

# International Financial Reporting Standards

GPF meeting, 2 March 2016  
Agenda paper 2

## Implementation activities (including IFRS Interpretations Committee activities)

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The views expressed in this presentation are those of the presenter, not necessarily those of the International Accounting Standards Board (“the Board”) or any individual member of the Board or of the IFRS Foundation.

# Objective of the session

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- The objectives are:
  - To update GPF members on
    - a) the Board's plans to support the implementation of IFRS 15 and IFRS 16, and
    - b) the activities of the Interpretations Committee
  - To obtain input from GPF members on those plans and activities

- Materials available on the website
  - Webcast introducing the Standard
  - Project Summary and Feedback Statement
  - Investor perspectives article
  - Education materials
- TRG process (also available on the website)
  - Log of questions submitted (with cross-refs to TRG materials)
  - TRG papers and meeting summaries
  - Recordings of TRG meetings
- Email address for submission of implementation questions
- IFRS 15 discussions at conferences
- Education meetings for investors and regulators

- Materials available on the website
  - Video and webcast introducing the Standard
  - Project Summary and Feedback Statement
  - Effects Analysis
  - Investor perspectives article
- Plans
  - Implementation webcasts/podcasts on particular topics
  - Email address for submission of implementation questions
  - IFRS 16 discussions at conferences
  - Education meetings for investors, regulators and national standard-setters

# *Overview of Interpretations Committee activities*

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# Published for comment

Project	Description	Current Position	Next Steps
Proposed narrow scope amendments to IAS 19 and IFRIC 14	<ul style="list-style-type: none"><li>- Availability of a refund of a surplus from a defined benefit plan</li><li>- Remeasurement on a plan amendment, curtailment or settlement</li></ul>	ED published in June 2015. Comment period ended October 2015.	Deliberation of comments and determination of next steps expected Q2 2016
Proposed narrow scope amendment to IAS 40 - Transfers of investment property	When should an entity transfer property under construction or development into, or out of, investment property?	ED published in November 2015. Comments due by 18 March 2016.	Deliberation of comments and determination of next steps expected Q2/Q3 2016
Draft Interpretation IAS 12 - Uncertainty over Income Tax Treatments	Whether and how uncertainty is reflected when accounting for current and deferred tax	ED published in October 2015. Comment period ended January 2016.	Deliberation of comments and determination of next steps expected Q2 2016
Draft Interpretation IAS 21 - Foreign Currency Transactions and advance consideration	What is the date of the transaction for translation purposes?	ED published in October 2015. Comments period ended January 2016.	Deliberation of comments and determination of next steps expected Q2 2016

# Annual Improvements

Project	Description	Current Position	Next Steps
AIP ED : IFRS 1	Deletion of short-term exemptions relating to IFRS 7, IFRS 10 and IAS 19 from IFRS 1		
AIP ED:IFRS 12	Clarifies applicability of the disclosure requirements in IFRS 12 to interests held for sale	ED published in November 2015. Comment period ended February 2016.	Deliberation of comments and determination of next steps expected Q2 2016
AIP ED: IAS 28	Applying the fair value option—should the election be made for all investments or for each individual investment?		
Recommended AIP: IAS 23	When construction is complete, are outstanding borrowings included in general borrowings?		Approved for inclusion in next AIP ED

# Publishing for comment

Project	Description	Current Position	Next Steps
Previously held interests of a joint operation that is a business	Remeasurement of previously held interests when obtaining control or joint control of a joint operation		ED planned for publication Q2 2016 (together with definition of a business)

# Finalising now

Project	Description	Next Steps
IFRS 2	Various narrow-scope amendments	Final amendments expected in Q2 2016
IAS 20	Recoverable cash advances provided by government	Comment letter analysis on tentative agenda decision - March 2016 Interpretations Committee (IC) meeting
IAS 16/ IAS 38	Variable payments for asset purchases	Comment letter analysis on tentative agenda decision - March or May 2016 IC meeting
IAS 39	Holder's accounting for exchange of equity instruments (derecognition of modified financial assets)	Comment letter analysis on tentative agenda decision - March 2016 IC meeting
IAS 32	Offsetting for particular cash pooling arrangements	Comment letter analysis on tentative agenda decision - March 2016 IC meeting
IAS 36	Recoverable amount and carrying amount of a cash-generating unit	Comment letter analysis on tentative agenda decision - March 2016 IC meeting
IFRS 9	Measurement of hedge effectiveness for net investment hedges	Comment letter analysis on tentative agenda decision - March 2016 IC meeting
IFRIC 12	Payments made by an operator to a grantor in a service concession arrangement	Tentative agenda decision published in January 2016 – expect to finalise in May 2016 meeting

# Ongoing development

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Project Name	Description	Current Position	Next Steps
IAS 16 - Accounting for proceeds and costs of testing of PPE	Should net proceeds from testing reduce the cost of an item of PPE?	The issue was discussed at last GPF meeting.	Further analysis and our proposal on the issue will be discussed by the IC in March 2016
IFRS 9/IAS 28 - Measurement of long-term interests in associates and joint ventures	Does an entity apply the measurement (including impairment) requirements in IFRS 9, IAS 28, or both?	The issue was discussed at last GPF meeting, and at February 2016 Board meeting.	To be discussed by the IC in March or May 2016
Remeasurement of previously held interests - loss of control		Discussed at October 2015 Board meeting.	Feedback from the Board to be shared with the IC in March 2016
IFRIC 12 - Service concession arrangement with a lease		Discussed at November 2015 IC meeting.	IC will continue its discussion in March or May 2016

# Ongoing development (cont...)

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Project Name	Description	Current Position	Next Steps
IAS 12 - Interest payments on equity instruments	Tax consequences of interest payments on instruments classified as equity	Discussed at November 2015 IC meeting.	Further analysis and our proposal on the issue will be discussed by the IC in March 2016
IAS 12 - Expected manner of recovery	Determining the tax rate to use when calculating deferred tax on indefinite life intangible assets	Outreach has been conducted.	The issue is currently being analysed for discussion at the March 2016 IC meeting
IAS 32 - Liability for a prepaid card in the issuer's financial statements	Classification of the issuer's obligation, and its accounting for the unspent balance, relating to a prepaid card without an expiry date	Tentative agenda decision discussed at the January 2016 IC meeting.	The IC asked the staff to bring back a paper for further discussion. The issue will be discussed at the March 2016 IC meeting

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