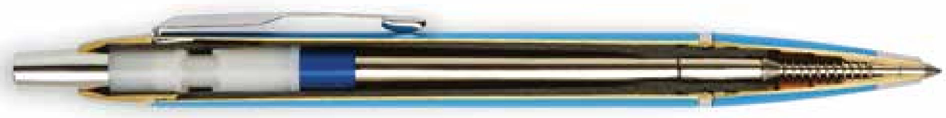
Deloitte.

Reporting new IFRS requirements to the Board of Directors/Audit Committee.

Calendar 2013 financial statements and thereafter



Assurance & Advisory
Leading business advisers

November 2013

Contents

Introduction

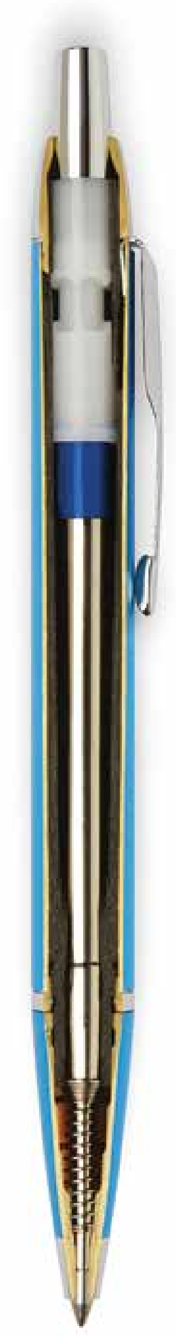
For calendar 2013 reporters there are nine changes to IFRS that will apply mandatorily for the first time to their 2013 annual report prepared in accordance with the IFRS endorsed for use in the EU:

- Severe Hyperinflation and Removal of Fixed Dates for First-time Adopters (Amendments to IFRS 1)
- Deferred Tax: Recovery of Underlying Assets (Amendments to IAS 12)
- Presentation of Items of Other Comprehensive Income (Amendments to IAS 1)
- Amendments to IAS 19 Employee Benefits
- IFRS 13 Fair Value Measurement
- Government Loans (Amendments to IFRS 1)
- IFRIC 20 Stripping Costs in the Production Phase of a Surface Mine
- Disclosures — Offsetting Financial Assets and Financial Liabilities (Amendments to IFRS 7)
- Improvements to IFRSs (2009-2011)

A comprehensive list of "new" IFRS Standards, Interpretations and Amendments issued up to 1 November 2013 along with their effective dates follows. Links are given to the various Deloitte publications that further explain the accounting matters for those who require more detail.

Material listed under the heading "Applicable to periods beginning on or after 1 January 2014" summarise the matters that are first mandatory for 2014 calendar reporters, which may be adopted early subject to having first been endorsed by the EU.

The latest published IASB's work plan has also been included in this document.



New IFRS requirements for calendar 2013 reporters and thereafter

New or revised requirement	More information
• Severe Hyperinflation and Removal of Fixed Dates for First-time Adopters (Amendments to IFRS 1): • Deferral tax; Recovery of Underlying Assets (Amendments to IAS 12) • Presentation of Items of Other Comprehensive Income (Amendment to IAS 1) • Amendments to IAS 19 Employee Benefits • IFRS 13 Fair Value Measurement • Government loans (Amendments to IFRS 1) • IFRIC 20 Stripping Costs in the Production Phase of a Surface Mine • Disclosures - Offsetting Financial Assets and Financial Liabilities (Amendments to IFRS 7) • Improvements to IFRSs (2009-2011)	
Severe Hyperinflation and Removal of Fixed Dates for First-time Adopters (Amendments to IFRS 1) Amends IFRS 1 First-time Adoption of International Financial Reporting Standards (IFRSs) to: • Replace references to a fixed date of '1 January 2004' with 'the date of transition to IFRSs', thus eliminating the need for companies adopting IFRSs for the first time to restate derecognition transactions that occurred before the date of transition to IFRSs • Provide guidance on how an entity should resume presenting financial statements in accordance with IFRSs after a period when the entity was unable to comply with IFRSs because its functional currency was subject to severe hyperinflation. EU endorsement: 11 December 2012 with an effective date of financial years starting on or after 1 January 2013 (IASB: periods beginning on or after 1 July 2011).	IFRS in Focus Newsletter ('fixed dates', PDF 77k) IFRS in Focus Newsletter (severe hyperinflation, PDF 59k)
Deferred Tax: Recovery of Underlying Assets (Amendments to IAS 12) Amends IAS 12 Income Taxes to provide a presumption that recovery of the carrying amount of an asset measured using the fair value model in IAS 40 Investment Property will, normally, be through sale. As a result of the amendments, SIC-21 Income Taxes — Recovery of Revalued Non-Depreciable Assets would no longer apply to investment properties carried at fair value. The amendments also incorporate into IAS 12 the remaining guidance previously contained in SIC-21, which is accordingly withdrawn. EU endorsement: 11 December 2012 with an effective date of financial years starting on or after 1 January 2013 (IASB: periods beginning on or after 1 January 2012).	IFRS in Focus Newsletter (PDF 61k)
Presentation of Items of Other Comprehensive Income (Amendments to IAS 1) Amends IAS 1 Presentation of Financial Statements to revise the way other comprehensive income is presented. The amendments: • Preserve the amendments made to IAS 1 in 2007 to require profit or loss and OCI to be presented together, i.e. either as a single 'statement of profit or loss and comprehensive income', or a separate 'statement of profit or loss' and a 'statement of comprehensive income' – rather than requiring a single continuous statement as was proposed in the exposure draft • Require entities to group items presented in OCI based on whether they are potentially re-classifiable to profit or loss subsequently. i.e. those that might be reclassified and those that will not be reclassified • Require tax associated with items presented before tax to be shown separately for each of the two groups of OCI items (without changing the option to present items of OCI either before tax or net of tax). EU endorsement: 5 June 2012 (with same effective date as IASB: periods beginning on or after 1 July 2012).	IFRS in Focus Newsletter (PDF 67k)

