



IFRS on Point

Financial and Sustainability Reporting Developments and Information from July 2024

International Headlines

Updates to Deloitte iGAAP manual

Deloitte IFRS communications and publications

Comment letters

Effective dates

International Headlines

IASB finalises volume 11 of annual improvements

The International Accounting Standards Board (IASB) has published *Annual Improvements to IFRS Accounting Standards—Volume 11*. It contains amendments to five standards as result of the IASB's annual improvements project. The amendments are effective for annual reporting periods beginning on or after 1 January 2026.

The amendments are as follows:

- **IFRS 1: Hedge accounting by a first-time adopter:** The amendments address a potential confusion arising from an inconsistency in wording between IFRS 1:B6 and requirements for hedge accounting in IFRS 9
- **IFRS 7: Gain or loss on derecognition:** The amendments address a potential confusion in IFRS 7:B38 arising from a reference to a paragraph that was deleted from the standard when IFRS 13 was issued
- **IFRS 7: Disclosure of deferred difference between fair value and transaction price:** The amendments address an inconsistency between IFRS 7:28 and its accompanying implementation guidance that arose when consequential amendments resulting from the issuance of IFRS 13 were made to IFRS 7:28, but not to the corresponding paragraph in the implementation guidance
- **IFRS 7: Introduction and credit risk disclosures:** The amendments address a potential confusion by clarifying in IFRS 7:IG1 that the guidance does not necessarily illustrate all the requirements in the referenced paragraphs of IFRS 7 and by simplifying some explanations
- **IFRS 9: Lessee derecognition of lease liabilities:** The amendments address a potential lack of clarity in the application of the requirements in IFRS 9 to account for an extinguishment of a lessee's lease liability that arises because IFRS 9:2.1(b)(ii) includes a cross-reference to IFRS 9:3.3.1, but not to IFRS 9:3.3.3
- **IFRS 9: Transaction price:** The amendments address a potential confusion arising from a reference in Appendix A to IFRS 9 to the definition of 'transaction price' in IFRS 15 while the term 'transaction price' is used in particular paragraphs of IFRS 9 with a meaning that is not necessarily consistent with the definition of that term in IFRS 15
- **IFRS 10: Determination of a 'de facto agent':** The amendments address a potential confusion arising from an inconsistency between IFRS 10:B73 and B74 related to an investor determining whether another party is acting on its behalf by aligning the language in both paragraphs

For more information please see the following websites:

www.iasplus.com

www.deloitte.com

- **IAS 7: Cost method:** The amendments address a potential confusion in applying IAS 7:37 that arises from the use of the term 'cost method' that is no longer defined in IFRS Accounting Standards.

Please click to access the following:

- **press release** on the IFRS Foundation website
- **text of the amendments** on the Deloitte Accounting Research Tool (DART) [subscription only]
- **IGAAP in Focus** newsletter explaining the amendments on IAS Plus.

IASB proposes amendments to IAS 21 on translations to a hyperinflationary presentation currency

The IASB has proposed amendments to IAS 21 *The Effects of Changes in Foreign Exchange Rates* set out in exposure draft (ED) *Translation to a Hyperinflationary Presentation Currency* so that when an entity translates amounts from a functional currency that is the currency of a non-hyperinflationary economy to a presentation currency that is the currency of a hyperinflationary economy, the entity translates those amounts, including comparative amounts, using the closing rate at the date of the most recent statement of financial position.

Entities would be required to disclose that they have applied the method proposed in the ED, including summarised financial information about its foreign operations translated applying the proposed translation method.

The amendments would have to be applied retrospectively with the effective date yet to be determined. The comment period ends on 22 November 2024.

Please click to access the following:

- **press release** on the IFRS Foundation website
- **exposure draft** on the IFRS Foundation website
- **IGAAP in Focus** newsletter on IAS Plus.

Feedback statement on the PIR of the impairment requirements in IFRS 9

The IFRS Foundation has published a feedback statement on the PIR of the impairment requirements in IFRS 9. The feedback statement shows that the standard works as intended and provides useful information to users of financial instruments.

