

**REPORT ON THE
INTERNATIONAL FORUM OF ACCOUNTING STANDARD SETTERS (IFASS)
7-8 March 2022
Virtual Meeting**

IFASS is an informal network of national accounting standard setters (NSS) from around the world, plus other organisations that have a close involvement in financial reporting issues. It is a forum at which interested stakeholders can discuss matters of common interest. The group is chaired by Yasunobu Kawanishi (until the conclusion of this meeting), the Vice Chair of the Accounting Standards Board of Japan (ASBJ).

The IFASS meeting was held remotely on 7-8 March 2022 and discussed the agenda items set out below.

The public meeting was attended by representatives of standard setters from Argentina, Australia, Austria, Belarus, Belgium, Canada, China, Denmark, France, Germany, Hong Kong, India, Indonesia, Italy, Japan, Malaysia, Mexico, Nepal, Netherlands, New Zealand, Norway, Philippines, Romania, Singapore, South Africa, South Korea, Spain, Sri Lanka, Switzerland, Taiwan, the United Kingdom, and the United States of America.

Representatives of the European Financial Reporting Advisory Group (EFRAG), the International Accounting Standards Board (IASB) and its staff, and the International Public Sector Accounting Standards Board (IPSASB) also attended. A complete list of participants is attached.

Item 1. Welcome and Opening Remarks

(Paper ref: IFASS 0322 AP01)

IFASS Chair Yasunobu Kawanishi welcomed participants to the IFASS virtual conference. He noted that the next meeting is planned to be held physically in London on 27-28 September 2022.

Mr. Kawanishi then explained the IFASS secretariat's consideration of the remit of IFASS regarding sustainability reporting. As far as the IFASS secretariat could go through the past documents, the only rule that IFASS had was the Charter between the IASB and other accounting standard setters, which did not address sustainability reporting. In this regard, it was the understanding of the secretariat that IFASS had historically had a broader remit compared to the IASB and that changes to the rules were not necessary for IFASS to include sustainability reporting in the remit of IFASS. In the meantime, Mr. Kawanishi expressed that since more organisations addressing sustainability reporting might join the IFASS meeting in the future, the agenda for each of accounting and sustainability would need to be organised with the interests of the participating organisations and that more time might be needed for the meetings.

No objections to the IFASS Secretariat's proposal were heard from the IFASS participants, and the discussion will be carried over to future meetings.

Item 2. Update on “Restoring trust in audit and cooperate governance”

(Paper ref: IFASS 0322 AP02)

Jenny Carter (Financial Reporting Council (FRC)) presented an update on the status of the consultation paper, “Restoring trust in audit and corporate governance” published by the Department for Business, Energy and Industrial Strategy in 2021 in the UK.

The presentation was focused on the proposals for changes to corporate reporting which included (1) Resilience Statement, (2) Audit and Assurance Policy, (3) capital maintenance, and (4) Directors’ reporting on fraud. Regarding the Resilience Statement, the consultation paper proposed introducing a statutory requirement on public interest entities to publish an annual Resilience Statement that addresses business resilience over the short, medium, and long term. Regarding the Audit and Assurance Policy, the consultation paper proposed introducing a statutory requirement on public interest entities to publish an annual Audit and Assurance Policy that describes the company’s approach to seeking assurance of its reported information over the next three years.

IFASS participants expressed their interest in the initiative and one participant asked whether the Resilience Statement was based on the existing disclosure requirements. Ms. Carter noted that currently there is a viability statement for premium listed companies in the UK.

Item 3. Separate Financial Statements

(Paper ref: IFASS 0322 AP03)

Il-Hong Park (Korea Accounting Standards Board (KASB)) presented the research on separate financial statements (SFS) of the working group (WG) formed by the Brazilian Accounting Pronouncements Committee (CPC), Institute of Chartered Accountants of India (ICAI), KASB, and Organismo Italiano di Contabilità (OIC). The WG presented the issues at the September 2020, March 2021, and September 2021 IFASS meetings. The objective of the presentation for this meeting was to discuss whether a legal merger between parent and subsidiary is accounted for as a business combination in separate financial statements and to suggest clarifying IAS 27 *Separate Financial Statements*. In particular, the question was which event (either (1) or (2)) triggered the accounting for a business combination under IFRS 3 *Business Combinations* when the reporting entity (1) acquired control of another entity and (2) merged with the entity.

