
Accounting Standards Advisory Forum meeting

Date **March 2025**
Project **ASAF**
Topic **ASAF planning and feedback from previous meetings**

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Introduction

1. The aim of this paper is to:
 - (a) discuss the agenda topics for the July 2025 meeting of the Accounting Standards Advisory Forum (ASAF); and
 - (b) provide ASAF members with feedback on how the staff or the International Accounting Standards Board (IASB) have considered (or will consider) the advice given at the September and December 2024 ASAF meetings.
2. Information about the IASB's work plan and the status of projects is available on the IFRS Foundation website.

Structure of the paper and questions for ASAF members

3. There are two appendices to this paper:
 - (a) Appendix A sets out the suggested agenda topics for the July 2025 ASAF meeting; and
 - (b) Appendix B sets out a table summarising the feedback from the September and December 2024 ASAF meetings and how the staff or the IASB have considered (or will consider) this feedback.

Questions for ASAF members

1. Do ASAF members have any comments on the proposed agenda topics for the July 2025 ASAF meeting or wish to add items arising from their jurisdiction to the proposed agenda topics (Appendix A)?
2. Do ASAF members have any comments on how the feedback from the September and December 2024 ASAF meetings has been (or will be) used by the staff or the IASB (Appendix B)?

Appendix A—ASAF agenda topics

Agenda topic	Purpose of the discussion
September 2024 ASAF meeting	
Dynamic Risk Management (DRM)	Provide ASAF members a project update and seek ASAF members’ views on the types of business activities relevant to the DRM model, as well as the potential presentation and disclosure requirements.
Climate-related and Other Uncertainties in the Financial Statements	Seek feedback from ASAF members on the project, including feedback on the exposure draft proposing examples illustrating the application of the requirements in IFRS Accounting Standards to report the effects of climate-related and other uncertainties in financial statements.
Rate-regulated Activities	Provide a project update and seek ASAF members’ views on the IASB’s tentative decisions in Q1 and Q2 2024.
Pollutant Pricing Mechanisms	Provide ASAF members an oral project update.
Statement of cash flows	AcSB to present the results of its research and share users’ perspectives on the application of IAS 7 <i>Statement of Cash Flows</i> .
IFRS 17 <i>Insurance Contracts</i>	AcSB to present results of discussions and share users’ perspectives on the first year of application of IFRS 17 <i>Insurance Contracts</i> .
Power Purchase Agreements	Provide ASAF members an oral update about the tentative decisions the IASB has made at its September meeting. (The agenda paper includes the summary of the feedback we received on the Exposure Draft <i>Contracts for Renewable Electricity</i> that the IASB discussed at a supplementary meeting in August.)
Post-implementation Review (PIR) of IFRS 16 <i>Leases</i>	Seek ASAF members’ views on the implementation and ongoing application of IFRS 16 <i>Leases</i> , including matters that they think the IASB should consider in the PIR of the Standard.
December 2024 ASAF meeting	
Rate-regulated Activities	Provide a project update and seek ASAF members’ views on the IASB’s tentative decisions in Q3 2024.
Management Commentary	Provide a project update and an overview of the targeted refinements being made to the proposals in the Exposure Draft <i>Management Commentary</i> in finalising the project.
Amortised Cost Measurement	Seek ASAF members’ views on whether the objective and approach for the project, as discussed in the IASB’s September meeting, adequately respond to stakeholders’ concerns and if the IASB’s initial list of topics for scope is broadly complete. The input from ASAF members will contribute to the IASB developing the project plan.
Statement of Cash Flows and Related Matters	Provide an update on staff’s preliminary research and seek ASAF members’ views on the prevalence of identified issues with the

