

IFRS on point.

IFRS Accounting Developments and Information: February 2012

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International headlines

IFRS Foundation Monitoring Board and Trustees conclude their governance and strategy reviews

The IFRS Foundation Monitoring Board and Trustees jointly issued their separate reviews of the governance and strategy of the IFRS Foundation.

The Trustees' report *IFRSs as the Global Standards: Setting a Strategy for the Foundation's Second Decade* recommends four possible areas of focus for the IFRS Foundation:

- the IFRS Foundation mission, specifically the public interest served by the IFRS Foundation's work;
- governance;
- the process and procedures used by the IFRS Foundation and the International Accounting Standards Board (IASB); and
- the organisation's financing.

The Monitoring Board's review *Final Report on the Review of the IFRS Foundation's Governance* focuses on institutional aspects of governance, including the composition and respective roles and responsibilities of the Monitoring Board, Trustees and the IASB.

Click [here](#) for the IFRS Foundation press release. Click [here](#) for the Trustees' report. Click [here](#) for the Monitoring Board's report.

IFRS Foundation Monitoring Board appoints two Trustees

The Monitoring Board of the IFRS Foundation approved the appointment of James (Jim) Quigley and Chandrashekhar Bhaskar (C.B.) Bhave as Trustees of the IFRS Foundation. Jim Quigley is a Senior Partner of the US member firm Deloitte LLP and former Global Chief Executive Officer of Deloitte Touche Tohmatsu Limited (DTTL). He also serves as co-Chairman of the TransAtlantic Business Dialogue. C.B. Bhave is a former Chairman of the Securities and Exchange Board of India (SEBI), the Indian securities and market regulator, and the Asia-Pacific Regional Committee. He also served as a member of the Executive and Technical Committees of the International Organization of Securities Commissions (IOSCO). Their respective terms will expire on 31 December 2014 but are renewable. Click [here](#) to access the IFRS Foundation press release. Click [here](#) for the full list of IFRS Foundation Trustees.

For more useful information please see the following websites:

www.iasplus.com

www.deloitte.com

IFRS Foundation Monitoring Board appoints Trustee

The Monitoring Board of the IFRS Foundation approved the appointment of Ronald Arculli as Trustee of the IFRS Foundation. Mr. Arculli currently serves as the chairman of Hong Kong Exchanges and Clearing Limited, which operates the Hong Kong Stock Exchange. In addition, he is a member of the Hong Kong government's executive council. Mr. Arculli's term will expire on 31 December 2014 but is renewable. Click [here](#) to access the IFRS Foundation press release. Click [here](#) for the full list of IFRS Foundation Trustees.

IFRS Foundation Trustees appoint Director for Trustee Activities

The Trustees of the IFRS Foundation announced the appointment of David Loweth as Director for Trustee Activities. Mr. Loweth will support the work of the Trustees by providing higher levels of engagement and transparency between the IASB and the Trustees, particularly in the area of due process oversight. Mr. Loweth currently serves as Technical Director of the United Kingdom Accounting Standards Board (ASB). Click [here](#) for the IFRS Foundation Trustees press release.

IASB issues latest batch of editorial corrections to IFRSs

The IASB posted to its website a new batch of editorial corrections to IFRSs that make changes to Bound Volume (Red Book) 2011, Bound Volume (Education) 2011, Bound Volume (Education) 2010, Bound Volume (Blue Book) 2012, Bound Volume (Blue Book) 2011, IFRS 9 *Financial Instruments* (issued November 2009), IFRS 10 *Consolidated Financial Statements* (issued May 2011), IFRS 12 *Disclosure of Interests in Other Entities* (issued May 2011), IAS 19 *Employee Benefits* (issued June 2011), *Disclosures – Transfers of Financial Assets* (issued October 2010), *Presentation of Items of Other Comprehensive Income* (issued June 2011), and *Mandatory Effective Date of IFRS 9 and Transition Disclosures* (issued December 2011). Click [here](#) to access the editorial corrections.

IFRS Foundation publishes updated Due Process Handbook

The IFRS Foundation updated its IASB Due Process Handbook. The Handbook describes the consultative arrangements of the IASB in order to provide transparency and accessibility to constituents and interested parties, promote extensive consultation and responsiveness to concerns raised by interested parties and uphold accountability by the IASB in applying the consultative process. This updated version contains amendments made by the Trustees during 2011. Click [here](#) to view the updated IASB Due Process Handbook.

IASB publishes updated work plan

The IASB published an updated work plan incorporating the impact of recently issued pronouncements and outlining a revised timeline for its projects. A number of projects have been deferred and the expected timing of other projects more precisely defined. Deferred projects include impairment, general hedge accounting and insurance contracts and more detail was provided on the next project milestone for projects on classification and measurement of financial instruments (limited amendments to IFRS 9) and macro hedge accounting. Click [here](#) for the IASB work plan.