IFASS participants discussed the scope of IAS 27 which only applies to separate financial statements of an entity that has a subsidiary, associate, or joint venture’s interest in a joint venture. Another IFASS participant discussed the thought process to apply IFRS Accounting Standards for the issue. WG members emphasised the importance of clarifying the Standard.

Item 4. Non-current Liabilities with Covenants

(Paper ref: IFASS 0322 AP04A, AP04B)

The UK Endorsement Board (UKEB) and the Malaysian Accounting Standards Board (MASB) jointly made a presentation on the IASB’s Exposure Draft (ED) *Non-current Liabilities with Covenants* (proposed amendments to IAS 1 *Presentation of Financial Statements*), published in November 2021.

First, Seema Jamil-O’Neill (UKEB) presented the background of the project and the overview of the ED. Ms. Jamil-O’Neill explained that the ED, which was issued to address concerns about the tentative agenda decision published by the IFRS Interpretations Committee in December 2020, noted that (1) the classification of a liability as current or non-current was a fundamental element of the financial statements, (2) the ED introduced new requirements that impacted

presentation in the statement of financial position, and (3) the ED was an amendment to an amendment that raised issues at the IFRS Interpretations Committee before it was even implemented. Ms. Jamil-O'Neill then presented a brief overview of the UKEB's draft comment letter, noting that while the UKEB agreed with the proposed amendments to paragraph 72A of IAS 1 and supported enhancing disclosures in the notes, the UKEB did not support the specific requirement for separate presentation and was concerned about the risk of unintended consequences from the proposed additional guidance in paragraph 72C of the ED for determining whether a liability is current or non-current.

Next, Bee Leng Tan (MASB) presented a preliminary view to the ED. Ms. Tan noted that the MASB agreed with the proposed amendments to paragraph 72A and paragraph 72B, but not with the guidance in paragraph 72C, and preferred that the IASB not proceed with paragraph 72C. Ms. Tan suggested that in the case of retaining paragraph 72C, the IASB should (1) consider a paragraph similar to paragraph 2 of IFRS 17 with emphasis on "commercial substance" to identify when a loan is/is not callable by a lender or third party and (2) provide additional explanation of the meaning of "unaffected by the entity's future actions." As for the proposed disclosure requirements, the MASB supported a more holistic approach to the topic of presentation and disclosure and therefore, did not support introducing specific new requirements in the absence of an urgent need. The MASB also considered that the existing classification issue at stake could be addressed without the proposed additional disclosures. Ms. Tan further raised concerns about the requirement for forward-looking information.

Following the presentations, IFASS participants provided their comments and views, including (1) concerns, disagreements, or requesting exemptions regarding the separate presentation, (2) concerns about the difficulty of the estimation and the possibility of including sensitive information regarding forward-looking information, (3) ambiguity of the wording "unaffected by the future actions of the entity" or disagreement with the example in paragraph 72C(b) of the ED, (4) recommendation to align the effective dates for both amendments (the 2020 amendments and the ED), (5) developing additional guidance on aggregation criteria for the proposed disclosures, and (6) the view that the disclosure requirements in the ED included a behavioural element that is not typical for disclosure requirements in IFRS Accounting Standards.

Item 5. Disclosure Initiative—Targeted Standard-level Review of Disclosures

(Paper ref: IFASS 0322 AP05)

Kathrin Schoene and Hocine Kebli (both EFRAG) presented the field test and some other outreach conducted by EFRAG and EFRAG's comment letter regarding the IASB's Exposure Draft *Disclosure Requirements in IFRS Standards - A Pilot Approach* (ED), published in March 2021, with the comment period ended in January 2022.

First, Ms. Schoene noted that EFRAG assessed that field testing of the proposed approach was essential to form its final view on the effects of the proposal and its applicability. EFRAG allowed field test participants to provide input in various ways (preparing mock disclosures, responding to a questionnaire or an interview) and subsequently held workshops with participants to discuss the field test results. Shortly after, workshops with users and auditors were organised to analyse the approach based on field test results. ESMA, the European regulator, got access to the field test result from some field test participants and provided feedback to EFRAG based on this. For smaller entities, a specific survey was dedicated supplemented with interviews with audit organisations addressing smaller entities). Ms. Schoene presented comments heard and findings in the field tests with preparers and findings from each workshop with users and auditors. Ms.

Schoene pointed out that the granted extension of the comment period was necessary to receive feedback from field test participants and to base feedback from others on the field test result. Field test participants need time to organise the process internally.