Agenda topic	Purpose of the discussion
	statement of cash flows and related information. The input from ASAF members will contribute to the IASB deciding on the scope of the project.
Updating IFRS 19 <i>Subsidiaries without Public Accountability: Disclosures</i>	Seek ASAF members' views on the IFRS 19 'catch-up' Exposure Draft and provide ASAF members an oral update sharing initial feedback on the Exposure Draft.
March 2025 ASAF meeting (Actual)	
Equity Method	Provide an overview of the feedback on the Exposure Draft <i>Equity Method of Accounting—IAS 28 Investments in Associates and Joint Ventures (revised 202x)</i> and seek ASAF members' views on the topics for re-deliberations.
Second Comprehensive Review of the <i>IFRS for SMEs Accounting Standard</i>	Provide an overview of the third edition of the <i>IFRS for SMEs Accounting Standard</i> .
Intangible Assets	Provide an update on staff's research and seek ASAF members' views on the project direction prior to the IASB making further decisions on the project.
Financial Instruments with Characteristics of Equity	Seek ASAF members' views on the: <ul style="list-style-type: none"> - potential changes to the proposed amendments related to presentation and disclosures in response to the feedback on the Exposure Draft <i>Financial Instruments with Characteristics of Equity</i>; and - timing of finalising these amendments.
Statement of Cash Flows and Related Matters	Provide an update on staff's research and seek ASAF members' views on the project direction.
PIR of IFRS 16 <i>Leases</i>	Provide a project update.
Due Process Handbook Review	Provide an overview of the Exposure Draft published by the IFRS Foundation Trustees <i>Proposed Amendments to the IFRS Foundation Due Process Handbook</i> . Provide an opportunity for ASAF members to ask questions and share views about the proposed amendments.
April 2025 ASAF ad-hoc meeting (Proposed topic)	
Climate-related and Other Uncertainties in the Financial Statements	The staff will provide an overview of the feedback on the Exposure Draft <i>Climate-related and Other Uncertainties in the Financial Statements</i> and seek ASAF members' views on the project direction prior to the IASB making further decisions on the project.

Agenda topic	Purpose of the discussion
July 2025 ASAF meeting (Proposed topics)	
Provisions—Targeted Improvements	Discuss feedback on the Exposure Draft <i>Provisions—Targeted Improvements</i> .
Rate-regulated Activities	Seek ASAF members’ views on the likely effects (costs and benefits) of the prospective IFRS Accounting Standard.
Fourth Agenda Consultation	Seek ASAF members’ views on the potential content of the Request for Information and the preliminary timing of the project.
Hyperinflation	Guest speakers from Africa and Latin America will share experiences and challenges in applying IAS 29 <i>Financial Reporting in Hyperinflationary Economies</i> . The session will help inform the IASB’s next agenda consultation and raise awareness with ASAF members about the challenges in applying IAS 29.

Appendix B—Feedback from the September and December 2024 meetings

Topic	Summary of ASAF advice	How the advice has been/will be applied
<p>Dynamic Risk Management (DRM) (September 2024)</p> <p>The purpose of the session was:</p> <ul style="list-style-type: none"> (a) to update ASAF members on the progress of the DRM project towards an exposure draft; and (b) to seek ASAF members’ views on the project’s progress and the IASB’s recent tentative decisions related to the project. 		
	<p>Most ASAF members welcomed the progress made on the DRM project and generally supported the IASB’s tentative decisions related to the project.</p> <p>In relation to the applicable risk management activities, some ASAF members asked the IASB to consider extending the DRM model to other industries (such as insurers) or other types of risks.</p> <p>In relation to the presentation and disclosure requirements, a few ASAF members expressed concern that entities might be required to disclose commercially sensitive information. Some other ASAF members called for reduced disclosure requirements and asked for clarification on the potential overlap between DRM disclosure requirements and regulatory disclosure requirements.</p>	<p>The IASB will consider the feedback from ASAF members and other stakeholders in developing its proposals for the prospective DRM exposure draft.</p>
<p>Climate-related and Other Uncertainties in the Financial Statements (September 2024)</p> <p>The purpose of the session was:</p> <ul style="list-style-type: none"> (a) to provide ASAF members with an overview of the Exposure Draft <i>Climate-related and Other Uncertainties in the Financial Statements</i>; and (b) to ask members for their preliminary feedback on the proposals set out in the Exposure Draft. 		

Topic	Summary of ASAF advice	How the advice has been/will be applied
	<p>ASAF members generally supported providing examples to help improve the reporting of the effects of climate-related and other uncertainties in the financial statements. They also generally agreed with including the examples as illustrative examples accompanying IFRS Accounting Standards.</p> <p>Most ASAF members broadly agreed with the approach to developing the illustrative examples, including the requirements illustrated and the technical content of the examples.</p>	<p>The comment letter period for the Exposure Draft ended on 28 November 2024.</p> <p>The IASB and International Sustainability Standards Board (ISSB) held a joint meeting in February 2025 to discuss a summary of the feedback on the Exposure Draft. Feedback provided by ASAF members was broadly in line with the overall feedback in the comment letters summarised in the papers for that meeting.</p> <p>The purpose of the meeting was to help the IASB determine the project’s direction in future meetings. The meeting was also intended to help:</p> <ul style="list-style-type: none"> (a) the ISSB consider the implications, if any, of the feedback on its work; and (b) both boards consider the implications of the feedback on their connectivity-related activities. <p>The boards were not asked to make any decisions.</p> <p>The IASB will discuss the project direction in Q2 2025.</p>