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

IASB meeting (July 2024)

The IASB met on 22-24 July 2024. The following topics were discussed:

- dynamic risk management
- financial instruments with characteristics of equity
- post-implementation review (PIR) of IFRS 15
- rate-regulated activities
- consistent application activities
- second comprehensive review of the *IFRS for SMEs* Accounting Standard.

Please click to access the following:

- **meeting page** with links to the agenda, agenda papers and the recording of the meeting on the IFRS Foundation website
- **detailed meeting summary** on IAS Plus.

ISSB meeting (July 2024)

The International Sustainability Standards Board (ISSB) met on 24-25 July 2024. The following topics were discussed:

- embedding interoperability in the ISSB's ongoing activities
- biodiversity, ecosystems and ecosystem services, and human capital projects
- SASB standards maintenance
- supporting implementation of IFRS S1 and IFRS S2.

Please click to access the following:

- **meeting page** with links to the agenda, agenda papers and the recording of the meeting on the IFRS Foundation website
- **detailed meeting summary** on IAS Plus.

Webcast on implementing IFRS 19

The IFRS Foundation has released a webcast offering an overview of IFRS 19 and its benefits for eligible subsidiaries as well as practical insights into its implementation.

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

Podcast on Q2 2024 IFRS IC developments

The IASB has published a podcast on the developments of the IFRS Interpretations Committee (IFRS IC) during the second quarter of 2024. Topics discussed include disclosure of revenues and expenses for reportable segments (IFRS 8).

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

ISSB publishes implementation insights podcast

The ISSB has published its second podcast in a series titled *ISSB Implementation Insights*. The podcast shares insights from the June 2024 meeting of the Transition Implementation Group on IFRS S1 and IFRS S2 (TIG).

The TIG discussed the following:

- revision of preceding period estimated amounts when estimating information from an entity in the value chain
- application of the requirements on comparative information when acquiring or disposing of a subsidiary.

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

Key insights from the 2024 IFRS Foundation Conference

The IFRS Foundation has summarised key insights from the 2024 IFRS Foundation Conference that was held on 24-25 June 2024. The conference provided perspectives on financial reporting and sustainability disclosure standards as well as insights from industry experts.

Please click to access the **key insights** on the IFRS Foundation website.

ASAF meeting (July 2024)

The Accounting Standards Advisory Forum (ASAF) met on 8-9 July 2024. The following topics were discussed:

- agenda planning and feedback from previous meetings
- financial instruments with characteristics of equity
- provisions—targeted improvements
- power purchase agreements
- business combinations—disclosures, goodwill and impairment
- carbon credits
- pollutant pricing mechanisms
- intangible assets.

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

Summary of the May 2024 EEG meeting

The IFRS Foundation has published a summary of the Emerging Economies Group (EEG) meeting held on 28-29 May 2024. The following items were discussed:

- climate-related and other uncertainties in the financial statements
- power purchase agreements
- provisions—targeted improvements
- amendments to the classification and measurement of financial instruments
- pollutant pricing mechanisms
- accounting for data resources
- going concern uncertainties
- country profile—Nepal
- update on IASB activities
- PIRs of IFRS 9 and IFRS 15
- business combinations—disclosures, goodwill and impairment.

Please click to access the **meeting summary** on the IFRS Foundation website.

Summary of the May 2024 DPOC meeting

The IFRS Foundation has published a summary of the Due Process Oversight Committee (DPOC) meeting held on 29 May 2024. The DPOC discussed the ISSB's consultation on agenda priorities.

Please click to access the **meeting summary** on the IFRS Foundation website.

Summary of the June 2024 joint CMAC-GPF meeting

The IFRS Foundation has published a summary of the joint Capital Markets Advisory Council (CMAC) and Global Preparers Forum (GPF) meeting held on 13-14 June 2024. The following topics were discussed:

- intangible assets
- statement of cash flows and related matters
- updating IFRS 19
- ED *Business Combinations—Disclosures, Goodwill and Impairment*
- ED *Contracts for Renewable Electricity*.