Mr. Kebli then provided a brief overview of EFRAG's comment letter. While EFRAG supported the objectives of the project and welcomed the development of a rigorous methodology for disclosure considering the information needs of users, EFRAG concluded, based on extensive outreach, field testing, and the public consultation conducted on its draft comment letter, that the proposed approach in the ED (1) may not achieve its intended objective and is likely to be ineffective in addressing the disclosure problem, (2) may result impairing comparability for users of financial statements, (3) increase enforcement and audit challenges, and (4) will be more costly for preparers and their auditors. Mr. Kebli also noted that EFRAG suggested an alternative approach with less radical changes and encouraged the IASB to continue engaging with stakeholders, broadly including auditors and regulators.

Discussions among IFASS participants included (1) interaction with other projects (especially the Exposure Draft ED/2021/7 *Subsidiaries without Public Accountability: Disclosures*), (2) ways to involve SMEs in the outreach, (3) non-mandatory disclosures and comparability, (4) the importance of making judgment based on the materiality, (5) practical concerns identified from outreach, and (6) recommendation for a hybrid approach incorporating some elements of the IASB's proposals while avoiding more challenging practical difficulties.

Item 6. Supplier Finance Arrangements

(Paper ref: IFASS 0322 AP06)

Kathrin Schoene (EFRAG) introduced (1) EFRAG's tentative position on the IASB's Exposure Draft *Supplier Finance Arrangements* that proposes to amend IAS 7 *Statement of Cash Flows* and IFRS 7 *Financial Instruments: Disclosures* (ED) which was published in November 2021 with the comment period ending on 28 March 2022 and (2) the questions from EFRAG to seek input from its constituents.

Ms. Schoene explained EFRAG's tentative position on the IASB's proposal, including (1) agreement with the project scope to focus on supplier financial arrangements, (2) agreement to describe the characteristics of arrangements included in the project scope rather than to define supplier financial arrangements, (3) support to add an overall disclosure objective and specific disclosure requirements to IAS 7, (4) suggestion that the disclosure objective be expanded to also include the effects of those arrangements on an entity's liquidity risk, (5) recommendation that the IASB consider further improvements to the proposed disclosure requirements, (6) agreement to add supplier finance arrangement as an example in paragraph 44B of IAS 7 and within the liquidity risk disclosure requirements in IFRS 7, and (7) recommendation that the IASB consider adding an explicit proposal that would require disclosure of concentrations of risk to specific supplier finance providers, instead of supplier finance arrangements in general.

IFASS participants shared their views on the ED, including (1) the need for guidance on aggregating information on the arrangements, (2) whether the use of credit cards was included in the scope of the ED, (3) further clarification of the scope and characteristics of the arrangements, (4) difficulty in obtaining information for the disclosures, (5) aggregation when the terms and conditions of the arrangements are "substantially similar," (6) consideration of cost-benefit perspective for proposed disclosure requirements, (7) presentation of cash flows related to arrangements in the statement of cash flows and disclosures, (8) importance of concentrations of risk arising from supplier financing arrangements and additional recommendations for the

disclosures, (9) whether the disclosure of carrying amount of financial liabilities for which suppliers have already received payment from the finance provider meets the user's needs.

Item 7. Review of the IFRS for SMEs Accounting Standard

(Paper ref: IFASS 0322 AP07, AP07A)

Michelle Sansom (IASB) gave a project update on the second comprehensive review of the *IFRS for SMEs Accounting Standard*, noting the status and timeline of the project, the framework for the comprehensive review, and the IASB's tentative decisions.

Ms. Sansom explained that the project began in 2019, published a Request for Information in January 2020, decided the tentative project direction in March 2021, and was currently being deliberated by the IASB, hoping to release an Exposure Draft by the end of 2022. Ms. Sansom explained that the objective of the comprehensive review was to update the *IFRS for SMEs Accounting Standard* using the approach on which the IASB consulted. This approach aligns with IFRS Accounting Standards as the starting point, and applies the principles of relevance to SMEs, simplicity and faithful representation, including the assessment of costs and benefits, in determining whether and how that alignment should take place.