Topic	Summary of ASAF advice	How the advice has been/will be applied
<p>Rate-regulated Activities (September 2024)</p>		
<p>The purpose of the session was:</p> <ul style="list-style-type: none"> (a) to update ASAF members on the redeliberations of the proposals in the Exposure Draft <u>Regulatory Assets and Regulatory Liabilities</u>; and (b) to seek ASAF members' views on whether the IASB's tentative decisions in the first half of 2024 helped address stakeholders' feedback on: <ul style="list-style-type: none"> (i) the discount rate, including the minimum interest rate; (ii) disclosures, including reduced disclosures; (iii) the boundary of a regulatory agreement; (iv) the application of the prospective Standard with other IFRS Accounting Standards; and (v) the amendments to other IFRS Accounting Standards. 		
	<p>ASAF members generally supported the IASB's tentative decisions in the first half of 2024, except for the tentative decision dealing with the minimum interest rate requirements for which some members expressed concerns.</p>	<p>The IASB will consider the feedback from ASAF members in drafting the prospective IFRS Accounting Standard.</p>
<p>Pollutant Pricing Mechanisms (September 2024)</p>		
<p>The purpose of the session was to provide ASAF members with a brief update on the work done on pollutant pricing mechanisms since the previous ASAF meeting, including a summary of the feedback from the session held with the IFRS Interpretations Committee in September.</p>		
	<p>ASAF members asked clarifying questions and shared their perspectives on the priority of a project on pollutant pricing mechanisms.</p>	<p>Specific advice was not sought at this session.</p>
<p>Statement of Cash Flows (September 2024)</p>		
	<p>The AcSB representative presented the results of the AcSB's staff research and shared users' perspectives on the application of IAS 7 Statement of Cash Flows.</p>	<p>Specific advice was not sought at this session.</p>

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IFRS 17 Insurance Contracts (September 2024)		
	The AcSB representative presented users’ perspectives on the first year of application of IFRS 17.	Specific advice was not sought at this session.
Power Purchase Agreements (September 2024) The purpose of the session was to provide a project update and to ask whether ASAF members have questions or comments about: (a) the feedback on the Exposure Draft Contracts for Renewable Electricity; and (b) the tentative decisions made by the IASB at its September 2024 meeting.		
	<p>Some ASAF member encouraged the IASB to keep the scope of the amendments as narrow and clear as possible to avoid entities analogising other fact patterns to the amendments.</p> <p>A few ASAF members welcomed the clarification in the September IASB meeting whether an entity can apply the fair value option set out in paragraph 2.5 of IFRS 9 to contracts within the scope of the own-use amendments.</p> <p>ASAF members were reminded about the scope of the hedge accounting requirements which mean that some ‘load following swaps’ written on commodities other than electricity may not fall within the scope of the proposed amendments.</p>	The IASB considered ASAF members’ views together with other feedback on the Exposure Draft when finalising the proposed amendments to IFRS 9 and IFRS 7.

Topic	Summary of ASAF advice	How the advice has been/will be applied
<p>Post-implementation Review of IFRS 16 Leases (September 2024)</p> <p>The purpose of the session was:</p> <ul style="list-style-type: none"> (a) to seek ASAF members’ views on the implementation and ongoing application of IFRS 16 Leases; and (b) to help the IASB identify matters to include in a request for information (RFI) for public consultation. 		
<p>Matters to consider in the PIR</p>	<p>Almost all ASAF members who commented said IFRS 16 is working as intended and has achieved its objectives.</p> <p>Many ASAF members commented on the implementation costs and benefits of applying the new requirements and said they were generally as the IASB expected in the Effects Analysis accompanying IFRS 16. However, many ASAF members highlighted high ongoing costs of applying IFRS 16.</p> <p>ASAF members suggested the IASB seek feedback on various topics as part of the PIR of IFRS 16, including: the relationship between IFRS 16 and other IFRS Accounting Standards, sale and leaseback transactions, presentation of cash flows and determining discount rates and lease terms.</p>	<p>The IASB will consider feedback from ASAF members when identifying issues to be included in the RFI.</p>

