



IFRS on Point

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International Headlines

ISSB publishes IFRS S1 General Requirements for Disclosure of Sustainability-related Financial Information and IFRS S2 Climate-related Disclosures

The International Sustainability Standards Board (ISSB) has published its first two IFRS Sustainability Disclosure Standards: IFRS S1 *General Requirements for Disclosure of Sustainability-related Financial Information* and IFRS S2 *Climate-related Disclosures*.

IFRS S1 sets out overall requirements for sustainability-related financial disclosures with the objective to require an entity to disclose information about its sustainability-related risks and opportunities that is useful to primary users of general purpose financial reports in making decisions relating to providing resources to the entity.

IFRS S2 sets out the requirements for identifying, measuring and disclosing information about climate-related risks and opportunities that is useful to primary users of general purpose financial reports in making decisions relating to providing resources to the entity.

Both Standards are effective for annual periods beginning on or after 1 January 2024, with transitional reliefs to allow preparers more time to align reporting of sustainability-related financial disclosures and financial statements. In the first annual reporting period in which an entity applies IFRS S1, the entity is permitted to disclose information on only climate-related risks and opportunities (in accordance with IFRS S2).

Please click to access the following:

- **Press release** on the IFRS Foundation website
- **IFRS S1** on the IFRS Foundation website
- **IFRS S2** on the IFRS Foundation website
- **Effects analysis** on the IFRS Foundation website
- **Project summary** on the IFRS Foundation website
- **Feedback statement** on the IFRS Foundation website
- **Speech** by ISSB Chair Emmanuel Faber on the IFRS Foundation website
- **Ten things to know about the first ISSB Standards article** on the IFRS Foundation website
- **Webcasts** explaining the requirements on the IFRS Foundation website
- **iGAAP in Focus** newsletter on IAS Plus

For more information please see the following websites:

www.iasplus.com

www.deloitte.com

IASB publishes Request for Information on the Post-implementation Review of IFRS 15

The International Accounting Standards Board (IASB) has published Request for Information (RFI) *Post-implementation Review of IFRS 15 Revenue from Contracts with Customers*.

In particular, the IASB is asking questions on the following areas:

- Overall assessment of IFRS 15
- Identifying performance obligations in a contract
- Determining the transaction price
- Determining when to recognise revenue
- Principal versus agent considerations
- Licensing
- Disclosure requirements
- Transition requirements
- Applying IFRS 15 with other IFRS Accounting Standards
- Convergence with Topic 606 *Revenue from Contracts with Customers*
- Other matters

The RFI is open for comments until 27 October 2023.

Please click to access the following:

- **Press release** on the IFRS Foundation website
- **RFI** on the IFRS Foundation website
- **IGAAP in Focus** newsletter on IAS Plus

IASB meeting (June 2023)

The IASB met on 20-22 June 2023. The following topics were discussed:

- Rate-regulated Activities
- Equity method
- Primary Financial Statements
- Second Comprehensive Review of the *IFRS for SMEs* Accounting Standard
- Disclosure Initiative—Subsidiaries without Public Accountability: Disclosures

Please click to access the following:

- **IASB Update** and **post-meeting podcast** on the IFRS Foundation website
- **Meeting page** with links to the agenda, agenda papers and recordings of the meeting on the IFRS Foundation website
- **Work plan analysis** on IAS Plus
- **Detailed meeting summaries** on IAS Plus

IFRS IC meeting (June 2023)

The IFRS Interpretations Committee (IFRS IC) met on 6-7 June 2023. The IFRS IC discussed the following items:

Items for initial consideration

- IFRS 9 *Financial Instruments*: Application of the 'Own Use' Exemption in the Light of Current Market and Geopolitical Questions
- IAS 27 *Separate Financial Statements*: Merger between a Parent and Its Subsidiary in the Separate Financial Statements

Follow-up discussion on previous matter

IAS 21 *The Effects of Changes in Foreign Exchange Rates* and IAS 29 *Financial Reporting in Hyperinflationary Economies*: Consolidation of a Non-hyperinflationary Subsidiary by a Hyperinflationary Parent

Input on IASB project

- Climate-related Risks in the Financial Statements
- Business Combinations under Common Control

Please click to access the following:

- **IFRIC Update** on the IFRS Foundation website
- **Meeting page** with links to the agenda, agenda papers and recordings of the meeting on the IFRS Foundation website
- **Detailed meeting summaries** on IAS Plus

SCC meeting (June 2023)

The Sustainability Consultative Committee (SCC) met on 2 June 2023. The SCC discussed the ISSB agenda consultation.

Please click to access the **meeting page** with links to the agenda, agenda papers and recordings of the meeting on the IFRS Foundation website.

