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Accounting

News

Discussion

IFRS Newsletter

July 2017

Welcome to *IFRS Newsletter* – a newsletter that offers a summary of certain developments in International Financial Reporting Standards (IFRS) along with insights into topical issues.

We begin this second edition of the year by considering how tax issues resulting from the UK's decision to leave the European Union may affect entities' financial reporting. We then move on to look at a number of proposals that have been published by the IASB, including the latest instalment in the IASB's *Disclosure Initiative* project – a Discussion Paper which suggests principles to make disclosures in financial statements more effective.

Further on in the newsletter, you will find IFRS-related news at Grant Thornton and a general round-up of financial reporting developments. We finish with a summary of the implementation dates of newer standards that are not yet mandatory, and a list of IASB publications that are out for comment.

Uncertainty over tax issues

On March 29, 2017, the UK gave notice of its intention to withdraw from the European Union (EU) in accordance with Article 50 of the Treaty on European Union. The UK will now begin negotiations with the remaining 27 members of the EU over the terms of its withdrawal. There is a two-year time limit by which these negotiations have to be completed. The UK's decision to leave the EU raises a number of tax implications, which may also affect financial reporting. We outline some of the potential issues below.

Our view is that the giving of notice under Article 50 represents the commencement of the legal process to leave the EU and that the tax implications arising from it will only become clear as the withdrawal negotiations progress and tax treaties are revised. IAS 12 *Income Taxes* does not specifically address such uncertainties, however tax liabilities are generally recognized at the amount that is expected to be paid. Given existing legislation is unlikely to explicitly address the withdrawal of a member state from the EU, our view is that a considerable level of uncertainty exists and it is not currently possible to determine whether it is probable that there will be an outflow of resources in respect of possible tax issues arising from the UK's decision to withdraw from the EU, or to reliably measure them. We therefore believe that, in the immediate future, comprehensive disclosure is the most appropriate solution where entities identify such potential tax issues. This approach will need to be refined or revised over time as the negotiations over the UK's exit become clearer.

The following page draws your attention to some of the potential tax issues that entities may encounter and factors for them to consider when drafting their financial statement disclosures. As well as being of direct relevance to entities within the EU, the matters discussed may also affect non-EU groups with UK subsidiaries or operations in the UK/EU. There are likely to be many other issues besides these, and entities should give due consideration to identifying any issues that may be relevant to them.

Our view is that where an entity identifies potentially negative tax exposures from the UK's withdrawal, it will not be appropriate to provide for them in the immediate future due to the uncertainty that currently exists. Entities should give comprehensive disclosures instead.

Previous reorganizations

The EU Merger Directive allows certain gains to be deferred on cross-border transactions in the EU, in particular when a business is transferred from a company resident in one EU member country to a company resident in another EU member country in exchange for shares.

A potential issue then is that a tax charge in respect of previously deferred gains on such historic transfers may crystallize at the time the UK leaves the EU, depending on exactly how that Directive has been implemented into domestic law and the negotiations that may take place between now and the date that the UK actually leaves the EU.

Withholding tax on undistributed earnings

The EU Parent-Subsidiary Directive provides that member states are not permitted to charge withholding tax on dividend payments from a subsidiary in one member state to a parent company in another member state where the parent company holds at least 10% of the capital of the subsidiary.

Once the UK leaves the EU then, for example, dividends paid to a UK parent company from its EU subsidiaries will no longer benefit from this Directive. This may have implications in terms of the requirements in IAS 12 to provide for tax due on undistributed earnings of subsidiaries or make appropriate disclosures where distribution is not probable in the foreseeable future and the parent company is able to control the timing of payment.

Grant Thornton International Ltd comment

Given the considerable uncertainty which remains over the precise form of the UK's departure from the EU and the effect it may have in terms of taxation, we believe that comprehensive disclosure is the most appropriate solution in the immediate future where entities identify potential tax issues relating to the UK's withdrawal from the EU.

This is consistent with the requirement in IAS 1.125 for a reporting entity to "disclose information about the assumptions it makes about the future, and other major sources of estimation uncertainty at the end of the reporting period, that have a significant risk of resulting in a material adjustment to the carrying amounts of assets and liabilities within the next financial year". Management should also consider the disclosure requirements contained in IAS 37 *Provisions, Contingent Liabilities and Contingent Assets*, as required by IAS 12.88.

