

EFRAG SECRETARIAT PAPER FOR PUBLIC MEETING

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Technical Work Plan December 2015 – June 2016

Objective

- 1 The objective of this session is for the EFRAG Board to conduct its monthly review of the technical work plan and advise of any necessary changes.

Background

- 2 In the past, the EFRAG Board requested that:
 - (a) an explanation be provided for any IASB implementation projects that are classified as significant; and
 - (b) the work plan be updated and presented for approval at every meeting.
- 3 Attachment 1 to this note contains the reasoning behind classifying IASB implementation projects as significant. At the request of the Board, approval of the final comment letter on draft IFRIC Interpretation *Uncertainty over Income Tax Treatments* has been classified as significant because of concerns about the impact of the Draft Interpretation on comparability.
- 4 In order to assess whether the draft IFRS Practice Statement *Application of Materiality to Financial Statements* is likely to have the desired impact, the EFRAG Board originally decided to discuss the draft comment letter in public. However, the draft comment letter was finalised by written procedure when the November meeting of the EFRAG Board was rescheduled as a conference call. Given that the draft comment letter was approved by written procedure, EFRAG Board may wish to follow the same approach in finalising the comment letter to the IASB.
- 5 Attachment 2 to this note contains the draft technical work plan, based on the IASB's work plan as at 23 November 2015 and the proactive technical work plan. It also identifies the expected timing of written procedures.

Questions for the EFRAG Board

- 6 Do you agree to approve the final comment letter on the draft IFRS Practice Statement *Application of Materiality to Financial Statements* by written procedure?
- 7 Do you approve the technical work plan?

Attachment 1: Basis for classifying minor projects as significant

Fair value measurement: unit of account

- 8 This project was classified as significant because of the split views between those who consider that the fair value should be the block of shares and those who consider that the fair value should be represented by the quoted price of the individual instrument multiplied by the number of instruments held.
- 9 The IASB is researching the impact of the proposals and is not expected to make a final decision in the next 6 months.

Different effective dates of IFRS 9 and the new insurance contracts standard

- 10 Exposure Draft *Applying IFRS 9 Financial Instruments with IFRS 4 Insurance Contracts* is designed to address the concerns of the insurance industry that arise because the effective date of IFRS 9 *Financial Instruments* is significantly earlier than the effective date of the new insurance contracts standard.
- 11 This project is classified as significant because of the importance to Europe, including the impact on the endorsement of IFRS 9. The draft comment letter is scheduled to be discussed by EFRAG Board at this meeting.

IFRS Practice Statement: Application of Materiality to Financial Statements

- 12 In order to assess whether the draft Practice Statement is likely to have the desired impact, and given the timing of the Exposure Draft, the EFRAG Board originally decided to discuss the draft comment letter in public. However, the draft comment letter was finalised by written procedure when the November meeting of the EFRAG Board was rescheduled as a conference call. Given that the draft comment letter was approved by written procedure, EFRAG Board may wish to follow the same approach in finalising the comment letter to the IASB.

Draft IFRIC Interpretation Uncertainty over Income Tax Treatments

- 13 At the request of the Board, approval of the final comment letter on draft IFRIC Interpretation *Uncertainty over Income Tax Treatments* has been classified as significant because of concerns about the impact of the Draft Interpretation on comparability.

Attachment 2: Work plan September 2015 – February 2016

Legend

- Bold** = EFRAG Board decision point **DCL** = Draft comment letter
WP = Written procedure **FCL** = Final comment letter
DP = Discussion paper **DEA** = Draft endorsement advice
ED = Exposure draft **FEA** = Final endorsement advice

Project	Most recent status		2015	2016				
			Dec 16	Jan 14	Feb 11	Mar 8	Apr 13	May 13
IASB SIGNIFICANT PROJECTS								
<i>IASB major projects</i>								
Insurance contracts (EFRAG position considered Nov 2014)	ED DCL Aug 2013	ED FCL Dec 2013			Update			
Different effective dates of IFRS 9 and the new insurance contracts standard (ED comment period ends 8 Feb 2016)			ED DCL		ED FCL			
Leases (IFRS expected within 3 months)	ED DCL July 2013	ED FCL Oct 2013		Consider issues				
Macro hedging (DP expected after 6 months)	DP DCL July 2014	DP FCL Oct 2014						