IFRS Advisory Council meeting (June 2023)

The IFRS Advisory Council met on 8 June 2023. The IFRS Advisory Council discussed the ISSB agenda consultation.

Please click to access the **meeting page** with links to the agenda, agenda papers and recordings of the meeting on the IFRS Foundation website.

DPOC meeting (June 2023)

The Due Process Oversight Committee (DPOC) met on 13 June 2023.

The following topics were discussed:

- Update report on activities of the IASB and the IFRS Interpretations Committee
- Update report on the activities of the ISSB
- Enhancing communications about the ISSB's due process
- Correspondence

Please click to access the **meeting page** with links to the agenda, agenda papers and recordings of the meeting on the IFRS Foundation website.

CMAC-GPF meeting (June 2023)

Representatives from the IASB met with both the Capital Markets Advisory Council (CMAC) and Global Preparers Forum (GPF) on 15-16 June 2023.

The following topics were discussed:

- IASB and ISSB update
- Primary Financial Statements
- Provisions—Targeted Improvements
- Climate-related Risks in Financial Statements
- Amendments to the Classification and Measurement of Financial Instruments
- Business Combinations under Common Control

Please click to access the **meeting page** with links to the agenda, agenda papers and recordings of the meeting on the IFRS Foundation website.

Summary of the April 2023 IFASS meeting

A summary has been published of the International Forum of Accounting Standard Setters (IFASS) meeting held on 19-21 April 2023.

The following topics were discussed:

- IASB update
- IFRS 9 amendments to classification and measurement
- Public sector and not-for-profit updates
- Application of Malaysian Financial Reporting Standards to Islamic Social Finance Transactions
- Primary Financial Statements: disaggregation of expenses
- Australia's roadmap to sustainability reporting: climate-first approach
- ISSB update
- European Sustainability Reporting Standards (ESRS) update
- Global Reporting Initiative (GRI) framework
- Sustainability reporting panel—Criteria for departing from the baseline of ISSB Standards
- Connectivity between financial and sustainability reporting
- Digital assets
- Jurisdictional financial reporting priorities and updates
- Intangibles

Please click to access the **meeting summary** on IAS Plus.

IASB Chair discusses the role of financial reporting in uncertain times

At the IFRS Foundation Conference in London, IASB Chair Andreas Barckow gave a speech explaining how the IASB is working to help stakeholders address the uncertainties they are experiencing.

Please click to access the **speech** on the IFRS Foundation website.

ISSB publishes June 2023 podcast

The IFRS Foundation has published a podcast hosted by ISSB Chair Emmanuel Faber and Vice-Chair Sue Lloyd discussing a preview of the launch of the ISSB's first two standards, launch events and recent stakeholder engagements.

Please click to access the **podcast** on the IFRS Foundation website.

ISSB webcast highlights consultation on next two-year work plan

The ISSB technical staff conducted a webcast to inform on the ongoing consultation regarding the ISSB's upcoming two-year work plan. The webcast aims to engage stakeholders and gather insights for the future agenda of the board.

Please click to access the **webcast** on the IFRS Foundation website.

IFRS Foundation announces reappointments of IASB members

The Trustees of the IFRS Foundation have announced the reappointments of Tadeu Cendon and Rika Suzuki as IASB members. The two board members will begin their second five-year term starting in July 2024.

Please click to access the **press release** on the IFRS Foundation website.

ISSB opens Beijing office

The IFRS Foundation has opened a further office of the ISSB in Beijing.

Please click to access the **press release** on the IFRS Foundation website.

IFRS Foundation appoints new members to SMEIG

The Trustees of the IFRS Foundation has announced the appointment of eight new members to the SME Implementation Group (SMEIG). The appointments began on 1 July 2023.

Please click to access the **press release** on the IFRS Foundation website.

EC consults on draft delegated regulation with regard to ESRS

The European Commission (EC) has launched a consultation on a draft delegated regulation that supplements the EU Accounting Directive to specify the text of the European Sustainability Reporting Standards (ESRS) which are to be mandatory for entities as specified in the Corporate Sustainability Reporting Directive (CSRD).

The EC has modified the draft ESRS submitted by EFRAG in November 2022 to include:

- Changes to the materiality approach
- Further phasing-in of certain requirements
- Conversion of certain requirements into voluntary datapoints
- Flexibility in relation to how certain disclosure requirements can be met
- Technical adjustments to ensure coherence with the EU's legal framework
- Changes aimed at further interoperability with global standard-setting initiatives

The draft regulation indicates that ESRS would apply for financial years beginning on or after 1 January 2024 for entities already subject to the Non-financial Reporting Directive (NFRD).

The draft regulation is open for feedback until 7 July 2023.

