



Accounting Roundup

October 2019

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Recent developments

IFRS

Amendments:

The International Accounting Standards Board (IASB) finalises phase 1 of its IBOR reform project

Exposure drafts published:

The IASB proposes amendments to IAS 1 *Presentation of Financial Statements* and the Materiality Practice Statement

The IASB publishes proposed amendments to IAS 12 *Income Taxes*

Click [here](#) for the latest IASB work plan.

Meeting minutes and further information:

July, August and September IASB meetings

September IFRSIC meeting

Recent developments (continued)

UK GAAP

Amendments:

The Financial Reporting Council (FRC) publishes amendments to FRS 101

Exposure drafts published:

The FRC publishes FRED 72 *Draft amendments to FRS 102 – Interest rate benchmark reform*

Corporate Governance

The Cranfield School of Management report highlights a continued increase in the numbers of women on boards

Hampton-Alexander review publishes latest figures for women on boards

GC100 and Investor Group issue updated directors' remuneration reporting guidance

Other

The European Financial Reporting Advisory Group (EFRAG) issues draft endorsement advice on amendments to the interest rate benchmark reform

EFRAG final comment letter on proposed amendments to IFRS 3 regarding a reference to the Conceptual Framework

EFRAG believes 2023 to be a 'realistic effective date' for IFRS 17 *Insurance Contracts*

EFRAG publishes draft comment letter on proposed amendments to IFRS 17

EFRAG draft comment letter on proposed amendments to IAS 12

EFRAG conducts research into crypto assets

EFRAG publishes its final comment letter on the Annual Improvements to IFRS Standards 2018-2020 Cycle

EFRAG publishes a feedback statement on its early-stage analysis of the FICE discussion paper

EFRAG publishes a feedback statement on its discussion paper on non-exchange transfers

The European Securities and Markets Authority (ESMA) continues series of video tutorials on ESEF

ESMA issues a statement on the application of IAS 12

ESMA updates European Single Electronic Format (ESEF) Reporting Manual

The European Banking Authority publishes an IFRS 9 roadmap and launches an IFRS 9 benchmarking exercise

Hyperinflationary economies - updated IPTF watch list available

The International Integrated Reporting Council (IIRC) publishes a study on the uptake of integrated reporting

The International Valuation Standards Council (IVSC) begins article series on goodwill amortisation

The IVSC publishes IVS 2020

Other – FRC

The FRC publishes a letter to Audit Committee Chairs and Finance Directors on the UK's exit from the EU

The FRC's Financial Reporting Lab publishes report on disclosure on the sources and uses of cash

The FRC publishes a draft response to proposed amendments to IFRS 17

The FRC issues a consultation on Streamlined Energy and Carbon Reporting Taxonomy

The FRC publishes a statement on the Government's Green Finance Strategy

Other – IASB

The IASB publishes a project update on goodwill and impairment related to business combinations

The IASB adds the second phase of IBOR reform project to its work plan

The IASB issues a podcast on Board developments including projects on goodwill and impairment, primary financial statements and rate-regulated activities

The IASB posts a webinar on IFRS 9 after IFRS Interpretations Committee discussion

The IASB posts a webinar on proposed amendments to IFRS 17

Recent developments (continued)

Other – sustainability

HM Treasury publishes sustainability reporting guidance for public sector annual reports 2019-2020
 The Corporate Reporting Dialogue (CRD) launches a report on alignment between its members' sustainability standards and frameworks and the Task Force on Climate-related Financial Disclosure (TCFD) recommendations
 CRD position paper on transparency and accountability
 The Sustainability Accounting Standards Board (SASB) and the Climate Disclosure Standards Board (CDSB) jointly release TCFD Good Practice Handbook

Other – industry specific

Charity Commission publishes study on external scrutiny of charity accounts
 CIPFA/LASAAC consult on a new Code of Practice on Local Authority Accounting
 HM Treasury consults on amendments to the financial reporting manual (FRoM)



Tools and resources

Deloitte publications, interviews and recordings

A closer look

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

Short-term leases
 Capital maintenance and distributions under the spotlight

Need to know

Designed for financial controllers, chief accountants, and accounting technicians:
 Interest Rate Benchmark Reform amendments to IFRS 9, IAS 39, and IFRS 7
 Amendments with regard to the disclosure of accounting policies
 Amendments to IAS 12 'Income Taxes'
 IASB proposes to amend IFRS 17 'Insurance Contracts' to assist implementation

