow-based measures reflect the amount that market participants would charge for bearing the risk embodied in uncertain cash flows?
e. Should cash-flow-based measures reflect the effects of other factors such as illiquidity premiums or discounts if they are identifiable?
f. Should the estimates and assumptions underlying cash-flow-based measures reflect the reporting entity's perspective or market participants' perspectives?
g. Should all of the above estimates be updated at each reporting date or should some or all of them be locked in (ie not updated)?

The IASB noted that, when addressing these questions it would need to consider whether the benefits associated with a particular approach to measurement would be justified by the costs of providing that information.

Boundary between liabilities and equity (Agenda references 5E and 5F)

In February 2013, the IASB discussed a new approach for distinguishing liabilities from equity. At this meeting, the IASB discussed some examples to illustrate how that approach would apply to written put options on an entity's own shares.

Definition of income and expense (Agenda reference 5G)

The existing *Conceptual Framework* states that the elements of the statement(s) of profit or loss and comprehensive income are income and expense.

The IASB noted that there are few problems with the existing definitions of income and expense and agreed that the Discussion Paper should not propose amending these definitions (except for any drafting changes needed as a consequence of any amendments to the definitions of the other elements). In addition, the IASB tentatively decided that the Discussion Paper should not propose defining separate elements for:

a. gains, revenue, losses and expenses; and
b. income (expenses) that should be reported in profit or loss and income (expenses) that should be reported in OCI.

Capital maintenance (Agenda reference 5H)

Concepts of capital maintenance are important because only income that is earned in excess of the amounts needed to maintain capital may be regarded as profit. *The Conceptual Framework* describes two types of capital maintenance: financial capital maintenance and physical capital maintenance.

The Discussion Paper will propose not to change the existing descriptions and discussion on capital maintenance until such time that any standards-level project on accounting for high inflation indicates a need for change.

Next steps

In April 2013, the IASB expects to discuss a revised draft of the Discussion Paper that will reflect comments received at the February and March 2013 meetings. The IASB will also discuss the following topics in April:

a. materiality; and
b. the form of disclosure requirements.

In addition, the *Conceptual Framework* will be a topic for discussion at the first meeting of the Accounting Standards Advisory Forum, to be held at the IASB's office on 8 and 9 April 2013.

Fair Value Measurement

The IASB discussed the unit of account for investments in subsidiaries, joint ventures and associates. The IASB had received two letters asking whether the unit of account for such investments is the investment as a whole or the individual financial instruments that make up the investment. The IASB also discussed the interaction between the unit of account of those investments and their fair value measurement.

The IASB tentatively decided that the unit of account for investments in subsidiaries, joint ventures and associates is the investment as a whole. Nine IASB members agreed.

The IASB tentatively decided that the fair value measurement of an investment composed of quoted financial instruments should be the product of the quoted price of the financial instrument (P) multiplied by the quantity (Q) of instruments held (ie P × Q). The IASB noted that quoted prices in an active market provide the most reliable evidence of fair value. Eight IASB members agreed.

In the same way, the IASB also tentatively decided that the fair value measurement of cash-generating units (CGUs) for impairment testing when those CGUs correspond to a quoted entity should be the product of their quoted price (P) multiplied by the quantity (Q) of instruments held (ie P × Q). Eight IASB members agreed.

Although eight IASB members supported these measurement decisions, two IASB members indicated their tentative intention to present an alternative view in the forthcoming Exposure Draft that will include such proposals.

Next steps

The IASB staff will present to the IASB a summary of the due process steps undertaken, before preparing an Exposure Draft of proposed amendments to IFRS 13 *Fair Value Measurement*.

IAS 19 *Employee Benefits*

The IASB considered the steps in due process that it has taken to date in developing the Exposure Draft *Defined Benefit Plans: Employee Contributions* (Proposed amendments to IAS 19 *Employee Benefits*).

All IASB members agreed that the IASB has complied with the due process requirements to date.

Next steps

The Exposure Draft is planned for publication at the end of March 2013.