Ms. Sansom then presented some of the tentative decisions made through the application of alignment principles and cost-benefit considerations, divided into three categories: (1) alignment with IFRS Accounting Standards (rewrite as new section in the *IFRS for SMEs Accounting Standard*), (2) partial alignment with IFRS Accounting Standards (update current section in the *IFRS for SMEs Accounting Standard*), and (3) not to align with IFRS Accounting Standards (no changes to *IFRS for SMEs Accounting Standard*).

Discussions with IFASS participants included (1) mixed views on the IASB's tentative decisions applying the alignment approach (especially on IFRS 16 *Leases*; whereby there was a concern expressed on insufficient implementation experience of IFRS 16 even among the IFRS Accounting Standards adopters), (2) the format of the upcoming Exposure Draft, (3) whether further guidance would be provided on the concept of "undue cost or effort," (4) need for three sets of standards (IFRS Accounting Standards, the *IFRS for SMEs Accounting Standard*, IFRS Accounting Standards with reduced disclosure requirements (ED/2021/7)) and their interactions, and (5) whether to review the definition of "public accountability."

Item 8. IFR4NPO project Update

(Paper ref: IFASS 0322 AP08)

Philip Trotter (CIPFA) presented an update on the IFR4NPO project, which is an initiative to develop an international financial reporting guidance for non-profit organisations (NPOs). This project is to improve the quality of financial reporting of the global NPOs and the transparency and consistency of what is reported.

Mr. Trotter noted that Phase 1, consultation, had been completed in 2021, and the standards are being developed to publish the Exposure Draft. Thus this presentation included the comments on the consultation paper. Mr. Trotter explained approximately 1,000 people from 96 countries engaged with a range of outreach events related to the consultation paper.

Then, Mr. Trotter reported the feedback on (1) Chapter 1-Definition of NPOs, (2) Chapter 2-Information need to external stakeholders for NPOs, (3) Chapter 3-Core Premises of NPO

Financial Reporting Guidance, and (4) Chapter 4-Use of International frameworks. Mr. Trotter noted that the key responses included (1) the need to define “public benefit,” (2) maximize efficiency and effectiveness and provide information to external stakeholders (3) challenges with accrual-based accounting due to the lack of appropriately qualified staff and system, and (4) familiarity of the frameworks for auditors and users and the feasibility of developing and maintaining the guidance and consultation paper.

At the end, Mr. Trotter presented the roadmap to the publication of the final guidance, which was targeted for 2025. The *IFRS for SMEs* Standard was proposed to be used as the foundational international framework for the final guidance.

One IFASS participant noted the government could be included in the definition of NPOs and many NPOs used a cash-based accounting. Another participant noted the importance of narrative reporting.

Item 9-12. Sustainability-related reporting

(Paper ref: IFASS 0322 AP09, AP10, AP11, and AP12)

This session consisted of four presentations on sustainability reporting initiatives and a discussion with IFASS participants.

International Sustainability Standards Board (ISSB) presentation

Sam Prestidge (IFRS Foundation) introduced a high-level update on the ISSB’s work. Mr. Prestidge explained that the ISSB was established in response to the demand for global sustainability standards to improve consistency and comparability, confirmed through the IFRS Foundation’s consultation. Mr. Prestidge noted that the ISSB would develop a global baseline of sustainability disclosure standards that would focus on meeting the information needs of investors, enable companies to provide comprehensive sustainability information, and facilitate the addition of requirements that are jurisdiction-specific or aimed at a broader group of stakeholders. Mr. Prestidge also noted that the ISSB would receive expert advice through the Sustainability Consultative Committee, the Sustainability Standards Advisory Forum (SSAF), and the IFRS Advisory Council with expanded authority and expertise.

The next steps would include consultation on the proposed climate and general disclosure standards, digital taxonomy, work plan and future priorities (due process), appointments of the remaining ISSB members and advisory group members, consolidation with the VRF, and implementing the multi-location approach to expand the global footprint. Mr. Prestidge concluded by calling for providing detailed feedback on the upcoming exposure draft, with getting familiar with the prototypes developed by the TRWG on which the forthcoming exposure draft would be based.

EFRAG presentation

Patrick de Cambourg (The Autorité des normes comptables (ANC)) gave an update on the EFRAG Project Task Force on European Sustainability Reporting Standards (PTF-ESRS), including (1) EU context on sustainability reporting, (2) EFRAG reorganisation as a standard-setting organisation fostering connectivity, and (3) Project Task Force achievements.

