



IFRS on Point

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Inflation in Argentina—Reporting on periods ending 30 June 2018

Levels of inflation in Argentina have been high for some time, with a significant increase in May 2018 resulting in inflation indices exceeding 100% on a three-year cumulative basis. It is also understood that the qualitative indicators of hyperinflation are, to varying degrees, present in Argentina.

Deloitte's IFRS Global Office has published an IFRS in Focus newsletter looking into implications of the situation in Argentina as regards reporting on Argentinian operations at 30 June 2018 and disclosure in June 2018 financial statements

Please click to access the **publication** on the IAS Plus website.

IASB Board meeting (July 2018)

The International Accounting Standards Board (IASB) met in London on 17–18 July 2018. The following topics were on the agenda:

- Rate-regulated activities
- Management commentary
- Business combinations under common control
- Conceptual framework
- IFRS implementation issues
- Goodwill and impairment
- Disclosure initiative
- Accounting policies and accounting estimates
- Emerging economies group update

Please click to access the following documents:

- **IASB Update** on the IASB website
- **Agenda and related agenda papers of the IASB meeting** on the IASB website
- Updated **IASB work plan** on the IASB website
- **Detailed notes taken** by Deloitte observers on the IAS Plus website

For more information please see
the following websites:

www.iasplus.com

www.deloitte.com

Accounting Standards Advisory Forum (ASAF) meeting (July 2018)

The ASAF met in London on 9–10 July 2018. The following topics were on the agenda:

- Accounting for Pensions (hybrid pension plans)
- Better Communication
- Business Combinations Under Common Control (including the result of an investors survey conducted by the Standard Setting Department of the Hong Kong Institute of Certified Public Accountants and staff of the Organismo Italiano di Contabilità)
- Financial Instruments with Characteristics of Equity
- Goodwill and Impairment
- Property, Plant and Equipment—Proceeds before Intended Use
- Update and Agenda Planning

Please click to access the **agenda and agenda paper** on the IASB website.

Report from the May 2018 Emerging Economies Group meeting

The 15th meeting of the IASB's Emerging Economies Group (EEG) was held in Kuala Lumpur, Malaysia on 14–16 May 2018. The IASB has published a full report from the meeting.

Please click to access the **full report** the IASB website.

IFRS 17 Insurance contracts

- The IASB has published *Insurance contracts issued by mutual entities* to support the implementation of IFRS 17 *Insurance Contracts*.

Please click to access the **document** on the IASB website.

- The IASB has published a pocket guide on reinsurance contracts held and a simple example of a reinsurance contract held to support the implementation of IFRS 17 *Insurance Contracts*.

Please click to access the following on the IASB website

- The published **pocket** guide
- Simple example
- IASB member Gary Kabureck has contributed an article to the IASB website *Reducing the gap between insurance and other industries*.

Please click to access **the article** on the IASB website.

IASB webcast series on the FICE DP

On 28 June 2018, the IASB published a discussion paper DP/2018/1 *Financial Instruments with Characteristics of Equity*. The IASB has made available the first four webcasts in a series of web presentations to help stakeholders as they prepare to submit their comments on the discussion paper.

The following **webcasts are available on the IASB website**.

- **Overview—FICE Discussion Paper**
- **IASB's preferred approach to classification of financial instruments**
- **Classification of derivatives on own equity**
- **Classification of compound instruments and redemption obligation arrangements**

IFRS Taxonomy

- The IASB has published the summary to the IFRS Taxonomy Consultative Group (ITCG) meeting held on 11 June 2018.

Please click to access the **summary** on the IASB website.

- On 12 July 2018, the IASB announced that it will offer two free presented live webinar sessions to introduce the IFRS Taxonomy 2018 and highlight changes from the IFRS Taxonomy 2017.

Please click to access the **webcast** on the IASB website.

IASB issues *Investor Update* newsletter

The IASB has issued the sixteenth edition of its newsletter *Investor Update*, which provides investors with quick access to information about current accounting and financial reporting topics

Please click to access the *Investor Update* newsletter on the **IASB website**.

Webcast on research and standard-setting

The IASB has released a webcast on its YouTube channel that features IASB member Ann Tarca and IFRS Foundation Education Director Matt Tilling discussing academic research and how academics can contribute to the work of the IASB.

Please click here to access the **video**.

Monitoring Board approves new chair of the IFRS Foundation Trustees

The IFRS Foundation Monitoring Board has approved the appointment of Erkki Liikanen as new chair of the IFRS Foundation Trustees. Mr Liikanen will begin his initial three-year term in October 2018 when he will succeed Michel Prada.

Please click to access the **press release** on the IASB Website.

IASB announces membership of consultative group for updating the Management Commentary Practice Statement

In November 2017, the IASB formally added a project to revise its Management Commentary Practice Statement to its agenda. The IASB has now announced the membership of the consultative group that will advise the Board on this project.