New or revised requirement	More information
Amendments to IAS 19 Employee Benefits An amended version of IAS 19 Employee Benefits with revised requirements for pensions and other post retirement benefits, termination benefits and other changes. The key amendments include: • Requiring the recognition of changes in the net defined benefit liability (asset) including immediate recognition of defined benefit cost, disaggregation of defined benefit cost into components, recognition of remeasurements in other comprehensive income, plan amendments, curtailments and settlements (eliminating the 'corridor approach' permitted by the existing IAS 19) • Introducing enhanced disclosures about defined benefit plans • Modifying accounting for termination benefits, including distinguishing benefits provided in exchange for service and benefits provided in exchange for the termination of employment and affect the recognition and measurement of termination benefits • Clarifying various miscellaneous issues, including the classification of employee benefits, current estimates of mortality rates, tax and administration costs and risk-sharing and conditional indexation features • Incorporating other matters submitted to the IFRS Interpretations Committee. EU endorsement: 5 June 2012.	IFRS in Focus Newsletter (PDF 72k) Our summary of IAS 19(R)
IFRS 13 Fair Value Measurement Replaces the guidance on fair value measurement in existing IFRS accounting literature with a single standard. The IFRS is the result of joint efforts by the IASB and FASB to develop a converged fair value framework. The IFRS defines fair value, provides guidance on how to determine fair value and requires disclosures about fair value measurements. However, IFRS 13 does not change the requirements regarding which items should be measured or disclosed at fair value. IFRS 13 applies when another IFRS requires or permits fair value measurements or disclosures about fair value measurements (and measurements, such as fair value less costs to sell, based on fair value or disclosures about those measurements). With some exceptions, the standard requires entities to classify these measurements into a 'fair value hierarchy' based on the nature of the inputs: • **Level 1** - quoted prices in active markets for identical assets or liabilities that the entity can access at the measurement date • **Level 2** - inputs other than quoted market prices included within Level 1 that are observable for the asset or liability, either directly or indirectly • **Level 3** - unobservable inputs for the asset or liability Entities are required to make various disclosures depending upon the nature of the fair value measurement (e.g. whether it is recognised in the financial statements or merely disclosed) and the level in which it is classified. EU endorsement: 11 December 2012.	IFRS in Focus Newsletter (PDF 78k) Our Summary of IFRS 13