When making disclosure, entities should be aware that regulators are increasingly challenging companies that make vague statements or ones which are not tailored to their individual circumstances. From a different viewpoint, investors will wish to gain an understanding of judgments and estimations made by management, including where particular decisions rank within a range of possible alternative outcomes.

As time progresses and the exact form of the UK's departure from the EU becomes clearer, it will be necessary to review the approach taken. This will mean providing more specific information as that information becomes available. At some point, liabilities will need to be provided for but we do not think this moment has arrived as yet.

Interest and royalties

The EU Interest and Royalties Directive deals with the elimination of certain withholding taxes on interest and royalties. Potential changes arising from the UK's withdrawal from the EU may mean that such relief is not available in the future.

Our UK member firm hosted a "Brexit" breakfast technical update seminar at the end of March attracting an audience of over 70 people.

Jake Green, Grant Thornton's National Technical Partner, presented a roundup of recent technical developments with a focus on issues stemming from the UK's decision to leave the EU and the possible impact these will have for clients.

IASB looks to develop principles of disclosure

The IASB has published a Discussion Paper *Disclosure Initiative – Principles of Disclosure* in order to seek feedback on disclosure issues it has identified and its preliminary proposals to resolve these issues.

The Discussion Paper is part of a reaction to concern over the ever increasing number of disclosure requirements that have been introduced into IFRS on a piecemeal basis as individual projects have been completed by the IASB. Many people have expressed the view that the notes to the financial statements have as a result become a real burden and do not serve their intended purpose of helping users understand the numbers in the financial statements. Equally, many investors complain that they are being presented with cluttered financial statements in which the truly important information is hard to find.

The IASB has observed that entities have difficulty judging what information to disclose in financial statements and how to present it. The Discussion Paper looks to address this.

The IASB has observed that entities have difficulty judging what information to disclose in financial statements and how to present it. This often reflects behavioural attitudes where, for example, disclosure requirements are applied mechanically without considering how or why they are useful to users. A current lack of guidance coupled with lists of prescriptive disclosure requirements in individual standards has exacerbated this problem, and it is this that the Discussion Paper hopes to address.

The Discussion Paper suggests principles to make disclosures in financial statements more effective (see next page) and is the latest instalment of the IASB's *Disclosure Initiative* (other projects currently being considered are the *Materiality Practice Statement* project; the *Definition of Materiality* project; and the *Standards-level Review of Disclosures*).

Next steps

The Board will consider comments on the Discussion Paper before deciding whether to develop an Exposure Draft of proposals to amend or replace parts of IAS 1 *Presentation of Financial Statements*.

The feedback received will also inform some of the Board's other projects, including the *Primary Financial Statements* project and the *Standards-level Review of Disclosure* project.

Among the matters covered are:

Topic	Advice
Seven principles of disclosure	The IASB is looking to develop a set of principles to help entities communicate information more effectively in the financial statements. The Discussion Paper proposes these principles should consist of the following seven principles: The information provided should be: 1 entity-specific since this is more useful than generic language or information that is readily available outside the financial statements; 2 described as simply and directly as possible without a loss of material information; 3 organized in a way that highlights important matters – this includes providing disclosures in an appropriate order and emphasizing the important matters within them; 4 linked when relevant to other information in the financial statements or to other parts of the annual report to highlight relationships between pieces of information and improve navigation; 5 not duplicated unnecessarily; 6 provided in a way that optimizes comparability among entities and across reporting periods without compromising usefulness; 7 provided in a format that is appropriate for that type of information – utilizing lists and tables for example. Entities may need to make a trade-off between some of these principles to maximize the usefulness of information for users of the financial statements.
Roles of the primary financial statements	The Discussion Paper explores the roles of the primary financial statements and how those roles help to meet the objective of the financial statements. In doing this, it notes that evidence suggests that users pay more information to the primary financial statements than the notes. The Discussion Paper therefore: • identifies what constitutes the primary financial statements and considers their role and the implications of that role; • explores the role and the content of the notes with a view to helping the IASB and entities decide where to include information within the financial statements.
Location of information	The Discussion Paper suggests introducing a principle for situations when information necessary to comply with IFRS can be disclosed outside the financial statements. Under this principle, information necessary to comply with IFRS can be placed outside financial statements but within the annual report, providing all the following are met: • Makes the annual report more understandable; • The financial statements are understandable; • Information is faithfully represented, clearly identified and cross-referenced. Information labelled as "non-IFRS" can also be placed inside the financial statements if it is: • listed, together with a statement of compliance with IFRS; • identified as not in accordance with IFRS and, if applicable, as unaudited; • accompanied by explanation of why it is useful.