Please click to access the **press release** on the IASB website.

Fitness check on the EU framework for public reporting by companies

- Accountancy Europe has responded to the European Commission's consultation document *Fitness check on the EU framework for public reporting by companies*. While the response fully recognises the legitimacy of the Commission's concerns regarding sustainability and long-term investments, Accountancy Europe is not convinced that additional changes to IFRS would address these concerns.

Please click to access the **letter of response** and the completed consultation questionnaire.

- The European Securities and Markets Authority (ESMA) has responded to the European Commission's consultation document *Fitness check on the EU framework for public reporting by companies*. ESMA, consistent with its prior positions, strongly disagrees with the introduction of the possibility to modify the content of IFRS as issued by the IASB.

Please click to access the **press release** on the ESMA website.

EFRAG is looking for new TEG members

The European Financial Reporting Advisory Group (EFRAG) is inviting applications for its Technical Expert Group (TEG).

Please see the **press release** on the EFRAG website.

ASCG anniversary event

On 2 July 2018, the German standard-setter ASCG celebrated 20 years of its existence by hosting a festive event in Berlin that saw official addresses and a keynote speech by representatives from politics, industry and national and international standard-setting as well as two panel discussions on financial reporting in the times of changing values and technological disruption.

Please click to access a summary of the event on the IAS Plus **website**.

ASCG issues draft interpretation following an IFRS IC agenda decision on IAS 12

The Accounting Standards Committee of Germany (ASCG) has issued a draft interpretation that was developed following the publication by the IFRS Interpretations Committee of its agenda decision on the accounting for interest and penalties related to income taxes in September 2017.

Please click to access the **draft** interpretation on the ASCG website.

8th ANC Symposium on Accounting Research

On 10 December 2018, the Autorité des Normes Comptables (ANC), the French standard-setter, will host its 8th Symposium on Accounting Research in Paris. The general theme will be "Accounting and extra-financial information".

Please click for more **information and registration** on the ANC website.

AcSB issues a survey on reporting performance measures

In order to help enhance the relevance of financial information, the Canadian standard-setter Accounting Standards Board (AcSB) has developed a framework responding to the needs of stakeholders about the performance measures reported by entities. The draft framework has now been complemented by a survey on reporting performance measures. The AcSB encourages responses from preparers, directors, users, practitioners, regulators, academics and standard-setters.

Click to access the **survey** which is open to comments until 17 September 2018.

AcSB and OIC hold joint meeting

On 20 June 2018, the Canadian Accounting Standards Board (AcSB) and the Italian standard-setter Organismo Italiano di Contabilità (OIC) held a joint meeting in Toronto.

Please click to access the press release for more information of the about the meeting on the OIC **website**

ASBJ and EFRAG hold joint meeting

On 11 July 2018, the Accounting Standards Board of Japan (ASBJ) and the European Financial Reporting Advisory Group (EFRAG) held a joint meeting in Brussels.

For more information about the meeting, see the **press release** on the ASBJ website.

Thailand defers adoption of IFRS 9 Financial Instruments

While Thailand was scheduled to adopt IFRS 9 from 1 January 2019 (one year after the IASB effective date), the Federation of Accounting Professions (FAP) has now decided to postpone the mandatory effective date of the Standard in Thailand by one year to 2020.

Education material on Ind AS 27 and 28, updated overview of Ind AS, and Ind AS disclosure checklist

The Institute of Chartered Accountants of India (ICAI) has issued educational material on Ind AS 27 *Separate Financial Statements* and on Ind AS 28 *Investment in Associates and Joint Ventures*. The ICAI has also published *Indian Accounting Standards (Ind AS): An Overview (Revised 2018)*. In addition, the ICAI has published *Indian Accounting Standards (Ind AS): Disclosures Checklist*

Please click to access the **Indian Accounting Standards**.

Please click to access the **disclosure checklist**.

Impact study concludes that adoption of Ind AS in India was a success

The Institute of Chartered Accountants of India (ICAI) has published *Indian Accounting Standards (IFRS converged): Successful Implementation - Impact Analysis and Industry Experience*. The publication looks into how the adoption of Ind AS, which are based on IFRS, has impacted the quality of financial information of Indian companies.

Please click to access the **full impact analysis** on the ICAI website.

IVSC consults on revisions to IVS 2017

In January 2017, the International Valuation Standards Council (IVSC) issued the suite of new International Valuation Standards (IVSs) that make up the 2017 IVS. However, based on feedback received during the agenda consultation process conducted in 2017 and 2018, the IVSC has decided to propose targeted revisions to IVS 2017.

Please click to access the **consultation document** on the IVSC website open for comments until 16 October 2018.

Recent sustainability and integrated reporting developments

- Participants of the <IR> Technology Initiative of the International Integrated Reporting Council (IIRC) have published a technology primer, identifying steps that a Chief Information Officer's can take to build an information architecture that supports integrated reporting.

