Revenue - 2018 effective date and new proposals

The IASB has confirmed a one-year deferral of the effective date of its new revenue standard, and has proposed amendments responding to feedback that aspects of the new requirements are unclear.

Companies are now required to apply IFRS 15 Revenue from Contracts with Customers no later than 1 January 2018. Early adoption continues to be permitted. This is consistent with the decision reached by the FASB earlier this month.

The FASB plans several detailed exposure drafts, but the IASB expects to issue just a single set of targeted amendments, which it announced on 30 July 2015. The IASB’s comment deadline is 28 October 2015.

Now that the IASB’s proposals are out, the big question is how they might affect your implementation plan.

Next steps
Find out more with our SlideShare presentation.
Financial instruments - Second DP for macro hedging

The IASB plans to issue a second discussion paper on its macro hedge accounting project before publishing an exposure draft.

As a first step, at its July 2015 meeting the Board approved the staff's proposed scope and approach for identifying the information needs of constituents.

The Board also made further progress on its project on financial instruments with characteristics of equity. It identified the features of claims that are relevant to the assessments that users might make using information in the financial statements.

Next steps
Read our IFRS Newsletter: Financial instruments for a summary of recent developments.

Insurance - IASB decides to amend IFRS 4

In July, the Board continued its discussions on the accounting consequences of temporary volatility and accounting mismatches in profit or loss caused by the different effective dates of IFRS 9 Financial Instruments and the forthcoming insurance contracts standard.

Having considered the options to address these consequences, it tentatively decided to amend IFRS 4 Insurance Contracts. A company would be permitted to remove the impact of applying IFRS 9 from profit or loss, subject to certain limitations.

Next steps
The latest edition of our IFRS Newsletter: Insurance explains the decision and outlines the Board’s discussions.

Performance reporting - Advisory group contributes to debate

Long-standing questions exist over the nature of performance - questions about the dividing line between profit or loss and other comprehensive income, and about whether some performance, namely OCI, should be recycled.

A bulletin published by the European Financial Reporting Advisory Group aims to resolve these questions by helping to develop founding principles around performance.

Many, including some IASB members, see the IASB’s exposure draft on the Conceptual Framework for Financial Reporting as a missed opportunity to identify a conceptual basis for the use of OCI. We also believe that more could be done. EFRAG’s bulletin is a timely contribution to help the IASB in settling the debate.

The bulletin sets out a broader view on performance reporting and explores different approaches, including the role of the business model in setting the principles around reporting items in profit or loss.

Next steps
Read EFRAG’s bulletin to find out more, and to help you form your response.
or OCI and recycling.

To join the debate, provide your comments to EFRAG on its bulletin and/or to the IASB on its proposals for the Conceptual Framework. The deadline for both is 26 October 2015.