New or revised requirement	More information
Government Loans (Amendments to IFRS 1) Amends IFRS 1 First-time Adoption of International Financial Reporting Standards to address how a first-time adopter would account for a government loan with a below-market rate of interest when transitioning to IFRSs. The amendments mirror the requirements for existing IFRS preparers in relation to the application of amendments made to IAS 20 Accounting for Government Grants and Disclosure of Government Assistance in relation to accounting for government loans. First-time adopters of IFRSs are permitted to apply the requirements in paragraph 10A of IAS 20 only to new loans entered into after the date of transition to IFRSs. The first-time adopter is required to apply IAS 32 Financial Instruments: Presentation to classify the loan as a financial liability or an equity instrument at the transition date. However, if it did not, under its previous GAAP, recognise and measure a government loan at a below-market rate of interest on a basis consistent with IFRS requirements, it would be permitted to apply the previous GAAP carrying amount of the loan at the date of transition as the carrying amount of the loan in the opening IFRS statement of financial position. An entity would then apply IAS 39 (or IFRS 9 if incorporated outside the EU) in measuring the loan after the transition date. EU endorsement: 4 March 2013.	IFRS in Focus March 2012
IFRIC 20 Stripping Costs in the Production Phase of a Surface Mine Clarifies the requirements for accounting for stripping costs associated with waste removal in surface mining, including when production stripping costs should be recognised as an asset, how the asset is initially recognised, and subsequent measurement. The Interpretation requires stripping activity costs which provide improved access to ore are recognised as a non-current 'stripping activity asset' when certain criteria are met. The stripping activity asset is depreciated or amortised on a systematic basis, over the expected useful life of the identified component of the ore body that becomes more accessible as a result of the stripping activity, using the units of production method unless another method is more appropriate. EU endorsement: 11 December 2012.	IFRS in Focus Newsletter (PDF 66k)
Disclosures - Offsetting Financial Assets and Financial Liabilities (Amendments to IFRS 7) Amends the disclosure requirements in IFRS 7 Financial Instruments: Disclosure to require information about all recognised financial instruments that are set off in accordance with paragraph 42 of IAS 32 Financial Instruments: Presentation. The amendments also require disclosure of information about recognised financial instruments subject to enforceable master netting arrangements and similar agreements even if they are not set off under IAS 32. The IASB believes that these disclosures will allow financial statement users to evaluate the effect or potential effect of netting arrangements, including rights of set-off associated with an entity's recognised financial assets and recognised financial liabilities, on the entity's financial position. EU endorsement: 13 December 2012.	IFRS in Focus December 2011
Improvements to IFRSs (2009-2011) Makes amendments to the following standards: • IFRS 1 - Permit the repeated application of IFRS 1, borrowing costs on certain qualifying assets • IAS 1 - Clarification of the requirements for comparative information • IAS 16 - Classification of servicing equipment • IAS 32 - Clarify that tax effect of a distribution to holders of equity instruments should be accounted for in accordance with IAS 12 Income Taxes • IAS 34 - Clarify interim reporting of segment information for total assets in order to enhance consistency with the requirements in IFRS 8 Operating Segments EU endorsement: 27 March 2013.	IFRS in Focus May 2012

New IFRS requirements first applicable to periods beginning on or after 1 January 2014	
New or revised requirement	**More information**
• IAS 27 Separate Financial Statements (2011) • IAS 28 Investments in Associates and Joint Ventures (2011) • IFRS 10 Consolidated Financial Statements • IFRS 11 Joint Arrangements • IFRS 12 Disclosure of Interests in Other Entities • Consolidated Financial Statements, Joint Arrangements and Disclosure of Interests in Other Entities: Transition Guidance • Investment Entities (Amendments to IFRS 10, IFRS 12 and IAS 27) • Offsetting Financial Assets and Financial Liabilities (Amendments to IAS 32) • Recoverable Amount Disclosures for Non-Financial Assets (Amendments to IAS 36) • Novation of Derivatives and Continuation of Hedge Accounting (Amendments to IAS 39) • IFRIC Interpretation 21 Levies	
IAS 27 Separate Financial Statements (2011) Amended version of IAS 27 which now only deals with the requirements for separate financial statements, which have been carried over largely unamended from IAS 27 Consolidated and Separate Financial Statements. Requirements for consolidated financial statements are now contained in IFRS 10 Consolidated Financial Statements. The Standard requires that when an entity prepares separate financial statements, investments in subsidiaries, associates, and jointly controlled entities are accounted for either at cost, or in accordance with IAS 39 Financial Instruments Recognition and Measurement (From 2015: IFRS 9). The Standard also deals with the recognition of dividends, certain group reorganisations and includes a number of disclosure requirements. Note: Entities early adopting this standard must also adopt the other standards included in the 'suite of five' standards on consolidation, joint arrangements and disclosures: IFRS 10 'Consolidated Financial Statements', IFRS 11 'Joint Arrangements', IFRS 12 'Disclosure of Interests in Other Entities' and IAS 28 'Investments in Associates and Joint Ventures' (2011). EU endorsement: 11 December 2012 with an effective date for periods commencing on or after 1 January 2014. IASB effective date: periods commencing on or after 1 January 2013.	Our Summary of IAS 27(2011)
IAS 28 Investments in Associates and Joint Ventures (2011) This Standard supersedes IAS 28 Investments in Associates and prescribes the accounting for investments in associates and sets out the requirements for the application of the equity method when accounting for investments in associates and joint ventures. The Standard defines 'significant influence' and provides guidance on how the equity method of accounting is to be applied (including exemptions from applying the equity method in some cases). It also prescribes how investments in associates and joint ventures should be tested for impairment. Note: Entities early adopting this standard must also adopt the other standards included in the 'suite of five' standards on consolidation, joint arrangements and disclosures: IFRS 10 'Consolidated Financial Statements', IFRS 11 'Joint Arrangements', IFRS 12 'Disclosure of Interests in Other Entities' and IAS 27 'Separate Financial Statements' (2011). EU endorsement: 11 December 2012 with an effective date for periods commencing on or after 1 January 2014. IASB effective date: periods commencing on or after 1 January 2013.	Our Summary of IAS 28(2011)