Please click to **access the primer** on the IIRC website.

- The IIRC has launched the 'Integrated Thinking & Strategy' special interest group, which offers organisations the opportunity to share thinking about developing strategy across multiple capitals, learn from each other and co-create a common world view of integrated thinking that is globally relevant to help build resilient, future-fit businesses.

Please click for **more information** on the IIRC website.

- Sixteen leading banks convened by the UN Environment Finance Initiative (UNEP FI) have published a report have released a report *Navigating a New Climate*, which is the result from their work to develop and test a widely applicable scenario-based approach for estimating the impact of climate change on their corporate lending portfolios as recommended by the Recommendations of the Financial Stability Board's Task Force on Climate-related Financial Disclosures (TCFD). This report focuses on the physical-related risk and opportunities, which is the risk resulting from climate variability, extreme events and longer-term shifts in climate patterns, and constitutes the second in a two-part series publishing both the physical risk and transition risk assessment methodologies developed through the Working Group's collaboration.

Please click to access the **report** from the UNEP FI website.

- The World Business Council for Sustainable Development (WBCSD) has released *Climate-related financial disclosure by oil and gas companies: implementing the TCFD recommendations*. The report aims to highlight how four companies are implementing the Task Force on Climate-related Financial Disclosure (TCFD) recommendations and gives practical examples of effective climate change disclosure.

Please click to access the **report** on the WBCSD website.

- In the past few months, the Climate Disclosure Standards Board (CDSB) held various workshops on the Task Force on Climate-related Financial Disclosures (TCFD) recommendations to provide guidance on the topic and gather feedback on the challenges and solutions that organisations are adopting on this journey. Several entries on the CDSB website reflect the input gathered:

- **Implementing the TCFD recommendations: identifying the challenges (Part I)**
- **Implementing the TCFD recommendations: responding to the challenges (Part II)**
- **Webinar: Implementing the TCFD recommendations (50 minutes)**
- **Infographic: What organisations have said about the TCFD**

- The CDSB announced that two months after the launch of the *TCFD Knowledge Hub 400* resources have by now been uploaded to the platform, providing additional guidance and insights into climate-related financial disclosures. In the next few months, the platform will also be expanded to include two new sections on case studies and on upcoming events.

Please click for **more information** on the CDSB website.

- The CDSB, jointly with the World Business Council for Sustainable Development (WBCSD), has released new data from the Reporting Exchange analysing differences in environmental, social and governance (ESG) reporting between sectors, market maturity levels and national contexts.

Please click to **access the report** on the CDSB website.

- The Global Reporting Initiative (GRI) announced that as of 1 July 2018 the transition from GRI's G4 guidelines to the Sustainability Reporting Standards (GRI Standards) is complete. The standards feature a modular, interrelated structure, and represent the global best practice for reporting on a range of economic, environmental and social impacts. This makes them easier to update, so that they keep pace with developments in the different fields.

Please click for **more information** on the GRI website.

- The GRI has also released two updated standards:
 - GRI 403: Occupational Health and Safety 2018 – Putting worker health first
 - GRI 303: Water and Effluents 2018 – From water management to water stewardship

Please click for **more information** on the updated standards on the GRI website.

- The Global Reporting Initiative (GRI), Principles for Responsible Investment (PRI) and the United Nations Global Compact have released *In Focus: Addressing Investor Needs in Business Reporting on the SDGs*. The document is intended to provide guidance to businesses on how to better ensure their disclosures in relation to the Sustainable Development Goals (SDGs) are useful for investors.

Please click to access the **document** GRI website.

- The Carbon Disclosure Project (CDP) has published *Reporting climate resilience: The challenges ahead*. That looks at the challenges of weaving climate disclosures into corporate DNA and financial reporting.

Please click to **access the report** on the CDP website.

- The UK Department for Business, Energy and Industrial Strategy (BEIS) has published a report that summarises consultation responses to the streamlined energy and carbon reporting consultation and sets out the Government's plans for introducing a new reporting framework from April 2019.

Please click to access the **report** on the BEIS website.

Deloitte IFRS communications and publications

Issuance Date	Description
9 July 2018	IFRS in Focus — Reporting on periods ending 30 June 2018 — Inflation in Argentina
13 July 2018	IFRS on Point—June 2018
16 July 2018	Thinking allowed — Cryptocurrency: Financial reporting implications
18 July 2018	Global IFRS Insurance Survey 2018 — 2021 countdown underway: Insurers prepare for IFRS 17 implementation

Comment letters

Description	Receiving party	Date issued/ Comment deadline
Comment Letters Issued Deloitte comment letter on EU fitness check	European Commission	20/07/2018

Effective dates

Click **here** for upcoming and recent effective dates.

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