IESBA releases proposed revisions to the Code of Ethics

The International Ethics Standards Board for Accountants (IESBA) released proposed changes to the definition of "engagement team" in the IESBA *Code of Ethics for Professional Accountants* (the Code) to avoid any perceived incompatibility between the Code and the International Standards on Auditing (ISAs). The proposed IESBA changes clarify that individuals in an internal audit function providing direct assistance to auditors do not meet the definition of the engagement team under the Code. Comments on the proposed revisions are due by 31 May 2012. Click [here](#) for the IESBA announcement.

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IFAC releases survey regarding IFRS adoption

The International Federation of Accountants (IFAC) published its *2011 Fifth Annual Global Leadership Survey* summarising responses from 93 member bodies and associates in 71 countries and jurisdictions. Respondents identified three issues of particular concern to the profession in 2012: the difficult global financial climate, enhancing the reputation/credibility of the profession and addressing the needs of small and medium sized practices and entities. Respondents also outlined the importance of global adoption, implementation and enforcement of IFRSs as a priority. Click [here](#) for the IFAC press release.

PAIB report considers growing investor demand for non-financial information

The Professional Accountants in Business Committee (PAIB) of the IFAC released a report considering trends in investor demand for, and use of, environmental, social, and governance (ESG) information. The report notes that ESG information is increasingly used by investors to understand an organisation's key ESG factors and how they impact overall performance over a longer time horizon. The report also recommends how professional accountants can better support their organisations in responding to investor demands for ESG information. Click [here](#) to access the report.

EFRAG issues feedback report on implementation of IFRS 10, IFRS 11 and IFRS 12

The European Financial Reporting Advisory Group (EFRAG) issued a feedback report regarding field-tests on implementing IFRS 10, IFRS 11 *Joint Arrangements* and related disclosures in IFRS 12. Participants described certain benefits related to the implementation of IFRS 10 and 11, including that IFRS 10 provided "a single basis for consolidation and a uniform approach for all types of entities including 'special purpose entities'" and IFRS 11 would eliminate "the existing accounting option for interests in jointly controlled entities." However, certain operational challenges were identified. Click [here](#) for the EFRAG press release and click [here](#) for the EFRAG feedback report.

EFRAG issues update considering draft endorsement advices and other IASB activities

The EFRAG released the February 2012 issue of its *EFRAG Update* newsletter, which included discussion of its draft endorsement advices on IFRS 10, IFRS 11, IFRS 12, IAS 27 *Separate Financial Statements* (2011) and IAS 28 *Investments in Associates and Joint Ventures* (2011), as well as providing an update on other IASB activities. Click [here](#) to access the *EFRAG Update* newsletter.

EFRAG issues updated 'endorsement status report'

The EFRAG updated its report showing the status of endorsement, under the EU Accounting Regulation, of each IFRS. 14 IASB pronouncements await endorsement action. Click [here](#) to access the endorsement status report.

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Deloitte IFRS communications and publications

Issuance Date	Description
24 February 2012	IFRS Industry Insights: IASB issues revised exposure draft on revenue recognition – insights for the media industry
23 February 2012	Global CFO Signals: Turbulent Times: The Deloitte Global CFO Signals report provides highlights of recent CFO survey results from Deloitte member firms which are intended to provide CFO's with quarterly information regarding their CFO peers' thoughts on a variety of topics
13 February 2012	IPSAS Summary (2012 edition): The latest edition of Deloitte's International Public Sector Accounting Standards (IPSAS) summary provides a summary of the provisions of all IPSASs on issue at 1 February 2012
9 February 2012	IFRS Industry Insights: Financial services industry responds to IASB proposals on investment entities
3 February 2012	IFRS Industry Insights: IASB issues revised exposure draft on revenue recognition – insights for the manufacturing industry
3 February 2012	Global Insurance Webcast – 'Accounting for non-life premium remains undecided': Deloitte's most recent global insurance webcast provides an update of progress and key developments on the insurance project update following the joint IASB and FASB meetings during January 2012 Click here to access the slides accompanying the webcast.
3 February 2012	iGAAP 2012 – A guide to IFRS reporting: The latest edition of Deloitte's guide to IFRS reporting provides guidance on a range of issues with analysis of key considerations for reporting entities coupled with clear and unambiguous explanation of IFRS requirements. The guide provides insight into how complex practical issues should be resolved and illustrative examples to demonstrate how the standards work in practice.
2 February 2012	IFRS Industry Insights: IASB issues revised exposure draft on revenue recognition – insights for the consumer business industry

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IASB meetings

Description	
IASB meeting	Click here for the 27 February – 2 March 2012 meeting notes

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Comment letters

	Description	Receiving party	Comment deadline
Comment letters pending	ED/2011/6, <i>Revenue from Contracts with Customers</i>	IASB	13 March 2012
	ED/2011/7, <i>Transition Guidance (Proposed amendments to IFRS 10)</i>	IASB	21 March 2012
	Consultation Paper, <i>Considerations of materiality in financial reporting</i>	ESMA	30 March 2012
	Discussion Paper, <i>Accounting for business combinations under common control</i>	EFRAG and the Organismo Italiano di Contabilità	30 April 2012
	Discussion Paper, <i>Improving the Financial Reporting of Income Tax</i>	EFRAG and the UK Accounting Standards Board	29 June 2012

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