Governance in brief

A summary of the latest corporate governance developments:
 Auditor independence rules
 Government consults on the CMA's proposals for statutory audit services
 IIA consultation raises the bar on internal audit

Governance in focus

Guidance and views on key aspects of the latest developments in corporate governance:
 Board briefing on the new Section 172(1) statement

Other – The Bruce Column

Making the future more realistic than rosy

Other publications

Update on half yearly financial reporting 2019 - *this guide sets out the requirements for half-yearly financial reports and changes for preparers to contend with in 2019, including disclosures on the impact of implementing IFRS 16 Leases*
 IAS 34 compliance checklist 2019 - *this checklist summarises the requirements of IAS 34 Interim Financial Reporting as at 30 April 2019.*
 IFRS compliance, presentation and disclosure checklist 2019 - *this checklist summarises the recognition, measurement, presentation and disclosure requirements set out in IFRSs in issue as at 30 April 2019.*



Robert Bruce interviews

Robert Bruce interviews – Hans Hoogervorst, Chairman, IASB

Tools and resources (continued)



Insurance webcasts

Insurance webcast 75 — Highlights from the Deloitte comment letter to the IASB

Insurance webcast 74 — Overview of Exposure Draft Amendments to IFRS 17



Deloitte comment letters

IFRS

The IASB's proposed amendments to IFRS 17

Tentative agenda decision on IFRS 16 — Lease term and useful life of leasehold improvements

Tentative agenda decision on IFRS 9 — Fair value hedge of foreign currency risk on non-financial assets

Tentative agenda decision on IFRS 16 — Lessee's incremental borrowing rate

Tentative agenda decision on IFRS 15 — Compensation for delays or cancellations

Tentative agenda decision on IAS 7 — Disclosure of changes in liabilities arising from financing activities

Tentative agenda decision on IAS 1 — Presentation of liabilities or assets related to uncertain tax treatments

Tentative agenda decision on IAS 41 — Subsequent expenditure on biological assets

The IASB's proposed amendments to IFRS 3 to update a reference to the Conceptual Framework

The IASB's proposed annual improvements 2018-2020

UK GAAP

FRED 72 - 'Draft amendments to FRS 102 - Interest rate benchmark reform'

Other

The International Auditing and Assurance Standards Board's (IAASB's) consultation paper on extended external reporting assurance

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



Tools and resources (continued)

New and revised pronouncements for 30 September 2019 year-ends

The table below provides a summary of pronouncements that will be newly effective for those with 30 September 2019 year-ends.

IFRS

Pronouncement	Newly effective for those reporting under IFRS Standards as issued by the IASB	Newly effective for those reporting under IFRS Standards as endorsed by the EU
Standards		
IFRS 9 Financial Instruments (2014)	Yes	Yes
IFRS 15 Revenue from Contracts with Customers	Yes	Yes
Interpretations		
IFRIC 22 Foreign Currency Transactions and Advance Consideration	Yes	Yes
Amendments		
<i>Annual Improvements to IFRS Standards 2014–2016 Cycle – Amendments to IFRS 1 and IAS 28</i>	Yes	Yes
<i>Clarifications to IFRS 15 Revenue from Contracts with Customers</i>	Yes	Yes
<i>Classification and Measurement of Share-based Payment Transactions (Amendments to IFRS 2)</i>	Yes	Yes
<i>Applying IFRS 9 Financial Instruments with IFRS 4 Insurance Contracts (Amendments to IFRS 4)</i>	Optional #	Optional #
<i>Transfers of Investment Property (Amendments to IAS 40)</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.

For those standards issued but not yet effective, the latest EU endorsement status can be found [here](#).

UK GAAP

As the revised UK GAAP regime has now been in place for a number of years, preparation of either parent company or subsidiary accounts under either FRS 101 or FRS 102 should now have become a more routine exercise. The FRC has made several changes to FRS 102 as part of its first triennial review of the Standard to deal with issues highlighted in its implementation. The amendments were published in December 2017.

Click [here](#) to see the UK GAAP options available for financial reporting periods ending on 30 September 2019.

Other regulatory requirements

- The Companies (Directors' Remuneration Policy and Directors' Remuneration Report) Regulations 2019 came into force on 10 June 2019. Although the changes to remuneration reporting only take effect for periods beginning on or after this date, changes to the requirements on the remuneration policy will apply in respect of any new policy brought to shareholders for approval on or after 10 June 2019. Further information is available [here](#).
- FRC Revised Guidance on the Strategic Report. Further information is available [here](#).



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