



# Accounting Roundup

April 2023

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## Recent developments

### IFRS

#### Exposure drafts published:

[The International Accounting Standards Board \(IASB\) publishes proposed amendments to IAS 12 \*Income Taxes\* to provide a temporary exception to the requirements regarding deferred tax assets and liabilities related to pillar two income taxes](#)

[The IASB proposes amendments regarding the classification and measurement of financial instruments](#)

#### Meeting minutes and further information:

[January](#), [February](#) and [March](#) IASB meetings  
[January](#), [February](#), and [March](#) ISSB meetings  
[March](#) IFRSIC meeting

Click [here](#) for the latest IFRS Foundation work plan, which covers the IASB and the International Sustainability Standards Board (ISSB).

## UK GAAP

### Exposure drafts published:

[The Financial Reporting Council \(FRC\) publishes proposed amendments to FRS 102 and FRS 101 to provide a temporary exception to the accounting for deferred tax assets arising from the implementation of the Pillar Two model rules](#)

## Corporate Governance

[The Financial Conduct Authority \(FCA\) issues a bulletin reminding companies of its rules, guidance and expectations regarding new listed company board and executive management diversity disclosures](#)

[The FRC publishes an updated list of successful signatories to the UK Stewardship Code](#)

[The FRC publishes a corporate governance and stewardship mythbuster](#)

[The Investment Association issues a publication setting out shareholder priorities for 2023](#)

[The Department for Business, Energy and Industrial Strategy \(BEIS\) launches a consultation on proposed extensions to the Payment Practices and Performance Regulations reporting framework](#)

[FTSE Women Leaders Review highlights early achievement of the 40% target for women on FTSE 350 boards](#)

## Other

### The European Financial Reporting Advisory Group (EFRAG) and other EU developments

[EFRAG issues its final comment letter on IAS 12 and pillar two income taxes](#)

[EFRAG issues its final endorsement advice on Amendments to IFRS 16 Leases](#)

[EFRAG issues draft endorsement advice on Amendments to IAS 1 \*Presentation of Financial Statements\*](#)

[EFRAG releases "Where is Corporate Reporting heading?" conference report and recordings](#)

[The European Supervisory Authorities \(ESAs\) issue opinions on European Sustainability Reporting Standards \(ESRS\)](#)

[The European Commission \(EC\) tells EFRAG to concentrate on the implementation of Set 1 of the ESRS](#)

[Bases for conclusions on draft ESRS made available](#)

[EFRAG publishes a series of videos on the first set of draft ESRS](#)

## FCA

[The FCA consults on changes to streamline its transparency rules on structured digital reporting of financial statements](#)

## FRC

[The FRC publishes an IFRS 9 banking audit methodology thematic](#)

[The FRC publishes its 3-year Plan and Budget for 2023-26](#)

[The FRC updates its 2021 Statement of Intent on ESG](#)

## IASB and IFRS Foundation

[The IASB issues a podcast on latest Board developments \(March 2023\)](#)

[The IASB launches a new project to explore climate-related risk reporting in financial statements](#)

[An IASB member discusses merger and acquisition disclosures and goodwill accounting](#)

[2023 IFRS Accounting Taxonomy issued](#)

[Podcast on Q4 2022 IFRS Interpretations Committee developments](#)

## ISSB

[The ISSB issues podcast on latest Board developments \(March 2023\)](#)

[Summary of the December 2022 ISSB jurisdictional working group meeting](#)

[ISSB release three webinar recordings that highlight how companies can start the ground work, data gathering and processes for ISSB reporting](#)

## International Public Sector Accounting Standards Board (IPSASB)

[The IPSASB releases an updated IPSAS-IFRS alignment dashboard](#)

[The IPSASB releases an exposure draft \(ED\) on concessionary leases](#)

**UK Endorsement Board (UKEB)**

[The UKEB publishes a report on accounting for intangibles](#)

[The UKEB issues its final comment letter on IAS 12 and Pillar Two income taxes](#)

[The UKEB publishes joint draft Endorsement Criteria Assessment on Amendments to IAS 1](#)

[The UKEB publishes its Draft Endorsement Criteria Assessment on Lease Liability in a Sale and Leaseback — Amendments to IFRS 16](#)

[The UKEB publishes its 2023/24 Regulatory Strategy](#)

**Other tools and resources****Deloitte publications****Need to know**

Designed for financial controllers, chief accountants, and accounting technicians:

[The IASB proposes amendments to the classification and measurement requirements of financial instruments](#)

[Periodic review of IFRS 102](#)

[Worldwide reach of the Corporate Sustainability Reporting Directive – final text published in Official Journal](#)

[The IASB proposes amendments to IAS 12 to introduce a temporary exception from accounting for deferred taxes arising from OECD Pillar Two model rules](#)

**A Closer look**

Detailed analysis and observations on specific corporate reporting requirements, designed for financial controllers and finance directors:

[IFRS 17 for Non-insurers](#)

**Other publications**

[Illustrative disclosures for insurers applying IFRS 17](#) – With IFRS 17 Insurance Contracts now being effective for periods that commenced on 1 January 2023, insurers and reinsurers are increasingly focusing on what they will disclose. Investors, on the other hand, are more focused on what they would like to be disclosed. This publication includes illustrative presentation and disclosures under IFRS 17 to help preparers to implement the disclosure requirements and to give investors, auditors, and regulator an idea of what to expect from preparers.

[Stay Tuned Online - March 2023](#) – This webcast is an online corporate reporting update, aimed at helping finance teams keep up to speed with narrative, governance and financial reporting issues.