<table>
<tr><th>New or revised requirement</th><th>More information</th></tr>
<tr><td>IFRS 10 Consolidated Financial Statements
Requires a parent to present consolidated financial statements as those of a single economic entity, replacing the requirements previously contained in IAS 27 Consolidated and Separate Financial Statements and SIC-12 Consolidation - Special Purpose Entities.

The Standard identifies the principles of control, determines how to identify whether an investor controls an investee and therefore must consolidate the investee, and sets out the principles for the preparation of consolidated financial statements.

The Standard introduces a single consolidation model for all entities based on control, irrespective of the nature of the investee (i.e. whether an entity is controlled through voting rights of investors or through other contractual arrangements as is common in ‘special purpose entities’). Under IFRS 10, control is based on whether an investor has:
• Power over the investee
• Exposure, or rights, to variable returns from its involvement with the investee, and
• The ability to use its power over the investee to affect the amount of the returns.

Note: Entities early adopting this standard must also adopt the other standards included in the ‘suite of five’ standards on consolidation, joint arrangements and disclosures: IFRS 10 ‘Consolidated Financial Statements’, IFRS 11 ‘Joint Arrangements’, IFRS 12 ‘Disclosure of Interests in Other Entities’, IAS 27 ‘Separate Financial Statements’ (2011) and IAS 28 ‘Investments in Associates and Joint Ventures’ (2011).

EU endorsement: 11 December 2012 with an effective date for periods commencing on or after 1 January 2014. IASB effective date: periods commencing on or after 1 January 2013.</td><td>IFRS in Focus Newsletter (IFRS 10: PDF 82k)

Our Summary of IFRS 10</td></tr>
<tr><td>IFRS 11 Joint Arrangements
Replaces IAS 31 Interests in Joint Ventures. Requires a party to a joint arrangement to determine the type of joint arrangement in which it is involved by assessing its rights and obligations and then account for those rights and obligations in accordance with that type of joint arrangement.

Joint arrangements are either joint operations or joint ventures:
• A joint operation is a joint arrangement whereby the parties that have joint control of the arrangement (joint operators) have rights to the assets, and obligations for the liabilities, relating to the arrangement. Joint operators recognise their assets, liabilities, revenue and expenses in relation to its interest in a joint operation (including their share of any such items arising jointly)
• A joint venture is a joint arrangement whereby the parties that have joint control of the arrangement (joint venturers) have rights to the net assets of the arrangement. A joint venturer applies the equity method of accounting for its investment in a joint venture in accordance with IAS 28 Investments in Associates and Joint Ventures (2011). Unlike IAS 31, the use of ‘proportionate consolidation’ to account for joint ventures is not permitted.

Note: Entities early adopting this standard must also adopt the other standards included in the ‘suite of five’ standards on consolidation, joint arrangements and disclosures: IFRS 10 ‘Consolidated Financial Statements’, IFRS 12 ‘Disclosure of Interests in Other Entities’, IAS 27 ‘Separate Financial Statements’ (2011) and IAS 28 ‘Investments in Associates and Joint Ventures’ (2011).

EU endorsement: 11 December 2012 with an effective date for periods commencing on or after 1 January 2014. IASB effective date: periods commencing on or after 1 January 2013.</td><td>IFRS in Focus Newsletter (PDF 69k)

Our Summary of IFRS 11</td></tr>
</table>

<table>
<tr><th>New or revised requirement</th><th>More information</th></tr>
<tr><td>IFRS 12 Disclosure of Interests in Other Entities
Requires the extensive disclosure of information that enables users of financial statements to evaluate the nature of, and risks associated with, interests in other entities and the effects of those interests on its financial position, financial performance and cash flows.

In high-level terms, the required disclosures are grouped into the following broad categories:
• Significant judgements and assumptions - such as how control, joint control, significant influence has been determined
• Interests in subsidiaries - including details of the structure of the group, risks associated with structured entities, changes in control, and so on
• Interests in joint arrangements and associates - the nature, extent and financial effects of interests in joint arrangements and associates (including names, details and summarised financial information)
• Interests in unconsolidated structured entities - information to allow an understanding of the nature and extent of interests in unconsolidated structured entities and to evaluate the nature of, and changes in, the risks associated with its interests in unconsolidated structured entities.