Please click to access the following:

- **Consultation** on the EC website
- **iGAAP in Focus** newsletter on IAS Plus

IOSCO consults on goodwill

The International Organization of Securities Commissions (IOSCO) has published a consultation on goodwill, seeking input from market participants to identify good practices for addressing the risk of unrecognised impairment on accumulated goodwill balances and related disclosures arising from business combinations.

Please click to access the following on the IOSCO website:

- **Press release**
- **Consultation document**

WEF forms group to support adoption of ISSB Standards

The World Economic Forum (WEF) has announced the establishment of a 'Forum ISSB Preparers Group', comprising corporate leaders with expertise in sustainability reporting. The group aims to provide insights and practical examples to the ISSB following the release of its first sustainability standards.

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

IPSASB will develop climate-related disclosures standard

The International Public Sector Accounting Standards Board (IPSASB) has announced that, in view of the responses to its May 2022 consultation paper on public sector sustainability reporting, it will move ahead with the development of the first sustainability reporting standard for the public sector as respondents had agreed that the public sector urgently needs its own sustainability reporting standards.

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

Updates to Deloitte iGAAP manual

Available at dart.deloitte.com/iGAAP [subscribers only].

Added Deloitte Guidance

Chapter	Reference	Deloitte guidance title
D9 Reinsurance Contracts Held	5.4-1	Immediate recognition of net cost of purchasing insurance coverage held relating to events that have already occurred

Amended Deloitte Guidance

Chapter	Reference	Deloitte guidance title
A3 First-time adoption of IFRS Accounting Standards	6.4.2-1	First-time adopters applying IFRS 9 not permitted to use the hedge accounting requirements in IAS 39
A13 Income taxes	2.11.5-1	Application of IAS 12 to Pillar Two income taxes (entities that have not adopted the May 2023 amendments)
B12 First-time adoption of IFRS Accounting Standards	3.3-1	Transition to IFRS Accounting Standards: accounting policy choice to apply IAS 39's hedge accounting requirements when a first-time adopter applies IFRS 9

Deloitte IFRS communications and publications

Issuance Date	Description
02 Jun 2023	<i>iGAAP in Focus</i> —Financial reporting: IASB seeks views on the post-implementation review of the IFRS 9 impairment requirements
06 Jun 2023	<i>iGAAP in Focus</i> —Financial reporting: IASB proposes amendments to the <i>IFRS for SMEs</i> for OECD tax reform
07 Jun 2023	<i>IFRS on Point</i> —May 2023
13 Jun 2023	<i>iGAAP in Focus</i> —European sustainability reporting: European Commission consults on delegated regulation for European Sustainability Reporting Standards
28 Jun 2023	<i>iGAAP in Focus</i> —Sustainability reporting: ISSB publishes first IFRS Sustainability Disclosure Standards
03 Jul 2023	<i>iGAAP in Focus</i> —Financial reporting: IASB seeks views on the post-implementation review of IFRS 15

Comment letters

	Description	Receiving party	Comment letter deadline
Comment letters pending	IASB/ED/2023/3—International Tax Reform—Pillar Two Model Rules—Proposed Amendments to the IFRS for SMEs Standard	IASB	17/07/2023
	IASB/ED/2023/2—Amendments to the Classification and Measurement of Financial Instruments	IASB	19/07/2023
	ISSB/ED/2023/1—Methodology for Enhancing the International Applicability of the SASB Standards and SASB Standards Taxonomy Updates	ISSB	09/08/2023
	Tentative Agenda Decision—Merger between a Parent and Its Subsidiary in Separate Financial Statements (IAS 27)	IFRS IC	14/08/2023
	Request for Information—Consultation on Agenda Priorities	ISSB	01/09/2023
	Request for Information—Post-implementation Review of IFRS 9—Impairment	IASB	27/09/2023
	Request for Information—Post-implementation Review of IFRS 15 Revenue from Contracts with Customers	IASB	27/10/2023

Effective dates

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

The Deloitte Accounting Research Tool (DART) is a comprehensive online library of accounting and financial disclosures literature. **iGAAP on DART** allows access to the IFRS Standards, linking to and from:

- Deloitte's authoritative, up-to-date iGAAP manuals which provide guidance for reporting under IFRS Standards
- Model financial statements for entities reporting under IFRS Standards

In addition, our **sustainability reporting** volume of iGAAP provides guidance on disclosure requirements and recommendations which businesses must consider in light of the broader sustainability matters which can significantly drive the value of an entity.

To apply for a subscription to iGAAP on DART, click **here** to start the application process and select the iGAAP package.

For more information about iGAAP on DART, including pricing of the subscription packages, click **here**.

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