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Project	Most recent status		2015	2016					
			Dec 16	Jan 14	Feb 11	Mar 8	Apr 13	May 13	June PQ
Rate-regulated activities (DP expected after 6 months)	DP DCL Oct 2014	DP FCL Jan 2015							
Disclosure initiative – Materiality Practice Statement (ED comment period closes 26 Feb)	ED DCL Nov 2015		ED DCL			ED FCL			
Disclosure Initiative – Principles of Disclosure (DP expected within 6 months)				Consider issues			ED DCL		
Conceptual Framework (ED comment period closed 25 Nov)	ED DCL July 2015		ED FCL		Consider results of outreach				
IASB implementation projects									
Fair value measurement: unit of account (IFRS expected after 6 months)	ED DCL Oct 2014	ED FCL Jan 2015							
Draft Interpretation: Uncertainty over Income Tax Treatment (ED comment period closes 19 Jan)	ED DCL Nov 2015				ED FCL				
IASB PROJECTS BY WRITTEN PROCEDURE									
Annual Improvements 2014-2016 (ED comment period closes 17 Feb)							ED FCL WP		

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Project	Most recent status		2015	2016						
			Dec 16	Jan 14	Feb 11	Mar 8	Apr 13	May 13	June PQ	
Annual Improvements 2015-2017 (ED expected after 6 months)										
Clarifications of classification and measurement of share-based payment transactions (IFRS expected within 3 months)	ED DCL Dec 2014	ED FCL April 2015				DEA WP		FEA WP		
Clarifications arising from IFRS 8 post-implementation review (ED expected within 6 months)					ED DCL WP			ED FCL WP		
Clarifications to IFRS 15 <i>Revenue from Contracts with Customers</i> (Comment period closed 28 Oct 2015)	ED DCL Sep 2015	ED FCL Nov 2015								
Classification of liabilities (Comment period closed June 2015)	ED DCL Mar 2015	ED FCL Jun 2015								
Disclosure initiative – amend IAS 7 (IFRS expected within 3 months)	ED DCL Feb 2015	ED FCL May 2015				DEA WP		FEA WP		
Disclosure initiative – changes in accounting policies and estimates (ED expected after 6 months)										
Definition of a Business (ED expected within 6 months)							ED DCL WP			

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Project	Most recent status		2015	2016					
			Dec 16	Jan 14	Feb 11	Mar 8	Apr 13	May 13	June PQ
Effective date of amendments to IFRS 10 and IAS 28 (IFRS expected within 3 months)	ED DCL Sep 2015	ED FCL Nov 2015		DEA WP		FEA WP			
Recognition of deferred tax assets for unrealised losses (IFRS expected within 3 months)	ED DCL Sept 2014	ED FCL Jan 2015					DEA WP		FEA WP
Amendments IAS 19, IFRIC 14 (Comment period closed 19 Oct 2015)	ED DCL July 2015	ED FCL Nov 2015							
Remeasurement of previously held interest – obtaining control/joint control in a JO that constitutes a business (ED expected within 6 months)								ED DCL WP	
Transfer of investment property (ED comment period closes 18 March)			ED DCL WP				ED FCL WP		
Draft Interpretation: Foreign currency transactions and advance consideration (ED comment period closes 19 Jan)	ED DCL Nov 2015				ED FCL WP				
PROACTIVE PROJECTS									
EFRAG proactive agenda consultation (comments closed 30 November)					Discuss results				

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Project	Most recent status		2015	2016						
			Dec 16	Jan 14	Feb 11	Mar 8	Apr 13	May 13	June PQ	
Goodwill amortisation and impairment			EFRAG TEG advice							
Distinguishing between profit or loss and OCI (Comment period closes October 2015)	Issued for comment July 2015									
Cash flow statements for financial institutions (Comment period closes March 2016)	Issued for comment July 2015									
Conceptual Framework: Measurement				Consider draft						
Pension plans										