IFRS 12 lists specific examples and additional disclosures which further expand upon each of these disclosure objectives, and includes other guidance on the extensive disclosures required.
No consequential amendments were made to IAS 34 on issuance of IFRS 12 and, as such, the requirements of IFRS 12 do not directly apply to interim financial statements. However, entities should consider whether any details of interests in other entities should be disclosed as part of the general requirement of paragraph 15 of IAS 34 to disclose significant events and transactions in the period.
Note: Entities are encouraged to voluntarily provide the information required by IFRS 12 prior to its adoption. Providing some of the disclosures required by IFRS 12 does not compel an entity to comply with all of the requirements of the IFRS or to also apply the other standards included in the ‘suite of five’ standards on consolidation, joint arrangements and disclosures: IFRS 10 ‘Consolidated Financial Statements’, IFRS 11 ‘Joint Arrangements’, IAS 27 ‘Separate Financial Statements’ (2011) and IAS 28 ‘Investments in Associates and Joint Ventures’ (2011).

EU endorsement: EU endorsement: 11 December 2012 with an effective date for periods commencing on or after 1 January 2014. IASB effective date: periods commencing on or after 1 January 2013.</td><td>IFRS in Focus Newsletter (PDF 65k)

Our Summary of IFRS 12</td></tr>
<tr><td>Consolidated Financial Statements, Joint Arrangements and Disclosure of Interests in Other Entities: Transition Guidance
Issued 28 June 2012, this document amends IFRS 10 Consolidated Financial Statements, IFRS 11 Joint Arrangements and IFRS 12 Disclosure of Interests in Other Entities (issued May 2011) to provide additional transition relief by limiting the requirement to provide adjusted comparative information to only the preceding comparative period. Also, amendments to IFRS 11 and IFRS 12 eliminate the requirement to provide comparative information for periods prior to the immediately preceding period.

EU endorsement: 4 April 2013 European effective date of 1 January 2014 (IASB effective date: 1 Janurary 2013).</td><td>IFRS in Focus July 2012</td></tr>
</table>

<table>
<tr><th>New or revised requirement</th><th>More information</th></tr>
<tr><td>Investment Entities (Amendments to IFRS 10, IFRS 12 and IAS 27)
The IASB published “Investment Entities (Amendments to IFRS 10, IFRS 12 and IAS 27)” on 31 October 2012 exempting investment entities with subsidiaries from IFRS 10’s consolidation requirements. Instead, such entities are to measure their investment in particular subsidiaries at fair value through profit or loss.
To be exempt the investment entity must do all of the following:
• Obtain funds from an investor or investors and provide the investor(s) with professional investment management services
• Commit to its investor(s) that its business purpose and only substantive activities are investing the funds for returns from capital appreciation, investment income, or both
• Measure and evaluate the performance of substantially all of its investments on a fair value basis.
The amendments provide that an investment entity should have the following typical characteristics:
• Multiple investments
• Multiple investors
• Investors that are not related to the parent entity or the investment manager
• Ownership interests in the form of equity or partnership interests
If an entity does not meet one or more of these typical characteristics, it is required to justify and disclose how its activities continue to be consistent with that of an investment entity. Additional guidance is provided on detailed specifics in determining whether an entity is an investment entity, such as the impacts of being involved in the day-to-day management of an investee or providing investment-related services to third parties, the nature of the entity, and how the entity measures and manages its financial liabilities.
The types of entities which may meet the definition of an investment entity may include private equity organisations, venture capital organisations, pension funds, sovereign wealth funds and other investment funds.
The new requirements are applicable to annual periods beginning on or after 1 January 2014, a year later than the IASB’s effective date for IFRS 10 but coincidentally in line with the timing of adoption for EU endorsed IFRS.

EU endorsement: expected in Q4 2013.</td><td>IFRS in Focus November 2012</td></tr>
<tr><td>Offsetting Financial Assets and Financial Liabilities (Amendments to IAS 32)
Amends IAS 32 Financial Instruments: Presentation to clarify certain aspects because of diversity in application of the requirements on offsetting, focused on four main areas:
• the meaning of ’currently has a legally enforceable right of set-off’
• the application of simultaneous realisation and settlement
• the offsetting of collateral amounts
• the unit of account for applying the offsetting requirements.