(continued)

Among the matters covered are:

Topic	Advice
Use of performance measures	The Discussion Paper seeks feedback on two specific issues: • The presentation of unusual or infrequently occurring items; • The use of EBIT and EBITDA ratios in the statement of financial performance. It suggests that performance measures should be: • no more prominent than IFRS information; • clearly labelled with their relevance explained; • reconciled to IFRS measures; • neutral and consistently measured and presented over time; • accompanied by comparatives.
Disclosure of accounting policies	The Discussion Paper considers ways in which entities may be able to improve how entities disclose their accounting policies. It outlines the following three categories of accounting policies: • Category 1 – always necessary to understand the financial statements; • Category 2 – not in category 1 but necessary to understand the financial statements; • Category 3 – not in categories 1 and 2 but used in preparing the financial statements. It suggests that only policies in categories 1 and 2 need to be disclosed. Entities would not be prohibited from disclosing category 3 policies provided relevant information is not obscured. The Discussion Paper also discusses how accounting policies and significant assumptions and judgments used in those policies might be located and disclosed more effectively.
Improving disclosure objectives and requirements	The Discussion Paper considers whether to develop a central set of disclosure objectives which could be used as a framework for developing more unified and consistent disclosure objectives and requirements. It also discusses the possibility of placing all disclosure objectives and requirements in a single standard. Feedback is also sought on an approach developed by the New Zealand Accounting Standards Board for drafting disclosure objectives and requirements.

IASB considers proposed improvements to IFRS 8

The IASB has published an Exposure Draft proposing amendments to IFRS 8 *Operating Segments*. The proposed amendments follow on from a Post-implementation Review (PIR) of IFRS 8 that was carried out to assess whether the standard works as intended. That review revealed that the standard was generally working well but that there were some specific areas that could benefit from improvements.

The Exposure Draft proposes amending IFRS 8 to:

- emphasize that the chief operating decision maker (CODM) is a function that makes operating decisions and decisions about allocating resources to, and assessing the performance of, the operating segments of an entity;
- add to the existing requirements an explanation that the CODM may be either an individual or a group;
- explain the role of non-executive members when identifying an entity's CODM;
- require the disclosure of the title and description of the role of the individual or the group that is identified as the CODM;
- require an explanation in the notes to the financial statements when segments identified by an entity differ between the financial statements and other parts of its annual reporting package;
- add further examples of similar economic characteristics to the aggregation criteria in IFRS 8;
- clarify that an entity may disclose segment information in addition to that reviewed by, or regularly provided to, the CODM if that helps the entity to meet the core principle of the standard;
- clarify that the explanations of reconciling items shall be given with sufficient detail to enable users of financial statements to understand the nature of the reconciling items.

The Exposure Draft also proposes to amend IAS 34 *Interim Financial Reporting* to require companies that change their segments to provide restated segment information for prior interim periods earlier than they currently do.

IASB seeks to make targeted amendments to IFRS 9

The IASB has issued the Exposure Draft *Prepayment Features with Negative Compensation – proposed amendments to IFRS 9*. The Exposure Draft proposes amendments designed to address the concerns of some interested parties about how IFRS 9 *Financial Instruments* classifies particular prepayable financial assets.

The origins of the Exposure Draft stem from a submission made to the IFRS Interpretations Committee (IFRIC), asking how to classify particular prepayable financial assets under IFRS 9. Specifically, the submission asked whether a debt instrument could have contractual cash flows that are "solely payments of principal and interest" if its contractual terms allow the borrower to prepay the instrument at a variable amount that could be more or less than unpaid amounts of principal and interest.

As a result of such a contractual prepayment feature, the lender could be forced to accept a prepayment amount substantially less than the unpaid amounts of principal and interest – in effect a payment to the borrower by the lender ("negative compensation") even though it is the borrower that chose to terminate the contract early.