Please click to access the **meeting summary** on the IFRS Foundation website.

Summary of the June 2024 IFRS Foundation Trustees meeting

The IFRS Foundation has published a summary of the IFRS Foundation Trustees meeting held on 24 June 2024. The following topics were discussed:

- appointment of the IFRS Foundation managing director
- trustee-level non-executive director oversight committee.

Please click to access the **meeting summary** on the IFRS Foundation website.

Summary of the July 2024 ITCG meeting

The IFRS Foundation has published a summary of the IFRS Taxonomy Consultative Group (ITCG) meeting held on 2 July 2024. The following topics were discussed:

- review of IFRS taxonomy due process and update on power purchase agreements modelling
- fieldwork for *IFRS Accounting Taxonomy 2024 Proposed Update 1—IFRS 18 Presentation and Disclosure in Financial Statements*
- approach to the IFRS Accounting Taxonomy transition for IFRS 18
- approach to taxonomy entry points including the *IFRS for SMEs Accounting Standard* entry point
- 2024 US GAAP Meta Model Relationships Taxonomy
- update on digital financial reporting activities
- Global Reporting Initiative (GRI) digital taxonomy briefing.

Please click to access the **meeting summary** on the IFRS Foundation website.

IFRS S1 and IFRS S2 available in Arabic

The IFRS Foundation has published Arabic translations of IFRS S1 and IFRS S2.

Please click to access the translations on the IFRS Foundation website:

- **IFRS S1** in Arabic
- **IFRS S2** in Arabic.

GRI updates analysis tool on the SDGs and underlying targets

GRI has updated its analysis tool on the UN Sustainable Development Goals (SDGs) and underlying targets.

Please click to access the tool via the **press release** on the GRI website.

TNFD publishes sector guidance

The Taskforce on Nature-related Financial Disclosures (TNFD) has published the first set of additional sector guidance. The guidance includes recommended sector-specific metrics for disclosure in line with the TNFD recommendations published in September 2023.

Please click to access the mapping via the **press release** on the EFRAG website.

Two ESMA documents aimed at consistent sustainability reporting

The European Securities and Markets Authority (ESMA) has published a *Final Report on the Guidelines on Enforcement of Sustainability Information (GLES)* and a *Public Statement on the first application of the European Sustainability Reporting Standards (ESRS)*.

Please click to access the documents via the **press release** on the ESMA website.

EFRAG adds new technical explanations on ESRSs

EFRAG has added 23 new non-authoritative technical explanations to its compilation of explanations that is intended to assist stakeholders in the implementation of ESRSs.

Please click to access the compilation via the **press release** on the EFRAG website.

Switzerland consults on expanding the Swiss non-financial reporting regulation

The Federal Council of Switzerland has published a consultation that proposes changes to the non-financial reporting obligations for entities under the Swiss Code of Obligations (CO). The consultation period is open until 17 October 2024.

Please click to access the consultation document via the **press release** [in German, French and Italian only] on the Federal Council website.

Canadian pension funds warn of deviation from the ISSB baseline

Big Canadian pension funds have published a statement in which they urge the Canadian Sustainability Standards Board (CSSB) to rethink its proposals for reporting exemptions on sustainability-related disclosures, Scope 3 disclosures and scenario analysis.

Please click to access the **statement** on the University Pension Plan website.

IVSC launches agenda consultation 2024

The International Valuation Standards Council (IVSC) has published its 2024 agenda consultation, inviting stakeholders to provide their input on key valuation topics that are crucial for the ongoing development of the International Valuation Standards (IVS).

Please click to access the **consultation document** on the IVSC website.

Updates to Deloitte iGAAP manual

Available at dart.deloitte.com/iGAAP [on subscription only].