EU endorsement: 13 December 2012.</td><td>IFRS in Focus December 2011</td></tr>
<tr><td>Recoverable Amount Disclosures for Non-Financial Assets (Amendments to IAS 36)
Amends IAS 36 Impairment of Assets to reduce the circumstances in which the recoverable amount of assets or cash-generating units is required to be disclosed, clarify the discloures required, and to, introduce explicit requirement to disclose the discount rate used in determining impairment (or reversals) where recoverable amount (based on fair value less costs of disposal) is determined using a present value technique.
EU Endorsement: Expected in Q4 2013.</td><td>IFRS in Focus February 2013</td></tr>
<tr><td>Novation of Derivatives and Continuation of Hedge Accounting (Amendments to IAS 39)
Amends IAS 39 Financial Instruments: Recognition and Measurement to make it clear that there is no need to discontinue hedge accounting if a hedging derivative is novated, provided certain criteria are met.
A novation indicates an event where the original parties to a derivative agree that one or more clearing counterparties replace their original counterparty to become the new counterparty to each of the parties. In order to apply the amendments and continue hedge accounting, novation to a central counterparty (CCP) must happen as a consequence of laws or regulations or the introduction of laws or regulations.

EU Endorsement: Expected in Q4 2013.</td><td>IFRS in Focus June 2013</td></tr>
</table>

New or revised requirement	More information
IFRIC 21 Levies Provides guidance on when to recognize a liability for a levy imposed by a government, both for levies that are accounted for in accordance with IAS 37 Provisions, Contingent Liabilities and Contingent Assets and those where the timing and amount of the levy is certain. The Interpretation identifies the obligating event for the recognition of a liability as the activity that triggers the payment of the levy in accordance with the relevant legislation. It provides the following guidance on recognition of a liability to pay levies: • The liability is recognized progressively if the obligating event occurs over a period of time. • If an obligation is triggered on reaching a minimum threshold, the liability is recognized when that minimum is reached. EU Endorsement: expected in Q1 2014.	IFRS in Focus May 2013

Other Matters

Effective on publication	More information
Editorial Corrections to IFRSs The IASB periodically issues Editorial Corrections and changes to IFRSs and other pronouncements. Since January 2011, such corrections have been made in February 2011, March 2011, April 2011, May 2011, June 2011 (revised October 2011), November 2011, February 2012, July 2012, March 2013 and September 2013. As minor editorial corrections, these changes are effectively immediately applicable under IFRS.	Editorial corrections
Non-mandatory statement	
International Financial Reporting Standard (IFRS) Practice Statement - Management Commentary A broad, non-binding framework for the presentation of narrative reporting to accompany financial statements prepared in accordance with IFRSs. *Note: The Practice Statement is not an IFRS. Consequently, entities applying IFRSs are not required to comply with the Practice Statement, unless specifically required by their jurisdiction. Furthermore, non-compliance with the Practice Statement will not prevent an entity's financial statements from complying with IFRSs, if they otherwise do so. An entity may apply the Practice Statement to management commentary presented prospectively from 8 December 2010.*	IFRS in Focus Newsletter (PDF 91k) Our Summary of the Statement
No effective date	
International Financial Reporting Standard for Small and Medium-sized Entities (IFRS for SMEs) This Standard provides an alternative framework that can be applied by eligible entities in place of the full set of International Financial Reporting Standards (IFRSs) on issue. The IFRS for SMEs is a self-contained Standard, incorporating accounting principles that are based on full IFRSs but that have been simplified to suit the entities within its scope (known as SMEs). By removing some accounting treatments permitted under full IFRSs, eliminating topics and disclosure requirements that are not generally relevant to SMEs, and simplifying requirements for recognition and measurement, the IFRS for SMEs reduces the volume of accounting requirements applicable to SMEs by more than 90 per cent when compared with the full set of IFRSs. The IASB has not set an effective date for the Standard because the decision as to whether to adopt the IFRS for SMEs (and also, therefore, the timing for adoption) is a matter for each jurisdiction. **Q&As** The SME Implementation Group (SMEIG) develops non-mandatory guidance for implementing the IFRS for SMEs in the form of questions and answers (Q&As). These Q&As can be accessed via the IASB's website. **Micro entities** In July 2012, the International Accounting Standards Board (IASB) staff, along with the SME Implementation Group, announced that they are to develop guidance suitable for micro-sized entities that are applying the IFRS for SMEs. The IASB staff will use the IFRS for SMEs to identify requirements that are necessary for most micro-sized entities. Guidance will then be developed based on those requirements without changing the principles for recognising and measuring assets, liabilities, income, and expenses. The guidance will cross-references IFRS for SMEs for matters not dealt with in the guidance. Accordingly, it is intended that micro entities applying the guidance will still be able to refer to conformity with the IFRS for SMEs.	IAS Plus Update Newsletter (PDF 86k) Our Summary IFRS for SMEs