Under IFRS 9 as it currently exists, such financial assets would be measured at fair value through profit or loss as the contractual cash flows on them are not solely payments of principal and interest. IFRIC questioned however whether measuring them at amortized cost measurement could provide useful information and recommended changing the requirements in IFRS 9.

The IASB has therefore decided to propose a narrow exception to IFRS 9 for such assets. In a summarized form, the Exposure Draft proposes that such a financial asset would be eligible to be measured at amortized cost or at fair value through other comprehensive income, subject to the assessment of the business model in which it is held, if the following two conditions are met:

1. The prepayment amount is inconsistent with IFRS 9's conditions for instruments with prepayment options to qualify as meeting the "solely payments of principle and interest" test only because the party that chooses to terminate the contract early may receive reasonable additional compensation for doing so; and
2. When the entity initially recognizes the financial asset, the fair value of the prepayment feature is insignificant.

The comment period for the Exposure Draft ended on May 24, 2007. This is a much shorter 30-day period than the IASB's standard minimum period (120 days) as the issue is considered to be narrow in scope and urgent.

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IFRS Viewpoint released

The *IFRS Viewpoint* provides guidance on preparing financial statements when the going concern basis is not appropriate.


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Adviser alert – *IFRS Viewpoint – Preparing financial statements when the going concern basis is not appropriate*
March 2017

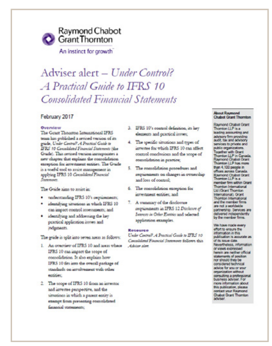
The Grant Thornton International Ltd IFRS Team has released a new edition in its series of *IFRS Viewpoints*. Each edition focuses on an area where IFRS has proved difficult to apply or lacks guidance.

This edition provides guidance on preparing financial statements when the going concern basis is not appropriate. Both IAS 1 and IAS 10 *Events after the Reporting Period* suggest that a departure from the going concern basis is required when specified circumstances exist. Neither standard however provides any details of an alternative basis of preparation and how it may differ from the going concern basis. This *IFRS Viewpoint* addresses some of the issues that entities will face when doing so.

To obtain a copy of the document, please refer to our Adviser Alert on the subject.

Under Control – Applying IFRS 10

The Grant Thornton International Ltd IFRS Team has published an updated version of its guide *Under Control? A Practical Guide to Applying IFRS 10 Consolidated Financial Statements* (the Guide).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Adviser alert – *Under Control? A Practical Guide to IFRS 10 Consolidated Financial Statements*
February 2017

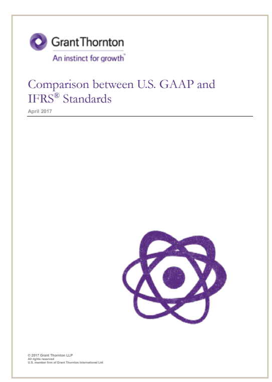
The Guide has been written to assist management in applying IFRS 10. More specifically it aims to assist with:

- understanding IFRS 10's requirements;
- identifying situations in which IFRS 10 can impact control assessments;
- identifying and addressing the key practical application issues and judgments.

This new version of the Guide now incorporates a new chapter that explains the consolidation exception for investment entities. To obtain a copy of the document, please refer to our Adviser Alert on the subject.

2017 version of U.S. GAAP and IFRS standards comparison guide updated

April 2017 saw our U.S. member firm, Grant Thornton LLP, release an updated version of its publication *Comparison between U.S. GAAP and International Financial Reporting Standards*.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Comparison between U.S. GAAP and IFRS® Standards
April 2017

The publication is intended to help readers identify the major areas of similarity and difference between current U.S. generally accepted accounting principles (U.S. GAAP) and IFRS. It will also assist those new to either U.S. GAAP or IFRS to gain an appreciation of their major requirements.

This new edition of the comparison guide has been updated for standards issued as of April 1, 2017. The guide can be downloaded from Grant Thornton LLP's website (www.grantthornton.com).