**Deloitte comment letters****IFRS**

[International Tax Reform — Pillar Two Model Rules](#)

[Third Edition of the IFRS for SMEs Accounting Standard](#)

[Tentative agenda decision on the definition of a lease and substitution rights](#)

**FRC, DBT (formerly BEIS) and other UK organisations**

[Transition Plan Taskforce consultation on private sector transition plans](#)

**Other international organisations**

[Survey on the need for GHG protocol corporate standards and guidance updates](#)

[Global Sustainability Standards Board's \(GSSB's\) draft work programme](#)

Further comment letters, including responses to IFRSIC tentative agenda decisions, can be found by clicking [here](#).



## New and revised pronouncements for 31 March 2023 year-ends

The table below provides a summary of pronouncements that will be newly effective for those with 31 March 2023 year-ends.

### IFRS

Pronouncement	Newly effective for those reporting under IFRS Accounting Standards as issued by the IASB	Newly effective for those reporting under IFRS Accounting Standards as endorsed by the UK/EU*
<b>Amendments</b>		
<i>Applying IFRS 9 Financial Instruments with IFRS 4 Insurance Contracts (Amendments to IFRS 4)</i>	Optional #	Optional #
<i>Property, Plant and Equipment — Proceeds before Intended Use (Amendments to IAS 16)</i>	Yes	Yes
<i>Annual Improvements 2018-2020 Cycle</i>	Yes	Yes
<i>Reference to the Conceptual Framework (Amendments to IFRS 3)</i>	Yes	Yes
<i>Onerous Contracts — Cost of Fulfilling a Contract (Amendments to IAS 37)</i>	Yes	Yes

# The application of both approaches (overlay approach/ deferral approach) is optional and an entity is permitted to stop applying them before the new insurance contracts standard is applied.

\* The UKEB is responsible for endorsing IFRS Accounting Standards for use in the UK which all UK companies that are required or choose to apply IFRS Accounting Standards must apply. However, because UK endorsed IFRS Accounting Standards have not been granted equivalence to EU endorsed IFRS Accounting Standards by the EU, UK companies that are listed in the EEA may need to state compliance with both EU-endorsed and UK-endorsed IFRS Accounting Standards. Alternatively, they may state compliance with both UK-endorsed IFRS Accounting Standards and IFRS Accounting Standards as issued by the IASB, if this is permitted by the relevant listing authority.

The latest UK endorsement status can be found [here](#) and the EU endorsement status can be found [here](#).

### UK GAAP

Amendments have been made to FRS 101 as a result of the [2020/21 annual review](#) of the standard. In [November 2022](#), the FRC issued revised Application Guidance to FRS 100 to reflect changes to UK company law and decisions on equivalence following the UK's exit from the European Union. The revised guidance is effective immediately. The FRC is currently undertaking its next periodic review of FRS 102 and other UK and Ireland accounting Standards and issued Financial Reporting Exposure Draft (FRED) 82 *Draft amendments to FRS 102 The Financial Reporting Standard applicable in the UK and Republic of Ireland and other FRSs – Periodic Review* in [December 2022](#).

Click [here](#) to see the UK GAAP options available for financial reporting periods ending on 31 March 2023.

### Other regulatory reminders

- Listing Rule LR 14.3.27R applies for the first time, which requires companies with a UK standard listing of equity shares, shares other than equity shares or Global Depositary Receipts (GDRs) representing equity shares to include a statement in their annual financial report setting out:
  - Whether they have made disclosures consistent with the Task Force on Climate-Related Financial Disclosures (TCFD's) recommendations and recommended disclosures in their annual financial report.
  - Where they have not made disclosures consistent with some or all of the TCFD's recommendations and/or recommended disclosures, an explanation of why, and a description of any steps they are taking or plan to take to be able to make consistent disclosures in the future – including relevant timeframes for being able to make those disclosures.
  - Where they have included some, or all, of their disclosures in a document other than their annual financial report, an explanation of why.
  - Where in their annual report (or other relevant document) the various disclosures can be found.

This rule is effective for accounting periods beginning on or after 1 January 2022. In scope premium and standard listed issuers will also need to comply with updated TCFD guidance on metrics, targets and transition plans and the TCFD's updated implementation annex which will also apply for the first time. Further information is available [here](#).

- In scope Asset managers, Life insurers and FCA-regulated pension providers will need to make disclosures consistent with the TCFD recommendations as part of new rules and guidance set out in PS21/24. Further information is available [here](#).
- DTR 4.1.14 requires companies on a regulated market to publish annual reports in XHTML format. There is also a requirement for issuers who prepare consolidated annual financial statements in accordance with International Financial Reporting Standards (IFRS) to tag basic financial information. Both of these requirements applied for accounting periods beginning on or after 1 January 2021, but the requirement for issuers who prepare IFRS consolidated annual financial statements to tag notes to the financial statements applies for the first time to financial years starting on or after 1 January 2022. Further information is available [here](#).
- New company board and executive management diversity disclosure rules which require:
  - In Listing Rule 9.8.6R(9) and LR 14.3.33R(1), as an ongoing obligation, in scope companies to include a statement in their annual financial report setting out whether the listed company has met specific board diversity targets on a 'comply or explain' basis, as at a chosen reference date within their accounting period and, if they have not met the targets, why not.
  - In Listing Rule 9.8.6R(10) and LR 14.3.33R(2) in scope companies to publish numerical data on the sex or gender identity and ethnic diversity of their board, senior board positions and executive management in a standardised table format. Issuers are also required to explain their approach to collecting the data.
  - In scope companies to expand reporting, in an amended Disclosure Guidance and Transparency Rule (DTR) 7.2.8AR, to cover the diversity policies of key board committees and to consider wider diversity characteristics such as ethnicity, sexual orientation, disability and socio-economic background when reporting against this rule.
  - In scope companies to retain records to support both the statement and numerical data disclosed in the annual financial report.

Further information is available [here](#).



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