

International Financial Reporting Standards

Future Agenda

Martin Edelmann
Member IASB

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The views expressed in this presentation are those of the presenter, not necessarily those of the IASB or IFRS Foundation.



- **Public review of the IASB's technical programme every three years**
- Helps the IASB establish a broad strategic direction for its work plan:
 - Establish a balance between:
 - improvements (new IFRSs); and
 - maintenance (implementation)
 - Determine whether to return to projects that have been deferred
 - Identify areas where improvements are needed

2010-2011

IASB discusses the agenda consultation with the IFRS Advisory Council

July 2011

Request for views published

July – November

Extensive and focused consultation with investors – interviews and surveys. Public forums.

November 2011

Comment deadline – 246 comment letters received

December – January

The IASB hosts four public round table discussions

January 2012

Comment summary presented to Board

February 2012

Feedback received discussed with the Advisory Council

May 2012

The Board considers, and endorses, a summary of the feedback received and a draft strategy and initial identification of project priorities.

Q4 2012

The IASB will publish a Feedback Statement, including a statement of priorities for the coming three years.

- **Common views**

- Complete the four current projects
- Focus on maintenance over development of IFRSs in the near future
- Utilise research from national-standard setters and academics
- Complete the Conceptual Framework

The Board's initial thinking

- **Development of financial reporting**
 - Investing in researching key strategic issues
 - Completion of the conceptual framework
 - Completing the big4 current projects
 - Selected standards-level projects
- **Maintenance of existing IFRSs**
 - Post-implementation reviews
 - Responding to implementation needs
- **Expansion of research function**

New technical work plan

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Technical Programme



- Conceptual Framework
- Post-implementation Reviews
- Implementation and Maintenance
- Major projects
 - Research programme
 - Standards-level programme

Conceptual Framework

- Retain update/amend/fill in gaps approach
- Not using a phased approach
- Priority will be given to five chapters of the framework
 - Reporting Entity
 - Presentation (including OCI)
 - Disclosure (including interim reporting)
 - Elements
 - Measurement

Conceptual Framework - Process



- IASB-only project
 - Use new forum of standard-setters being established to provide advise to the IASB
- Five chapters developed together
- Timetable:
 - Discussion paper mid 2013
 - Finalise by September 2015

Post-implementation reviews: Due process requirement

- The IASB reviews each new IFRS or major amendment
- An opportunity to assess the effect of new requirements
 - the goal of improving financial reporting underlies any new IFRS
 - important or contentious issues identified during development of the standard, or subsequently
 - unexpected costs or implementation problems encountered

The post-implementation review of IFRS 8 is the first

- **Phase A: initial assessment and public consultation**
 - identify the issues to focus on in the review
 - establish the scope of the review
 - publish a Request for Information (RFI) setting out the matters for which we seek feedback by formal, public consultation (ie comment letters)
 - undertake a review of academic literature
- **Phase B: consider evidence and present findings**
 - evidence includes RFI comment letter analysis supplemented by analyses of financial statements; reviews of academic literature; surveys; interviews; and other consultation
 - present findings in a public report

Research programme

- A broad research and development programme
- Emphasis on defining the problem
 - Identify whether there is a financial reporting matter that justifies an effort by the IASB
 - Evidence based
- Discussion Papers
 - IASB staff papers
- Research Papers
 - Commissioned from others in the IFRS network
- Leads to project proposals, or recommendations not to develop an IFRS

Priority research projects

- Prepare project proposals
 - Agriculture – the bearer asset problem
 - Rate-regulated activities
 - Separate financial statements – the equity method
- Begin analysis – with a discussion paper being the most likely next step
 - Emissions trading schemes
 - Business combinations under common control

Priority research projects

- Analysis – with others
 - Discount rates
 - The equity method of accounting
 - Extractive activities | Intangible assets | Research and Development activities
 - Financial Instruments with the Characteristics of Equity
 - Foreign Currency Translation
 - Liabilities – amendments to IAS 37
 - Hyperinflation, and high inflation

Standards-level Programme

- Major projects feed from the research programme
- Narrower scope improvements feed from the interpretations committee and the other implementation outreach
- More focused and disciplined development of standards

Other activities

- Disclosure forum

The IAS plans to hold a discussion forum in early 2013.

- Bring together regulators, auditors, investors and preparers.
- Identify ways that financial reporting disclosures can be “improved” within the existing IFRS requirements.
- Identify areas where the IASB should focus its efforts.

- Implementation of the Interpretations Committee review
- Consultative Group on effect analysis
- Formalising the IFRS networks
- Developing a research capability
- Due Process handbook

Thank you



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