Raymond Chabot Grant Thornton presents a webinar on IFRS 9

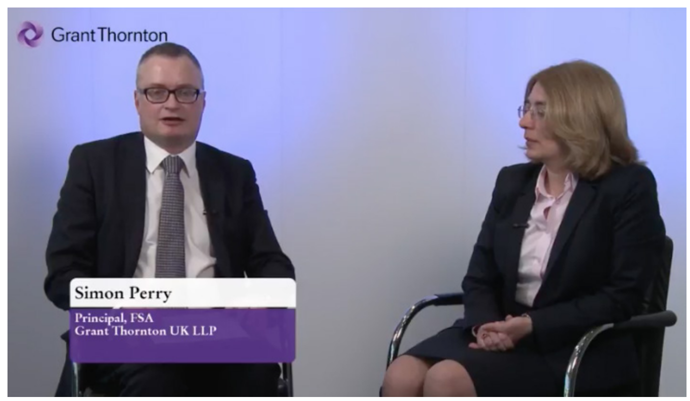
Raymond Chabot Grant Thornton presents a webinar entitled *IFRS 9 Instruments financiers – Entités autres que les institutions financières* (IFRS 9 – Financial Instruments – Non-financial institutions). This French-language session discusses IFRS 9 concepts, particularly the new classification of financial assets model and new expected credit loss impairment model. You can watch the webinar by going to: http://www.rcgt.com/en/about-us/events/webinar-ifrs-9-financial-instruments-non-financial-institutions/.

IFRS 17 – UK firm looks at what you need to do now

IASB has recently published IFRS 17 *Insurance Contracts*. IFRS 17 has an effective date of January 1, 2021 but companies can apply it earlier. It supersedes IFRS 4 *Insurance Contracts* as revised in 2016 and marks the conclusion of the IASB's twenty-year long insurance project.

Grant Thornton UK has launched a video addressing some of the issues that insurers will face with IFRS 17. The new standard will see significant changes in reporting for insurers. Outlined below are five areas insurers should be aware of now:

- IFRS 17 comes with a range of implementation options, each with different potential impacts across the business;
- It will require a structured approach across finance, actuarial, processes, data and systems, governance and operations to be able to efficiently implement the change;
- Entities will have just over three years to prepare for the effective date of January 1, 2021;
- From a transformational impact on data, people and systems, it has the potential to be more demanding than Solvency II and will apply to all life and non-life insurance contracts;
- The new standard aims to increase reporting comparability within the industry through contractual service margin (CSM), a new basis for revenue and profit recognition and an explicit risk adjustment.



Watch this space

The Grant Thornton International IFRS team issued a detailed publication entitled *Get Ready for IFRS 17 – A Fundamental Change to the Reporting for Insurance Contracts*. To obtain a copy of the document, please refer to our Adviser Alert on the subject.

New Zealand firm warns on impact of IFRS 17 on non-insurers

Staying on the subject of IFRS 17, our New Zealand firm has recently written on the potential impact of the standard on unsuspecting entities that do not consider themselves to be insurance companies.

We reproduce the article written by National Technical Director, Mark Hucklesby, here (the article was published before the publication of IFRS 17 by the IASB):

Beware of IFRS 17 – it may be applicable to you!

Since its formation on April 1, 2001, the IASB has quite deliberately steered away from developing any industry specific accounting guidance because doing so can create accounting concessions for participants in that industry that once established are almost impossible to remove.

So with the forthcoming release of IFRS 17 it should come as no surprise that the IASB has very deliberately focused on how to account for insurance contracts and not on the activities of entities that just happen to be regulated as insurers.

Against this background, it will be important for entities to turn off the "autopilot" switch that leads them to presume that a standard dealing with insurance contracts does not apply to them because they do not consider themselves to be involved in the insurance industry.

Dare it be said: the art, rather than the science, of properly accounting for insurance contracts is being able to make a clear and consistent distinction between insurance contracts and other financial assets. While both provide risk management solutions to a wide range of businesses, the accounting consequences can be quite different, so some critical thinking is required, and in our view this should commence as soon as this new accounting standard is released.

So what is an insurance contract? It is an arrangement where one party (an insurer) accepts a significant insurance risk from another party (the policy holder) by agreeing to compensate the policyholder if a specified uncertain event (the insured event) adversely affects the policyholder.