Annual Improvements 2010–2012

The IASB discussed two of the eleven proposed Improvements to IFRSs from the Exposure Draft (ED) of the proposed *Annual Improvements to IFRSs 2010–2012* Cycle published in May 2012. On the basis of the comments received from respondents and the recommendations of the IFRS Interpretations Committee (the Interpretations Committee), the IASB took the following tentative decisions:

IAS 24 Related Party Disclosures—*Key management personnel services*

The ED includes a proposal to amend IAS 24 *Related Party Disclosures* to clarify the requirements about key management personnel (KMP) services that are provided by an entity rather than by an individual. In the ED the IASB proposed three changes to IAS 24:

a. the management entity providing KMP services should be identified as a related party of the reporting entity;
b. an exemption should be granted from the detailed disclosure requirements in paragraph 17 of IAS 24 in respect of KMP services provided by a management entity; and
c. payments made to a management entity in respect of KMP services should be separately disclosed by extending the disclosure requirements in paragraph 18 of IAS 24.

At this meeting, the IASB discussed the comments received in response to the May 2012 ED. The IASB tentatively decided to:

a. finalise the proposals subject to some sundry drafting changes;
b. reaffirm the transition provisions and effective date proposed in the ED; and
c. finalise the Basis for Conclusions by including a section that explains the asymmetry of the related party relationship between the management entity and the reporting entity.

All IASB members agreed.

The IASB tentatively decided not to add a requirement to the proposals to disclose information about the nature and extent of KMP services provided. The IASB was concerned that this would increase disclosure in the financial statements and noted that IAS 24 does not currently require disclosures of the nature and extent of other types of related party transactions.

Eleven IASB members agreed with this decision.

Next steps

The IASB plans to issue the Standard *Annual Improvements to IFRSs 2010–2012 Cycle* in Q3 of 2013.

IAS 1 Presentation of Financial Statements—*Current/non-current classification of liabilities*

The ED proposed to amend paragraph 73 of IAS 1 to clarify that a liability is classified as non-current if an entity expects, and has the discretion, to refinance or roll over an obligation for at least twelve months after the reporting period under an existing loan facility with the same lender, on the same or similar terms.

After considering the comments received from respondents, the Interpretations Committee decided to recommend to the IASB that it should not confirm the proposed amendment to IAS 1 in its current form because the proposed amendment proposes to tie the classification requirements of financial liabilities in IAS 1 to the derecognition requirements of financial liabilities in IAS 39 *Financial Instruments: Recognition and Measurement* and IFRS 9 *Financial Instruments*, which it thought was not appropriate.

At its March meeting, the IASB agreed not to proceed with the proposed amendments as part of *Annual Improvements to IFRSs 2010–2012 Cycle*. It decided to ask the Interpretations Committee to reconsider what clarifications could be made to IAS 1 to address this issue.

Next steps

The staff will present a paper to the Interpretations Committee at a future meeting.

Proposed narrow-focus amendment to IAS 1 *Presentation of Financial Statements*

Disclosure requirements about assessment of going concern

In 2012 the Interpretations Committee received a request for clarification on IAS 1. This Standard requires that when management is aware of material uncertainties about the entity's ability to continue as a going concern, those uncertainties should be disclosed. At its January 2013 meeting the Interpretations Committee recommended a narrow-focus amendment to IAS 1 about the disclosure of these material uncertainties to the IASB for deliberation.

At this meeting, the IASB discussed the proposed amendment to IAS 1. The proposed amendment:

a. retains the guidance relating to going concern as a basis for the preparation of the financial statements substantially unchanged;
b. provides guidance on how to identify material uncertainties; and
c. contains requirements about what to disclose about material uncertainties.

The IASB discussed whether this area should be addressed primarily by IFRS, auditors or regulators. It also considered whether the volume of disclosures proposed was appropriate and whether it was clear when an entity would be required to make those disclosures.

The IASB tentatively decided to further develop the proposals recommended to them by the Interpretations Committee.

Time frame for an assessment of going concern

This paper was not discussed by the IASB at this meeting.

Next steps

The IASB requested that a revised draft of the proposals regarding the disclosure of material uncertainties about an entity's ability to continue as a going concern should be brought to them at a subsequent meeting.

Revenue Recognition

The IASB met on 21 March 2013 to discuss a sweep issue in the redeliberations on the revised Exposure Draft *Revenue from Contracts with Customers*. The IASB discussed the issue of early application of the Revenue Standard for IFRS preparers.

Agenda Paper 7A—Early application of the Revenue Standard

The IASB tentatively decided to reverse its decision in February 2013 and instead permit early application of the Revenue Standard.