Topic	Summary of ASAF advice	How the advice has been/will be applied
<p>Rate-regulated Activities (December 2024)</p> <p>The purpose of the session was to update ASAF members on the Q3 2024 redeliberations of the Exposure Draft <u>Regulatory Assets and Regulatory Liabilities</u> and seek ASAF members' views on the IASB's tentative decisions regarding:</p> <ul style="list-style-type: none"> (a) requests from stakeholders to extend the measurement and presentation proposals in paragraphs 61 and 69 of the Exposure Draft; and (b) stakeholders' feedback on the transition and effective date proposals. 		
	<p>ASAF members generally agreed with the IASB's tentative decisions on extending the measurement and presentation requirements for items affecting regulated rates on a cash basis to items affecting regulated rates on other bases.</p> <p>ASAF members generally agreed with the IASB's tentative decisions on transition and effective date. A few ASAF members expressed concerns regarding the transition requirements for regulatory assets acquired in a past business combination.</p>	<p>The IASB will consider feedback from ASAF members as it drafts and ballots the prospective IFRS Accounting Standard.</p>
<p>Management Commentary (December 2024)</p> <p>The purpose of the session was:</p> <ul style="list-style-type: none"> (a) to provide an update on the targeted refinements the IASB decided to make when it finalises the revised Management Commentary Practice Statement; and (b) to ask whether ASAF members had any questions and comments on the IASB's tentative decisions. 		
	<p>ASAF members expressed broad support for finalising the project and the targeted refinements that the IASB had tentatively decided to make.</p> <p>Some ASAF members asked clarifying questions on the IASB's tentative decisions, indicated where more guidance would be useful or made suggestions for the IASB to consider in future.</p>	<p>The IASB will consider comments from ASAF members in finalising the revised Practice Statement.</p>

Topic	Summary of ASAF advice	How the advice has been/will be applied
<p>Amortised Cost Measurement (December 2024)</p> <p>The purpose of the session was to obtain ASAF members’ input on the direction of the Amortised Cost Measurement project. Specifically, the session sought input on whether:</p> <ul style="list-style-type: none"> (a) the objectives and the approach for the project, as discussed by the IASB, adequately respond to stakeholders’ concerns; and (b) the initial list of topics, identified by the IASB for the scope of this project, is broadly complete. 		
	<p>All ASAF members who commented agreed with the project objectives and the targeted improvements approach.</p> <p>Some ASAF members added that collecting evidence on the root cause of diversity in practice for each topic is important for effective IASB deliberations on this project.</p> <p>Most ASAF members said that the IASB’s list of topics for scope is comprehensive. Some members commented that the list is ambitious and suggested that the IASB prioritises some topics to facilitate progress on the project. However, different members recommended prioritising different issues.</p>	<p>The IASB has considered the ASAF members’ views in developing the project plan.</p>

Topic	Summary of ASAF advice	How the advice has been/will be applied
<p>Statement of Cash Flows and Related Matters (December 2024)</p> <p>The purpose of the session was:</p> <ul style="list-style-type: none"> (a) to provide ASAF members with an overview of the IASB’s initial research activities regarding Statement of Cash Flows and Related Matters project; and (b) to ask ASAF members for their views on the potential issues with the statement of cash flows and related information identified in the IASB’s initial research. 		
	<p>Most ASAF members agreed that feedback from stakeholders in their jurisdictions were consistent with the potential issues identified in the initial research phase of the project. Members provided specific detailed comments related to each topic in the initial research with some members sharing observations from research projects in their jurisdictions.</p> <p>Many meeting participants said the IASB should consider a phased approach to issues relating to statement of cash flows and related matters. They suggested the IASB first consider resolving the most prevalent issues that might not require significant time and effort.</p>	<p>Feedback from ASAF members forms part of the project’s initial research into the nature and extent of issues previously raised by stakeholders. The IASB will discuss the findings of the initial research and next steps for the project at its March 2025 meeting.</p>

Topic	Summary of ASAF advice	How the advice has been/will be applied
<p>Updating IFRS 19 <i>Subsidiaries without Public Accountability: Disclosures</i> (December 2024)</p> <p>The purpose of the session was:</p> <ul style="list-style-type: none"> (a) to ask ASAF members for their views on the proposals in Exposure Draft <i>Amendments to IFRS 19 Subsidiaries without Public Accountability: Disclosures</i> published in July 2024; and (b) to provide ASAF members an overview of feedback on the Exposure Draft. 		
	<p>ASAF members generally agreed with the proposals in the Exposure Draft. Some of these ASAF members recommended that the IASB consider whether the proposed reduced disclosure requirements as a whole are proportionate considering that subsidiaries eligible to apply IFRS 19 do not have public accountability.</p> <p>ASAF members have mixed views on the proposals related to regulatory assets and regulatory liabilities.</p> <p>A few ASAF members emphasised that the IASB finalise the amendments to IFRS 19 as soon as possible.</p>	<p>The IASB will consider the feedback from ASAF members in finalising the proposed amendments to IFRS 19.</p>