IASB work plan - projected targets as at 5 November 2013

Major IFRS				
Next major project milestone				
	2013 Q4	2014 Q1	2014 Q2	2014 Q3
IFRS 9: Financial Instruments (replacement of IAS 39)				
Classification and Measurement (Limited Amendments)		Target IFRS		
Impairment		Target IFRS		
Hedge Accounting	Target IFRS			
Accounting for Macro Hedging		Target DP		
	2013 Q4	2014 Q1	2014 Q2	2014 Q3
Insurance Contracts [comment period ends 25 October 2013]	Redeliberations			
Leases	Redeliberations			
Rate-regulated Activities				
Interim IFRS		Target IFRS		
Rate Regulation		Target DP		
Revenue Recognition		Target IFRS		
IFRS for SMEs: Comprehensive Review 2012 - 2014 (see IASB's project page)				

Implementation				
Next major project milestone				
	2013 Q4	2014 Q1	2014 Q2	2014 Q3
Acquisition of an Interest in a Joint Operation (Proposed amendments to IFRS 11)		Target IFRS		
Actuarial Assumptions: Discount Rate (Proposed amendments to IAS 19)	TBD			
Defined Benefit Plans: Employee Contributions (Proposed amendments to IAS 19)	Target IFRS			
Annual Improvements 2010-2012	Target IFRS			
Annual Improvements 2011-2013	Target IFRS			
Annual Improvements 2012-2014	Target ED			
Bearer Plants (Proposed amendments to IAS 41)		Redeliberations		
Clarification of Acceptable Methods of Depreciation and Amortisation (Proposed amendments to IAS 16 and IAS 38)		Target IFRS		

IASB work plan - (continued)

	2013 Q4	2014 Q1	2014 Q2	2014 Q3
Disclosure Intiative				
Amendments to IAS 1 (Disclosure Intiative)		Target ED		
Disclosure Requirements about Assessment of Going Concern (Proposed amendments to IAS 1) (Now part of the Disclosure Intiative)		Target ED		
Elimination of gains arising from 'downstream' transactions (Proposed amendments to IAS 28)		Target ED		
Equity Method: Share of Other Net Asset Changes (Proposed amendments to IAS 28)		Target IFRS		
Fair Value Measurement: Unit of Account		Target ED		
Put Options Written on Non-controlling Interests (Proposed amendments to IAS 32)		Target ED		
Recognition of Deferred Tax Assets for Unrealised Losses (Proposed amendments to IAS 12)			Target ED	
Sale or Contribution of Assets between an Investor and its Associate or Joint Venture (Proposed amendments to IFRS 10 and IAS 28)		Target IFRS		
Separate Financial Statements (Equity Method) (Proposed amendments to IAS 27)	Target ED			
Post Implementation reviews	2013 Q4	2014 Q1	2014 Q2	2014 Q3
IFRS 3 Business Combinations		Publish Request for information		
Conceptual Framework				
Next major project milestone				
	2013 Q4	2014 Q1	2014 Q2	2014 Q3
Conceptual Framework (chapters addressing elements of financial statements, measurement, reporting entity and presentation and disclosure) *[comment period ends 14 January 2014]*		Redeliberations		
Research Projects				
Research projects involve preliminary research to help the IASB evaluate whether to add a topic to its work plan. The IASB will begin research on the following topics in due course.				
Research projects on which preliminary work has commenced:				
Business combinations under common control				
Disclosure Initiative				
Discount rates				
Emissions trading schemes				
Extractive activities				
Financial instruments with characteristics of equity				
Intangible assets				

IASB work plan - (continued)

Research projects on which preliminary work is not expected to commence until after the 2015 agenda consultation:				
Income taxes				
Post-employment benefits (including pensions)				
Share-based payments				
Research projects for which the timing of preliminary work has not yet been confirmed:				
Equity method of accounting				
Financial reporting in high inflationary economies				
Foreign currency translation				
Liabilities—amendments to IAS 37				
Agenda consultation				
Next major project milestone				
	2013	2014	2015	
Three-yearly public consultation [Feedback Statement published 18 December 2012] [Next consultation scheduled 2015]			Initiate second three-yearly public consultation	

IFRS Interpretations Committee IFRS-IC

Agenda rejection notifications

The IFRS Interpretations Committee does not take all matters referred to it onto its agenda for resolution. From time to time, IFRSIC issues "agenda rejections notifications" explaining why an issue has not been taken onto the Committee agenda and, while not formal interpretations, the explanation may clarify the requirements of the related standard.