Mr. Cambourg explained that the Task Force issued the report on the preparatory work for a European Standard Setter (ESS) in the first phase and was developing European Sustainability Reporting Standards in the second phase. The draft standards would adopt the concept of double materiality and would comprehensively cover sustainability matters, including E, S, and G. It also

proposed mandatory audits (initially with limited assurance) and digitization from the first reporting. He also mentioned co-construction with international initiatives by the Task Force and constant dialogue with TRWG/ISSB.

The exposure draft will be published by the end of April 2022, followed by outreach events in the EU region.

Australian Accounting Standards Board (AASB) presentation

Siobhan Hammond (AASB) presented progress on sustainability reporting in Australia, providing an overview of the feedback received on sustainability reporting and Australia's preliminary approach to sustainability reporting.

Ms. Hammond noted that the recent AASB public consultation (ITC 46 AASB *Agenda Consultation 2022-2026*) received feedback on sustainability reporting, including (1) importance of sustainability reporting, (2) support for expanding the scope of AASB activities to include sustainability reporting, (3) support for the development of sustainability reporting requirements for the for-profit sector in Australia, (4) recognition that the scope of sustainability reporting was broad, (5) prioritizing international alignment in developing relevant standards, (6) consideration of auditability of sustainability information, (7) development for the for-profit sector first, and (8) consideration of updating existing requirements and guidance in the AASB standards.

Ms. Hammond then discussed several preliminary decisions of the AASB in developing a draft project plan for sustainability reporting, including (1) to focus on developing a separate suite of standards addressing sustainability reporting matters, (2) to use ISSB standards as a basis with modification for Australian matters and requirements, as a starting point for the development, and (3) to initially apply the existing AASB Due Process Framework for Setting Standards when commencing its work on the project. Ms. Hammond also noted that international alignment and scope and definition would be key challenges moving forward.

KASB presentation

Ha-Eun Yoo (KASB) introduced the adoption and implementation plan for Korea Sustainability Disclosure Standards.

Regarding adoption, Ms. Yoo explained that three options ((1) adopting only the full ISSB standards, (2) adding local requirements to the full ISSB standards, and (3) adopting some ISSB standards and adding local requirements) were being considered, with the ISSB standards as a baseline for Korea sustainability disclosure standards.

With regard to implementation, Ms. Yoo noted that legal, organisational, and technical areas needed to be considered. In terms of legal considerations, she explained that, with a discussion on mandatory or voluntary, the Planning Committee of the Korea Accounting Institute (KAI) discussed the application scope, reporting channel, and boundary of the reporting entity. Regarding sustainability standard setter, she introduced the three options: (1) expanding the authority of KASB, which sets accounting standards, (2) establishing KSSB separately from KASB under KAI, or (3) establishing KSSB as a separate and independent body from KAI and KASB.

Ms. Ha-Eun also noted that the Planning Committee discussed the relationship between sustainability-related disclosures based on ISSB standards and sustainability reporting based on GRI standards that many companies in Korea provided.

Discussions

Following the four presentations, IFASS participants shared their views, including (1) measuring units in sustainability reporting, (2) international alignment/co-construction of the ISSB through

SSAF, (3) interoperability between the ISSB Standards and the GRI Standards, (4) concerns about the availability of stakeholders to continuously comment on the consultation of both the IASB and the ISSB, (5) approach to a simplified sustainability reporting system for SMEs in the EU, (6) how international alignment will be achieved when jurisdiction-specific or broader stakeholder requirements are added based on the idea of the ISSB's comprehensive global baseline, (7) trade-off between allowing sufficient time to discuss the forthcoming ISSB exposure draft and finalizing the standard as soon as practicable, (8) interaction between SSAF and accounting standard setters, (9) clarification of scope and terminology in sustainability reporting, (10) connectivity within the ISSB (with the IIRC's International Integrated Reporting Framework), (11) how to coordinate EFRAG's currently developing sustainability standards with the coming ISSB standards, and (12) consideration of the environmental, social and governance (ESG) matters in the developing ISSB Standards.

Item 13. PIR of IFRS 9 Classification and measurement

(Paper ref: IFASS 0322 AP13A–13G)

The IASB published the Request for Information (RFI) *Post-implementation Review of IFRS 9 Financial Instruments—Classification and Measurement* to assess the effects of the new standard on investors, preparers, and auditors following its issuance and application. The comment period ended on 28 January 2022.