Ultimately the determination of whether one has an insurance contract or not can boil down to whether or not the contractual arrangement is being entered into for trading and/or speculation purposes only. This assessment will require judgment based upon relevant facts and circumstances and it will also have to take into account the various activities of the entity, rather than solely the terms of the contract.

Great care needs to be taken to make sure that having a contract that might satisfy a legal form of insurance also meets the accounting definition. Remember it is important to make sure that there has indeed been a transfer of insurance risk (and not just financial risk).

Assessing insurance risk is not simply a case of applying a percentage test; it is an arrangement where significant additional benefits will be transferred in specified scenarios that truly do have commercial substance. Furthermore, if there is a deposit component built into any insurance arrangement, this will need to be unbundled, as will embedded derivatives.

Ultimately IFRS 17 boils down to:

a) providing disclosures about the inherent risk and uncertainty that has been taken on by the reporting entity;
b) updating the measurement of the insurance contract liability so that it captures all the features of the contract;
c) providing information about the drivers of performance of the entity that is offering insurance to a set of policyholders.

The effective date of the forthcoming standard is expected to be for any period that begins after January 1, 2021, so now is the time to make sure that any bespoke warranty arrangements that are currently in place are not insurance contracts in disguise, and that product and service offerings arising from anticipated future events are carefully evaluated to make sure that from day one they are being accounted for under the correct IFRS accounting standard.

Round up

Integrated reporting

IASB Chairman Hans Hoogervorst spoke in April at the International Integrated Reporting Council's meeting on *The IASB and Integrated Reporting*. He discussed the IASB's current approach to wider corporate reporting and also what its future role should be. The speech also referenced the IASB's 2010 Management Commentary Practice Statement and the Conceptual Framework for Financial Reporting.

ESMA

The European Securities and Markets Authority (ESMA) has published a report on the *Enforcement and Regulatory Activities of Accounting Enforcers in 2016*.

This annual report provides an overview of the activities of accounting enforcers in the European Economic Area when examining compliance of financial information provided by issuers listed on regulated markets. The report found that the areas where most infringements were identified by European enforcers related to:

- the presentation of financial statements;
- the accounting for financial instruments;
- the impairment of non-financial assets.

As in previous years, ESMA together with European enforcers identified, and will include in their supervisory practices, a set of common enforcement priorities significant for European issuers when preparing their 2016 IFRS financial statements. The 2016 priorities focus on:

1. the presentation of financial performance;
2. the distinction between equity instruments and financial liabilities;
3. disclosures of the impact of the new standards issued by the IASB, but not yet mandatorily applicable (IFRS 9, IFRS 15 *Revenue from Contracts with Customers* and IFRS 16 *Leases*).

In the public statement, ESMA and European enforcers also urge issuers to provide disclosures on their exposure to risks arising from the UK's decision to leave the EU and its expected impacts and how management handles and plans to mitigate those risks.

Consistency of IFRS

The International Forum of Accounting Standard Setters recently met, discussing among other things the meaning of consistent application of IFRS across jurisdictions and what the IASB and the national standard setters can do to support it.

Among the matters noted during the discussion were that IFRS are principles-based standards and therefore consistent does not necessarily mean identical. Indeed users have a tolerance for different readings of the same principles as long as there are sufficient disclosures. It also noted that national standard setters should keep local interpretation to an utmost minimum and that they should act as gate keepers for submitting issues to the IFRS Interpretations Committee.

Effective dates of new standards and IFRIC interpretations

The table below lists new IFRS and IFRIC interpretations with an effective date on or after January 1, 2016. Companies are required to make certain disclosures in respect of new standards and interpretations under IAS 8 *Accounting Policies, Changes in Accounting Estimates and Errors.*

New IFRS and IFRIC interpretations with an effective date on or after January 1, 2016