The Committee of European Securities Regulators (CESR), the predecessor organisation to the European Securities and Markets Authority (ESMA), had previously indicated that rejection notes published by the IFRS Interpretations Committee should not lead to a retrospective adjustment in accordance with IAS 8. In contrast, ESMA published a statement in July 2011 indicating that retrospective adjustment is required: "Rejection notes published by the IFRS Interpretations Committee often provide clarification of the standards. There is an expectation on the part of the stakeholders in IFRS that rejection notes concluding that IFRSs are sufficiently clear will be carefully considered by preparers in determining their accounting policies. In the case of a change in a previous accounting treatment following the issue of a rejection note, an issuer should apply IAS 8 and provide proper and sufficient disclosure on the reasons for the change, having regard to the particular facts and circumstances of the individual case, including reference to the rejection note."

Click here for ESMA press release (link to the ESMA website).

For details of rejection notes issued to date by standard click here.

Appendix 1: IASB Requirements first applicable to annual reporting periods beginning on or after 1 January 2015

<table>
<tr><th>IASB requirement</th><th>Deloitte information</th></tr>
<tr><td>

IFRS 9 Financial Instruments (2009)

IFRS 9 introduces new requirements for classifying and measuring financial assets, as follows:

- Debt instruments meeting both a 'business model' test and a 'cash flow characteristics' test are measured at amortised cost (the use of fair value is optional in some limited circumstances)
- Investments in equity instruments can be designated as 'fair value through other comprehensive income' with only dividends being recognised in profit or loss
- All other instruments (including all derivatives) are measured at fair value with changes recognised in the profit or loss
- The concept of 'embedded derivatives' does not apply to financial assets within the scope of the Standard and the entire instrument must be classified and measured in accordance with the above guidelines.

In October 2010, the IASB reissued IFRS 9 'Financial Instruments', including revised requirements for financial liabilities and carrying over the existing derecognition requirements from IAS 39 'Financial Instruments: Recognition and Measurement'. IFRS 9 (2010) supersedes IFRS 9 (2009). However, for annual reporting periods beginning before 1 January 2015, an entity may early adopt IFRS 9 (2009) instead of IFRS 9 (2010).

The IASB has proposed in ED/2012/4 Classification and Measurement: Limited Amendments to IFRS 9 to remove the choice of which version of IFRS 9 may be applied early.

Note: on 16 December 2011, the IASB issued Mandatory Effective Date and Transition Disclosures (Amendments to IFRS 9 and IFRS 7), which amended the effective date of IFRS 9 to annual periods beginning on or after 1 January 2015, and modified the relief from restating comparative periods and the associated disclosures in IFRS 7.

EU endorsement: postponed

</td><td>

IAS Plus Update Newsletter (PDF 226k)

Our Summary Financial Instruments Project

</td></tr>
<tr><td>

IFRS 9 Financial Instruments (2010)

A revised version of IFRS 9 incorporating revised requirements for the classification and measurement of financial liabilities, and carrying over the existing derecognition requirements from IAS 39 Financial Instruments: Recognition and Measurement.

The revised financial liability provisions maintain the existing amortised cost measurement basis for most liabilities. New requirements apply where an entity chooses to measure a liability at fair value through profit or loss – in these cases, the portion of the change in fair value related to changes in the entity's own credit risk is presented in other comprehensive income rather than within profit or loss.

Note: This Standard supersedes IFRS 9 (2009). However, for annual reporting periods beginning before 1 January 2013, an entity may early adopt IFRS 9 (2009) instead of applying this Standard. However, for annual reporting periods beginning before 1 January 2015, an entity may early adopt IFRS 9 (2009) instead of IFRS 9 (2010). However, the IASB has proposed in ED/2012/4 Classification and Measurement: Limited Amendments to IFRS 9 to remove the choice of which version of IFRS 9 may be applied early.

Note: on 16 December 2011, the IASB issued Mandatory Effective Date and Transition Disclosures (Amendments to IFRS 9 and IFRS 7), which amended the effective date of IFRS 9 to annual periods beginning on or after 1 January 2015, and modified the relief from restating comparative periods and the associated disclosures in IFRS 7.

EU endorsement: postponed

</td><td>

IFRS in Focus Newsletter (PDF 82k)

Our Summary Financial Instruments Project

</td></tr>
</table>

Contacts

Dublin
Deloitte & Touche
Deloitte & Touche House
Earlsfort Terrace
Dublin 2
T: +353 1 417 2200
F: +353 1 417 2300

Cork
Deloitte & Touche
No.6 Lapp's Quay
Cork
T: +353 21 490 7000
F: +353 21 490 7001

Limerick
Deloitte & Touche
Deloitte & Touche House
Charlotte Quay
Limerick
T: +353 61 435500
F: +353 61 418310

www.deloitte.com/ie