The session consisted of three parts: (1) presentations by AASB, China Accounting Standards Committee (CASC), EFRAG, Hong Kong Institute of Certified Public Accountants (HKICPA), ICAI, and MASB, (2) breakout session, and (3) plenary session.

First, Fridrich Housa (AASB) noted that the IFRS 9 requirements are generally working as intended and provide useful information to the users of financial statements, but several areas are identified where further research or standard setting or guidance is needed; including (1) loans with sustainability linked features, (2) fair value changes of investments in equity instruments in OCI, (3) modifications to contractual cash flows of financial assets, and (4) derecognition requirements.

Huaxin Xu and Yingxiao Guo (both CASC) noted that the requirements in IFRS 9 are worked as intended and provide useful information about future cash flows, but some stakeholders are concerned with specific issues relating to the areas of: (1) whether financial assets need to be reclassified when a business model is changed, (2) how to apply general principles of contractual cash flow characteristics to ESG-linked features, (3) whether OCI could be recycled into profit or loss, (4) modification to contractual cash flows that leads to derecognition of financial assets, and (5) how to estimate the future cash flows when there is uncertainty.

Chiara Del Prete (EFRAG) expressed a view that the IASB should consider whether to amend IFRS 9 with respect to the following: (1) financial instruments with ESG-linked features, (2) recycling gains (losses) of equity instruments for which an entity has elected to present fair value changes in OCI, (3) treatment of equity type instruments with ESG-linked features. Ms. Del Prete also noted other medium or low priority issues (including contractually linked instruments, administrative rates SPPI test, factoring of trade receivables, supply chain financing, and business model).

Joni Kan (HKICPA) presented primary observations: (1) modification requirements are not working as intended, (2) application issues on amortised cost and the effective interest method, and (3) challenges in applying the SPPI test to financial instruments. Ms. Kan also explained

other comments: (1) practical challenges in applying the business model assessment to complex situations, (2) challenges in applying the SPPI test to contractually-linked instruments (CLIs), (3) other comprehensive income (OCI) presentation option for equity instruments is appropriate, and (4) practical difficulties in presenting the effects of own credit risk of financial liabilities in OCI.

CA. Pramod Jain (ICAI) explained that (1) distinction between the business model is generally clear, (2) in India, the financial instruments with ESG-linked features are currently not too prevalent, (3) guidance is required on some of the aspects of contractually linked instruments such as how to assess the credit risk of the underlying pool of financial instruments and application of look through approach, (4) with regard to FVOCI option, IASB may consider as to whether such election is to be applied in case of strategic investments only like in case of investment in an associate, joint venture or subsidiary or whether it wants to provide it as an open option. In India, FVOCI option is availed for all types of investments (i.e., strategic and other than strategic investments) other than held for trading, (5) because the banks and insurance companies have yet to implement IFRS converged Indian Accounting Standards, no comments were there on financial liabilities with own credit risk, (6) clear guidance should be provided for (i) modification of compound financial instruments, and (ii) how to assess if change in terms and conditions is a modification of a financial asset, and (7) there is diversity in practice with regard to the presentation of catch-up adjustments in profit or loss. Also, the requirements of IFRS 9 which include the application of the effective interest rate method may not provide useful information in certain cases.

Chan Hooi Lam (MASB) explained IFRS 9 has been working as intended, however, some of the key challenges as highlighted by their stakeholders included: (1) assessment of a change in business model, (2) SPPI test on financial instruments with ESG-linked features, and (3) modification of contractual cash flows. Mr. Hooi Lam also noted other issues: (1) equity instruments for FVOCI election, and (2) lesson learned: SPPI test for loan with social/philanthropic reasons.

For the breakout session, IFASS participants were separated into four groups to discuss what matters might the IASB need to consider.

In the plenary session that followed, the facilitators of each group (Fridrich Housa (AASB), Chiara Del Prete (EFRAG), Pramod Jain (ICAI), and Chan Hooi Lam (MASB) shared the discussions within each group. The comments discussed included the following:

(1) contractual cash flow characteristics: view on the fact that the ESG-linked feature by itself should not automatically trigger measurement at FVPL but current requirements need to be reviewed to ensure the financial reporting provide most useful financial information to its users,

(2) equity instruments and other comprehensive income: some of the jurisdictions expressed a view that the IASB should introduce recycling on disposal for equity instruments measured for which an entity elects to present fair value changes in OCI. However, some disagreed and noted the challenge of impairment testing requirements,

(3) modifications to contractual cash flows: whether IFRS 9 should provide specific guidance for modification of financial assets and should consider not only the 10% test for financial liabilities, but other qualitative test.

