

April 2015

## EFRAG Update

The EFRAG Update is published on a monthly basis to inform constituents about due process publications, public technical discussions held and decisions taken during that month.

### April Publications

#### Comment letter

A comment letter in response to the IASB Exposure Draft *Classification and Measurement of Share-based Payment Transactions (Proposed amendments to IFRS 2)* was published on 2 April. For more details please see the [EFRAG website](#).

#### Feedback Statements

A feedback statement summarising the main messages from respondents to EFRAG's Discussion Paper *Separate Financial Statements* was published on 15 April. For more details please see the [EFRAG website](#).

A feedback statement summarising responses received to the draft comment letter on the IASB's Exposure Draft *Classification and Measurement of Share-based Payment Transactions - Proposed amendments to IFRS 2* was published on 15 April. For more details, please see the [EFRAG website](#).

A feedback statement summarising responses received to the draft comment letter on the IASB's Discussion Paper *Reporting the Financial Effects of Rate Regulation*, was published on 2 April. For more details, please see the [EFRAG website](#).

### April 2015 meetings

This edition of the EFRAG Update contains summaries of meetings and conference calls held in April, by the:

- EFRAG [Board](#)
- EFRAG [Technical Expert Group \(EFRAG TEG\)](#)

### Detailed meeting reports

#### EFRAG Board – 22 April meeting

---

The EFRAG Board met on 22 April and discussed the following:

- IFRS 9 *Financial Instruments*
- IASB Publication *Investment Entities: Applying the Consolidation Exception*
- IASB Project *The Conceptual Framework*
- EFRAG *Work Plan*

### IFRS 9 *Financial Instruments*

The EFRAG Board considered the proposed Draft Endorsement Advice and approved it for issue. The Draft Endorsement Advice and associated Invitation to Comment are expected to be issued early in May for a 60-day comment period.

### IASB Publication *Investment Entities: Applying the Consolidation Exception*

Discussion of this item was deferred to the EFRAG Board conference call to be held on 8 May 2015.

### IASB Project *The Conceptual Framework*

The Board started to consider issues that are likely to arise during the process of preparing a comment letter on the forthcoming Exposure Draft proposing revisions to the *Conceptual Framework*. The EFRAG Board agreed that, under certain circumstances, different measurement bases could be used in profit or loss and in the balance sheet.

### EFRAG *Work Plan*

The EFRAG Board approved the work plan as presented.

## EFRAG Board – 9 April conference call

---

The EFRAG Board held a conference call on 9 April and discussed the following:

- IFRS 15 *Revenue from Contracts with Customers*
- IFRS 9 *Financial Instruments*

### IFRS 15 *Revenue from Contracts with Customers*

The EFRAG noted the tentative decision by the FASB to defer the effective date of IFRS 15 and asked to be updated on any actions taken by the IASB.

### IFRS 9 *Financial Instruments*

The EFRAG Board considered the proposed Draft Endorsement Advice and agreed to continue the discussion at the meeting on 22 April.

## EFRAG Board – Expected May written procedures

---

During May, the EFRAG Board is expected to approve the following documents using written procedures:

- Final Endorsement Advice to the European Commission on *Disclosure Initiative – Amendment to IAS 1*;
- EFRAG final comment letter in response to the IASB's Exposure Draft *Disclosure Initiative – Amendment to IAS 7*.

Documents subject to written approval are available on the relevant project page of the EFRAG website.

## EFRAG Technical Expert Group– 23 April conference call

---

At its conference call on 23 April, EFRAG TEG discussed:

- IASB’s Exposure Draft *Disclosure Initiative – Amendment to IAS 7*;
- IASB Project *The Conceptual Framework*.

### IASB Exposure Draft Disclosure Initiative (Amendments to IAS 7)

EFRAG TEG considered the feedback received in response to EFRAG’s Draft Comment Letter. It noted that views of constituents were split as EFRAG’s preliminary views had been. As a result EFRAG TEG did not, in making its recommendation to the EFRAG Board, attempt at identifying a majority view. Rather, EFRAG TEG made its best attempt at identifying what could be the basis for consensus in the EFRAG Board. In the proposed final comment letter, EFRAG TEG recommended that EFRAG:

- welcomes the IASB’s objective of improving information on period-on-period movements in liabilities, but express concern that additional disclosure requirements were issued on a piecemeal basis, prior to establishing a conceptual basis and objectives for requiring such disclosures; and
- does not support the proposed additional disclosures on restrictions on cash and cash equivalents, note that improvements to the disclosure on the effect of ‘cash restrictions’ would be useful, but that the improvement should be through clarifications to existing standards.

### IASB Project *The Conceptual Framework*

EFRAG TEG continued its discussion on what items to report in profit or loss and what items to report in other comprehensive income.

## EFRAG Technical Expert Group (TEG) – 1 and 2 April meeting

---

The summary of the of EFRAG TEG meeting held on 1-2 April 2015 is included in the March edition of the EFRAG Update. For more details, please see the [March edition](#).