

**Australia**  
**Assurance & Advisory Services**

Monthly roundup  
Staying on top of financial reporting developments

**November 2014 edition**  
Issued 8 December 2014

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**Monthly highlights**

**IASB proposes amendments to IFRS 2 Share-based payment**

The International Accounting Standards Board (IASB) has published an Exposure Draft (ED/2014/5) to clarify the classification and measurement of share-based payment transactions.

The ED aims to address several requests that related to IFRS 2 Share-based Payment received by the IASB and the IFRS Interpretations Committee. The requests included clarifying:

- the accounting for cash-settled share-based payment transactions that include a performance condition;
- share-based payments settled net of withholding tax; and
- modifications of share-based payment from cash-settled to equity-settled.

The ED does not contain a proposed effective date but states that earlier application would be permitted and proposes prospective application. However, it also proposes retrospective application for entities that have all the necessary information, and the information is available without the use of hindsight.

Comments are due to the AASB by 25 February 2015 and to the IASB by 25 March 2015.

Please click for:

- [IASB press release](#)
- [IAS Plus article](#)
- [IFRS in focus](#) (PDF) - outlines the proposed amendments to IFRS 2 'Share-based Payment'
- [AASB ED 257](#) (PDF)

**New pronouncements**

(A listing of new accounting standards, interpretations, exposure drafts, discussion papers and similar documents issued during the month by the AASB and IASB/IFRIC, along with other IFRS-related documents by other bodies that may be of interest and related links to Deloitte publications and alerts. See also our [What's new in the June 2014 financial reporting cycle](#) summary.)

**Australian Accounting Standards Board (AASB)**

Pronouncement	Key dates	More information
<b>ED 257 'Measurement of Share-based Payment Transactions'</b> Refer to highlight of the month for details	Comments due to the AASB by 25 February 2015	<a href="#">ED 257</a> (PDF)

## International Accounting Standards Board (IASB)

Pronouncement	Key dates	More information
<b>ED/2014/5 'Classification and Measurement of Share-based Payment Transactions'</b> Refer to highlight of the month for details	Comments due to the IASB by 25 March 2015	<a href="#">ED/2014/5</a> (PDF) <a href="#">IAS Plus article</a>

### Standard setter meetings

(A listing of meetings of various standard setters during the month or where documents were issued during the month in respect of the previous month's meetings, with links to our analysis, agenda papers and so on)

Meeting	Highlights	More information
<b>IASB regular meeting</b> <b>19 –20 November 2014</b>	Agenda for the meeting was as follows (click on the links for direct access to the Deloitte observer notes for that topic): <ul style="list-style-type: none"> <li>• <a href="#">IFRS for SMEs</a></li> <li>• <a href="#">Insurance Contracts</a></li> <li>• <a href="#">Leases</a></li> <li>• <a href="#">Emission Trading schemes</a></li> <li>• <a href="#">Conceptual Framework</a></li> </ul>	<a href="#">Deloitte observer notes</a> <a href="#">IASB updates</a> (PDF)
<b>IFRS IC Meeting</b> <b>11 November 2014</b>	Key issues discussed was as follows : <ul style="list-style-type: none"> <li>• IFRS 11 – Proposed wording for the agenda decisions on the classification of joint arrangements and accounting by the joint operator</li> <li>• IAS 19 :               <ul style="list-style-type: none"> <li>○ Remeasurement of a plan amendment, curtailment or settlement</li> <li>○ Longevity swaps held under a defined benefit plan be measured at fair value</li> </ul> </li> <li>• IFRS 5 – Issues relating to the requirement for scope and presentation in IFRS 5</li> <li>• IAS 12 – Measurement of current tax assets and liabilities when a tax position is uncertain</li> <li>• IAS 2 – Should interest be accreted on prepayments in long-term supply contracts?</li> <li>• IFRS 12:               <ul style="list-style-type: none"> <li>○ Disclosure of summarised financial information about material joint ventures and associates</li> <li>○ Selection of applicable tax rate for measurement of deferred tax relating to investment in associate</li> </ul> </li> <li>• IAS 16 and IAS 2 – Accounting for core inventories</li> <li>• IAS 16 – Accounting for net proceeds and costs of testing on PPE</li> <li>• IAS 21 – Foreign exchange restrictions and hyperinflation</li> <li>• IAS 39 – Holder's accounting for exchange of equity instruments</li> <li>• IFRS 10 :               <ul style="list-style-type: none"> <li>○ Control of a structured entity by an operating lease</li> <li>○ Control of a structured entity by a lender</li> </ul> </li> <li>• IAS 21 – Foreign currency translation of revenue</li> <li>• IAS 28 - Applying the fair value option: an investment by investment choice or a consistent policy choice</li> <li>• IAS 32 – Classification of liability for prepaid cards issued by a Bank in the Bank's financial statements</li> </ul>	<a href="#">Deloitte observer notes</a> <a href="#">IFRIC updates</a> (PDF)

*The AASB did not hold a regular meeting in November 2014.*

## New Deloitte publications

(Key IFRS-related and other publications issued by Deloitte during the month, not covered elsewhere. You can find full details and back issues of our various publications by following these links: [Accounting alerts](#), [IAS Plus publications](#), [IFRS in Focus Newsletters](#), [Webcasts](#) and [Podcasts](#))

### IFRS publications

- [IFRS in focus](#) (PDF) – summarises the July 2014 meeting of the IASB and FASB joint revenue transition resource group
- [IFRS in focus](#) (PDF) – summarises the October 2014 meeting of the IASB and FASB joint revenue transition resource group
- [IFRS project insights – Insurance contracts](#) (PDF) provides a summary of the IASB's projects on insurance contracts and discusses the recent tentative decisions reached by the Board
- [IFRS on point -November 2014](#) (PDF) highlights critical IFRS - related financial reporting developments.