Title	Full title of standard or interpretation	Effective for accounting periods beginning on or after	Early adoption permitted?*
IFRS 17	*Insurance Contracts*	January 1, 2021	Yes
IFRS 16	*Leases*	January 1, 2019	Yes
IAS 40	*Transfers of Investment Property* (Amendments to IAS 40)	January 1, 2018	Yes
IFRIC 22	*Foreign Currency Transactions and Advance Consideration*	January 1, 2018	Yes
IFRS 1/ IFRS 12/ IAS 28	*Annual Improvements to IFRS 2014-2016 Cycle*	January 1, 2018 However the amendments to IFRS 12 are effective from January 1, 2017	IAS 28 – Yes
IFRS 4	*Applying IFRS 9 Financial Instruments with IFRS 4 Insurance Contracts* (Amendments to IFRS 4)	• A temporary exemption from IFRS 9 is applied for accounting periods on or after January 1, 2018 • The overlay approach is applied when entities first apply IFRS 9	N/A
IFRS 9	*Financial Instruments* (2014)	January 1, 2018	Yes (extensive transitional rules apply)
IFRS 2	*Classification and Measurement of Share-based Payment Transactions* (Amendments to IFRS 2)	January 1, 2018	Yes

* As a note of caution, to be in accordance with Canadian GAAP and securities regulations, an entity may not early adopt a new or amended IFRS until its issuance by the Chartered Professional Accountants of Canada (CPA Canada) in the *CPA Canada Handbook – Accounting.*

New IFRS and IFRIC interpretations with an effective date on or after January 1, 2016

Title	Full title of standard or interpretation	Effective for accounting periods beginning on or after	Early adoption permitted?*
IFRS 15	*Revenue from Contracts with Customers***	January 1, 2018	Yes
IAS 7	*Disclosure Initiative* (Amendments to IAS 7)	January 1, 2017	Yes
IAS 12	*Recognition of Deferred Tax Assets for Unrealised Losses* (Amendments to IAS 12)	January 1, 2017	Yes
IFRS for SMEs	*Amendments to the International Financial Reporting Standard for Small and Medium Sized Entities*	January 1, 2017	Yes
IAS 1	*Disclosure Initiative* (Amendments to IAS 1)	January 1, 2016	Yes
IFRS 10, IFRS 12 and IAS 28	*Investment Entities: Applying the Consolidation Exception* (Amendments to IFRS 10, IFRS 12 and IAS 28)	January 1, 2016	Yes
IFRS 10 and IAS 28	*Sale or Contribution of Assets between an Investor and its Associate or Joint Venture* (Amendments to IFRS 10 and IAS 28)	Postponed (was January 1, 2016)	Yes
Various	*Annual Improvements to IFRS 2012-2014 Cycle*	January 1, 2016	Yes
IAS 27	*Equity Method in Separate Financial Statements* (Amendments to IAS 27)	January 1, 2016	Yes
IAS 16 and IAS 41	*Agriculture: Bearer Plants* (Amendments to IAS 16 and IAS 41)	January 1, 2016	Yes
IAS 16 and IAS 38	*Clarification of Acceptable Methods of Depreciation and Amortisation* (Amendments to IAS 16 and IAS 38)	January 1, 2016	Yes
IFRS 11	*Accounting for Acquisitions of Interests in Joint Operations* (Amendments to IFRS 11)	January 1, 2016	Yes
IFRS 14	*Regulatory Deferral Accounts*	January 1, 2016	Yes

* As a note of caution, to be in accordance with Canadian GAAP and securities regulations, an entity may not early adopt a new or amended IFRS until its issuance by the Chartered Professional Accountants of Canada (CPA Canada) in the *CPA Canada Handbook – Accounting*.

** The Basis for Conclusions and Illustrative Examples that accompany IFRS 15, but are non-authoritative, have been added to the *CPA Canada Handbook – Accounting*. The Canadian Accounting Standards Board (AcSB) thinks this material supports the application of IFRS. The AcSB will also add non-authoritative material published by the IASB for other standards in the future.

Open for comment

This table lists the documents that the IASB currently has out for comment and the comment deadline. We aim to respond to each of these publications.

Current IASB documents

Document type	Title	Comment
Discussion Paper	*Disclosure Initiative—Principles of Disclosure*	October 2, 2017
Exposure draft	*Property, Plant and Equipment—Proceeds before intended use* (Proposed amendments to IAS 16)	October 19, 2017
Exposure draft*	*Improvements to IFRS 8 Operating Segments* (Proposed amendments to IFRS 8 and IAS 34)	July 31, 2017

* The AcSB has also published this document for comment to integrate the standard into Part 1 of the *CPA Canada Handbook – Accounting* when the IASB will have published its definitive standard.

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