Eleven IASB members agreed. One IASB member abstained

Put options written on non-controlling-interests

In May 2012 the Interpretations Committee published a draft Interpretation on the accounting for put options written on non-controlling interests in the parent's consolidated financial statements (NCI puts). In January 2013, the Interpretations Committee discussed a summary and an analysis of the comments received.

The Interpretations Committee reaffirmed that the financial liability that is recognised for an NCI put must be remeasured in accordance with IAS 39 *Financial Instruments: Recognition and Measurement* and *IFRS 9 Financial Instruments*, which require that changes in the measurement are recognised in profit or loss. The Interpretations Committee therefore acknowledged that the draft consensus published in May 2012 is the correct interpretation of existing Standards.

However, the Interpretations Committee expressed the view that better information would be provided if NCI puts were measured on a net basis at fair value, consistently with derivatives that are within the scope of IAS 39 and IFRS 9. It also noted that many respondents to the draft Interpretation think that either the Interpretations Committee or the IASB should address the accounting for NCI puts—or all derivatives written on an entity's own equity—more comprehensively.

Consequently, before finalising the draft Interpretation, the Interpretations Committee decided in January 2013 to ask the IASB to reconsider the requirements in paragraph 23 of IAS 32 *Financial Instruments: Presentation* for put options and forward contracts written on an entity's own equity. It noted that such work should consider whether NCI puts and NCI forwards should be accounted for differently from other derivatives written on an entity's own equity. The Interpretations Committee directed the staff to report its views as well as the feedback received in the comment letters to the IASB and ask the IASB how it would like to proceed.

At this meeting the IASB discussed the Interpretations Committee's views and the feedback received in the comment letters. The IASB tentatively decided to re-consider the requirements in paragraph 23 of IAS 32, including whether all or particular put options and forward contracts written on an entity's own equity should be measured on a net basis at fair value. The IASB will continue to discuss this issue at a future meeting.

Work plan—as at 25 March 2013

Major IFRSs				
Next major project milestone				
	2013 Q1	**2013 Q2**	**2013 Q3**	**2013 Q4**
IFRS 9: *Financial Instruments* (replacement of IAS 39)				
Classification and Measurement (Limited amendments) [comment period ends 28 March 2013]		Redeliberations		
Impairment [comment period ends 5 July 2013]			Redeliberations	
Hedge Accounting		Target IFRS		
Accounting for Macro Hedging		Target DP		
	2013 Q1	**2013 Q2**	**2013 Q3**	**2013 Q4**
Insurance Contracts		Target ED		
Leases		Target ED		
Rate-regulated Activities				
Interim IFRS		Target ED		
Comprehensive project	Target RFI			Target DP
Revenue Recognition		Target IFRS		
IFRS for SMEs: Comprehensive Review 2012–2014 – see **project page**				
Implementation				
Next major project milestone				
Narrow-scope amendments	**2013 Q1**	**2013 Q2**	**2013 Q3**	**2013 Q4**
Acquisition of an Interest in a Joint Operation (Proposed amendments to IFRS 11) [comment period ends 23 April 2013]				Target IFRS

Actuarial Assumptions: Discount Rate (Proposed amendments to IAS 19)			Target ED	
Annual Improvements 2010–2012			Target IFRS	
Annual Improvements 2011–2013			Target IFRS	
Annual Improvements 2012–2014			Target ED	
Bearer Plants (Proposed amendments to IAS 41)		Target ED		
Clarification of Acceptable Methods of Depreciation and Amortisation (Proposed amendments to IAS 16 and IAS 38) [comment period ends 2 April 2013]			Target IFRS	
Defined Benefit Plans: Employee Contributions (Proposed amendments to IAS 19) [comment period ends 25 July 2013]				Target IFRS
Disclosure Requirements about Assessment of Going Concern (Proposed amendments to IAS 1)		Target ED		
Equity Method: Share of Other Net Asset Changes (Proposed amendments to IAS 28)				Target IFRS
Fair Value Measurement: Unit of Account (Proposed amendments to IFRS 13)		Target ED		
Novation of Derivatives and Continuation of Hedge Accounting (Proposed amendments to IAS 39 and IFRS 9) [comment period ends 2 April 2013]		Target IFRS		
Put Options Written on Non-controlling Interests (Proposed amendments to IAS 32)			Target ED	
Recognition of Deferred Tax Assets for Unrealised Losses (Proposed amendments to IAS 12)				Target ED
Recoverable Amount Disclosures for Non-Financial Assets (Proposed amendments to IAS 36)		Target IFRS		
Sale or Contribution of Assets between an Investor and its Associate or Joint Venture (Proposed amendments to IFRS 10 and IAS 28) [comment period ends 23 April 2013]				Target IFRS
Separate Financial Statements (Equity Method) (Proposed amendments to IAS 27)		Target ED		
Interpretations	**2013 Q1**	**2013 Q2**	**2013 Q3**	**2013 Q4**
Levies Charged by Public Authorities on Entities that Operate in a Specific Market		Target Interpretation		
Post-implementation reviews	**2013 Q1**	**2013 Q2**	**2013 Q3**	**2013 Q4**
IFRS 8 *Operating Segments*		Publish report on Post-implementation		