### Deloitte Podcasts

- Deloitte [podcast](#) takes a detailed look at the possible options for assurance on integrated reporting.

### Deloitte Comment letters

- Deloitte [comment letter](#) on tentative agenda decision on IFRS 13 — The fair value hierarchy when third-party consensus prices are used
- Deloitte [comment letter](#) on tentative agenda decision on IFRIC 21 — Levies raised on production property, plant and equipment
- Deloitte [comment letter](#) on tentative agenda decision on IAS 39 — Accounting for embedded foreign currency derivatives in host contracts
- Deloitte [comment letter](#) on tentative agenda decision on IFRS 12 — Disclosures for a subsidiary with a material non-controlling interest and for a material joint venture or associate
- Deloitte [comment letter](#) on tentative agenda decision on IAS 28 — Fund manager's significant influence over a fund.

## Other developments

(A brief listing of other financial reporting developments during the month. A full summary of all IFRS-related developments can be found in our [November historical summary on IAS Plus](#). You can also subscribe to our [Deloitte IAS Plus RSS feed](#) to be kept informed of developments as they happen)

### Australian-specific topics

- No major reporting developments during November 2014.

### International Accounting Standards Board

- IASB has updated its [work plan](#) as at 24 November 2014
- The IFRS Foundation (IFRSF) has published IFRS Taxonomy 2014 Interim Release 2 which updates the taxonomy for IFRS 15 and common reporting practice in the transport and pharmaceuticals sectors ([IASB Press release](#))
- The IASB's IFRS Taxonomy Consultative Group (ITCG) has published on its website meeting notes from its second meeting held on 28 October 2014 ([IAS Plus article](#))
- The IFRS Advisory Council has issued a report on the IFRS Advisory Council meeting held in London on 13 – 14 October 2014 ([IAS Plus article](#))
- The IFRSF has published a questionnaire to assess the Accounting Standards Advisory Forum (ASAF) ([IAS Plus article](#))
- IASB Vice-Chairman, Ian Mackintosh gave a speech on how significant changes that occurred in IFRS over the past decade may be coming to an end and what should be expected from the IASB in the future ([IAS Plus article](#))
- The Chairman of the IFRSF Trustees, Michel Prada, delivered a speech entitled 'Japan and global standards' at a meeting of the Financial Accounting Standards Foundation's (FASF) stakeholders in Tokyo, Japan ([IAS Plus article](#))

- The Chairman of the IFRSF Trustees, Michel Prada, delivered a speech entitled 'Accounting, markets and global economic growth' at the Shanghai National Accounting Institute ([IAS Plus article](#))
- The Chairman of the IFRSF Trustees, Michel Prada, delivered a speech entitled 'Korea and IFRS' at a seminar hosted by the Korean Accounting Standards Board (KASB) ([IAS Plus article](#))
- The IFRSF has announced the appointments of Alan Beller and Werner Brandt as Trustees of the IFRS Foundation ([IAS Plus article](#))
- The ITCG has published the meeting notes from its second meeting on 28 October 2014 ([IAS Plus article](#))
- The IFRSF has announced a revamp of its IFRS Research Centre web pages. The updates to the site include a more intuitive layout and new content for evidence-supported standard-setting, research opportunities, research impact, and news and events ([IAS Plus article](#))
- The Trustees of the IFRSF have announced the appointments of 15 new members to the IFRS Advisory Council. ([IAS Plus article](#)).

#### **Other global news**

- The International Public Sector Accounting Standards Board (IPSASB) has issued its 'Conceptual Framework for General Purpose Financial Reporting by Public Sector Entities' ([IAS Plus article](#))
- The Federation of European Accountants (Fédération des Experts-comptables Européens, FEE) has responded to the International Organization of Securities Commissions (IOSCO) consultation on non-GAAP financial measures ([IAS Plus article](#))
- The European Financial Reporting Advisory Group (EFRAG) has published a new edition of the publicly available newsletter 'EFRAG Insider' ([IAS Plus article](#))
- The International Ethics Standards Board for Accountants (IESBA) has issued an exposure draft of proposed changes to the 'Code of Ethics for Professional Accountants' (the Code) ([IAS Plus article](#))
- The Financial Services Agency (FSA) of Japan has announced that additional IFRSs were designated for use by companies voluntarily applying IFRSs in Japan ([IAS Plus article](#))
- The European Securities and Markets Authority (ESMA) has responded to the European Commission's questionnaire seeking respondents' views on the impact of International Financial Reporting Standards (IFRS) in the European Union ([IAS Plus article](#))
- The Directive on disclosure of non-financial and diversity information by large companies and groups addressing environmental, social, and governance (ESG) issues has been published in the Official Journal of the EU on 15 November 2014 ([IAS Plus article](#))
- The ESMA has published further extracts from its confidential database of enforcement decisions taken by European national enforcers ([IAS Plus article](#)).