Added Deloitte guidance

Chapter	Reference	Deloitte guidance title
A12 Provisions, contingent liabilities and contingent assets	8.10-1	Climate-related commitments – example
A13 Income taxes	4.6.6-2	Acquired transferable tax credits – example
A14 Revenue from contracts with customers	3.5.1-3	Sale of inventory within a corporate wrapper
A31 Earnings per share	4.2.6-1	Treasury shares presented as if they are financial assets – numerator
A31 Earnings per share	4.3.5-3	Treasury shares presented as if they are financial assets – denominator
B8 Recognition and derecognition	3.1.4.9-1	Determining whether an asset is transferred when a portion of cash flows is subject to pass-through and the remainder is subject to a forward sale – example
D1 What is an insurance contract?	2.3.3-1	Magnitude of a loss on a present value basis required to consider an insurance risk to be significant
D2 Scope of IFRS 17	6.3.1-1B	Investment component in reinsurance contracts issued

D6 Subsequent measurement	1.5-1	Accounting for an insurer's 'cash-back' obligation that vests over a period longer than the coverage of the insurance contract
D6 Subsequent measurement	1.5-2	Accounting for an insurer's 'cash-back' obligation that vests over a period longer than the coverage of the insurance contract – example
D7 Onerous Contracts	4.1-1	Systematic allocation of loss component under IFRS 17:50(a)
D9 Reinsurance contracts held	6.5-1	Impact on CSM of changes in fulfilment cash flows relating to future services when CSM of underlying onerous group is not adjusted
D13 Primary financial statements	2.2.4-1A	Impact on required disclosures regarding the recognised amounts when an entity adopts an accounting policy of presenting amounts arising from a group of reinsurance contracts held as a single line item (net presentation)
D13 Primary financial statements	2.2.4-3	Presentation of reinsurance contracts held with a 'funds withheld arrangement' when an entity chooses to present income or expenses from reinsurance contracts held separately

Amended Deloitte guidance

Chapter	Reference	Deloitte guidance title
A13 Income taxes	4.6.6-1	Acquisition of tax losses at less than fair value – example
A16 Share-based payment	8.4.5-1	Debit entry when a parent accounts for a group share-based payment transaction as cash-settled in its separate financial statements – example
A25 Business combinations	8.3.3.3-1	Contingent payments to selling shareholders who are employees

Deloitte IFRS communications and publications

Publication Date	Description
03 July 2024	<i>IFRS on Point—June 2024</i>
23 July 2024	<i>iGAAP in Focus—Financial reporting: IASB issues amendments to IFRS Accounting Standards as part of its annual improvements process</i>
23 July 2024	<i>IPSAS in your pocket—July 2024 edition</i>
26 July 2024	<i>iGAAP in Focus—Financial reporting: IASB proposes amendments to IAS 21 on translations to a hyperinflationary presentation currency</i>

Comment letters

	Description	Receiving party	Comment letter submitted/deadline
Comment letters submitted	<i>IASB/ED/2024/1 Business Combinations—Disclosures, Goodwill and Impairment</i>	IASB	15 July 2024
	<i>IASB/ED/2024/2 Addendum to the Exposure Draft Third edition of the IFRS for SMEs Accounting Standard</i>	IASB	19 July 2024

	IASB/ED/2024/3 Contracts for Renewable Electricity	IASB	07 August 2024
	Tentative Agenda Decision: Classification of Cash Flows related to Variation Margin Calls on 'Collateralised-to-Market' Contracts (IAS 7)	IFRS IC	19 August 2024
Comment letters pending	Proposed IFRS Taxonomy Update 2024: IFRS 18 Presentation and Disclosure in Financial Statements	IASB	03 September 2024
	Proposed revisions to GRI 202: Market Presence, GRI 401: Employment and GRI 402: Labor/ Management Relations	GRI	04 October 2024
	IASB/ED/2024/4 Translation to a Hyperinflationary Presentation Currency	IASB	22 November 2024

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
- illustrative financial statements for entities reporting under IFRS Accounting Standards.