		Review		
IFRS 3 *Business Combinations*		Initiate review		
Conceptual Framework				
Next major project milestone				
	2013 Q1	**2013 Q2**	**2013 Q3**	**2013 Q4**
Conceptual Framework (chapters addressing elements of financial statements, measurement, reporting entity and presentation and disclosure)		Target DP		
Disclosures: Discussion Forum		Target Feedback Statement		
Research projects				
Research projects involve preliminary research to help the IASB evaluate whether to add a topic to its work plan. The IASB will begin research on the following topics in due course.				
Business combinations under common control				
Discount rates				
Emissions trading schemes				
Equity method of accounting				
Extractive activities				
Financial instruments with characteristics of equity				
Financial reporting in high inflationary economies				
Foreign currency translation				
Income taxes				
Intangible assets				
Liabilities—amendments to IAS 37				
Post-employment benefits (including pensions)				
Share-based payments				
Completed IFRSs				
Major projects	**Issued date**	**Effective date**		
Amendments to IAS 19 *Employee Benefits*	June 2011	1 January 2013		
IFRS 9 *Financial Instruments*	October 2010	1 January 2015		
IFRS 10 *Consolidated Financial Statements*	May 2011	1 January 2013		

IFRS 11 *Joint Arrangements*	May 2011	1 January 2013	
IFRS 12 *Disclosure of Interests in Other Entities*	May 2011	1 January 2013	
IFRS 13 *Fair Value Measurement*	May 2011	1 January 2013	
Narrow-scope amendments	**Issued date**	**Effective date**	
Annual Improvements 2009-2011 • **IFRS 1 *First-time Adoption of International Financial Reporting Standards***: ○ Repeated application of IFRS 1 ○ Borrowing costs • IAS 1 *Presentation of Financial Statements*—Clarification of the requirements for comparative information • IAS 16 *Property, Plant and Equipment*—Classification of servicing equipment • IAS 32 *Financial Instruments: Presentation*—Tax effect of distribution to holders of equity instruments • IAS 34 *Interim Financial Reporting*—Interim financial reporting and segment information for total assets and liabilities	May 2012	1 January 2013	
IFRS 1 *First-time Adoption of International Financial Reporting Standards*—Government Loans	March 2012	1 January 2013	
***Disclosures-Offsetting Financial Assets and Financial Liabilities* (Amendments to IFRS 7)**	December 2011	1 January 2013	
IFRS 9 *Financial Instruments*—Mandatory effective date of IFRS 9 and transition disclosures	December 2011	1 January 2015	
***Consolidated Financial Statements, Joint Arrangements and Disclosure of Interests in Other Entities: Transition Guidance* (Amendments to IFRS 10, IFRS 11, and IFRS 12)**	June 2012	1 January 2013	
***Investment Entities* (Amendments to IFRS 10, IFRS 12 and IAS 27)**	October 2012	1 January 2014	
IAS 32 *Financial Instruments: Presentation*—Offsetting Financial Assets and Financial Liabilities	December 2011	1 January 2014	
IFRIC 20 *Stripping Costs in the Production Phase of a Surface Mine*	October 2011	1 January 2013	
Agenda consultation			
Next major project milestone			
	2013	**2014**	**2015**
Three-yearly public consultation [Feedback Statement published 18 December 2012] [Next consultation scheduled 2015]			Initiate second triennial public consultation

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