In addition, our **sustainability reporting** volumes of iGAAP provide 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](#).

Key contacts

Global IFRS and Corporate Reporting Leader

Veronica Poole

ifrsglobalofficeuk@deloitte.co.uk

IFRS Centres of Excellence

Americas		
<i>Argentina</i>	Fernando Lattuca	arifrscoe@deloitte.com
<i>Canada</i>	Karen Higgins	ifrsca@deloitte.ca
<i>Mexico</i>	Kevin Nishimura	mx_ifrs_coe@deloittemx.com
<i>United States</i>	Magnus Orrell	iasplus-us@deloitte.com
	Ignacio Perez	iasplus-us@deloitte.com
Asia-Pacific		
<i>Australia</i>	Anna Crawford	ifrs@deloitte.com.au
<i>China</i>	Mateusz Lasik	ifrs@deloitte.com.cn
<i>Japan</i>	Kazuaki Furuuchi	ifrs@tohatsu.co.jp
<i>Singapore</i>	Lin Leng Soh	ifrs-sg@deloitte.com
Europe-Africa		
<i>Belgium</i>	Thomas Carlier	ifrs-belgium@deloitte.com
<i>Denmark</i>	Søren Nielsen	ifrs@deloitte.dk
<i>France</i>	Irène Piquin Gable	ifrs@deloitte.fr
<i>Germany</i>	Jens Berger	ifrs@deloitte.de
<i>Italy</i>	Massimiliano Semprini	ifrs-it@deloitte.it
<i>Luxembourg</i>	Jeremy Page	ifrs@deloitte.lu
<i>Netherlands</i>	Ralph Ter Hoeven	ifrs@deloitte.nl
<i>South Africa</i>	Nita Ranchod	ifrs@deloitte.co.za
<i>Spain</i>	Jose Luis Daroca	ifrs@deloitte.es
<i>Sweden</i>	Fredrik Walmeus	seifrs@deloitte.se
<i>Switzerland</i>	Nadine Kusche	ifrsdesk@deloitte.ch
<i>United Kingdom</i>	Elizabeth Chrispin	deloitteifrs@deloitte.co.uk



Deloitte refers to one or more of Deloitte Touche Tohmatsu Limited (“DTTL”), its global network of member firms, and their related entities (collectively, the “Deloitte organisation”). DTTL (also referred to as “Deloitte Global”) and each of its member firms and related entities are legally separate and independent entities, which cannot obligate or bind each other in respect of third parties. DTTL and each DTTL member firm and related entity is liable only for its own acts and omissions, and not those of each other. DTTL does not provide services to clients. Please see www.deloitte.com/about to learn more.

Deloitte provides industry-leading audit and assurance, tax and legal, consulting, financial advisory and risk advisory services to nearly 90% of the Fortune Global 500® and thousands of private companies. Our people deliver measurable and lasting results that help reinforce public trust in capital markets, enable clients to transform and thrive, and lead the way toward a stronger economy, a more equitable society and a sustainable world. Building on its 175-plus year history, Deloitte spans more than 150 countries and territories. Learn how Deloitte’s more than 450,000 people worldwide make an impact that matters at www.deloitte.com.

This communication contains general information only, and none of Deloitte Touche Tohmatsu Limited (“DTTL”), its global network of member firms or their related entities (collectively, the “Deloitte organisation”) is, by means of this communication, rendering professional advice or services. Before making any decision or taking any action that may affect your finances or your business, you should consult a qualified professional adviser.

No representations, warranties or undertakings (express or implied) are given as to the accuracy or completeness of the information in this communication, and none of DTTL, its member firms, related entities, employees or agents shall be liable or responsible for any loss or damage whatsoever arising directly or indirectly in connection with any person relying on this communication. DTTL and each of its member firms, and their related entities, are legally separate and independent entities.

© 2024. For information, contact Deloitte Global.

Designed by Deloitte CoRe Creative Services. RITM1822216