Item 14-15. Handover of official duties & Closing remarks

Mr. Kawanishi warmly introduced the incoming IFASS Chair, Chiara Del Prete (EFRAG), with appreciation for the support to IFASS by the four strong candidates running for the next Chair and their supporting organisations.

Ms. Del Prete first thanked Mr. Kawanishi and his team for their work in the past years, and then noted that sustainability was also of interest to accounting standard setters and future IFASS meetings would dedicate time to sustainability reporting, but also committed to continue to dedicate adequate time to the development of IFRS Accounting Standards.

Ms. Del Prete also noted that IFASS is a place for various standard setters to share experiences and invited IFASS members to cooperate and willingness at future meetings. She noted that the work plan for the future meetings would be discussed at the next IFASS meeting.

IFASS participants expressed their varied views in response to the question from Chiara regarding the format of the future meetings (physical or virtual).

Finally, Mr. Kawanishi concluded the meeting by thanking all for their support in running the IFASS meetings to date and asking for the same support of IFASS in the future.

Action List

Outgoing IFASS Chair/Secretariat
<ul style="list-style-type: none">• To draft the meeting report and invite participants to review and provide feedback• To organise the transition to the new IFASS Chair/Secretariat, including the domain ifass.net after the final meeting report is circulated• To hand over the Chair's Bell to the new Chair at the opportunity to meet in person
Incoming IFASS Chair/Secretariat
<ul style="list-style-type: none">• To advise participants on a temporary contact e-mail address to be used until the domain ifass.net is transferred• To call for agenda proposals for the IFASS meeting in September 2022• To liaise with the IASB to organise the IFASS meeting in September 2022
All IFASS participants
<ul style="list-style-type: none">• To provide feedback on the draft meeting report• To advise the new IFASS secretariat of potential agenda items for the meeting in September 2022 so that they can be included in the first draft of the agenda

List of participants

	Name	Organisation
1	Keith Kendall	AASB (Australia)
2	Nikole Gyles	AASB (Australia)
3	Helena Simkova	AASB (Australia)
4	Eric Lee	AASB (Australia)
5	Kimberley Carney	AASB (Australia)
6	Fridrich Housa	AASB (Australia)
7	Siobhan Hammond	AASB (Australia)
8	Linda Mezon	AcSB (Canada)
9	Katharine Christopoulos	AcSB (Canada)
10	Alfred Wagenhofer	AFRAC (Austria)
11	Gerhard Prchner	AFRAC (Austria)
12	Patrick de Cambourg	ANC (France)
13	Vincent Louis	ANC (France)
14	Elisabeth Albertini	ANC (France)
15	Doris Yi-Hsin Wang	ARDF (Taiwan)
16	Chi-Chun Liu	ARDF (Taiwan)
17	Louise Wu	ARDF (Taiwan)
18	Margaret Tsui	ARDF (Taiwan)
19	Linda Yu	ARDF (Taiwan)
20	Stella Lee	ARDF (Taiwan)
21	Denny Tsai	ARDF (Taiwan)
22	Prakash Jung Thapa	ASB (Nepal)
23	Sanjay Kumar Sinha	ASB (Nepal)
24	Arun Raut	ASB (Nepal)
25	Dol Prasad Dahal	ASB (Nepal)
26	Kiran Kumar Khatri	ASB (Nepal)
27	Rieko Yanou	ASBJ (Japan)
28	Tomoji Katayama	ASBJ (Japan)
29	Kentaro Konishi	ASBJ (Japan)
30	Tetsushi Miyaji	ASBJ (Japan)
31	Atsushi Ochi	ASBJ (Japan)
32	Yuya Akimoto	ASBJ (Japan)
33	Tomomi Eguchi	ASBJ (Japan)
34	Hiroto Kimura	ASBJ (Japan)
35	Soichiro Mitsuno	ASBJ (Japan)

	Name	Organisation
36	Kazuhiro Nishitani	ASBJ (Japan)
37	Miyuki Osawa	ASBJ (Japan)
38	Tohru Sakairi	ASBJ (Japan)
39	Yukari Sone	ASBJ (Japan)
40	Haruyuki Yamashita	ASBJ (Japan)
41	Shingo Yamazawa	ASBJ (Japan)
42	Kenji Wakao	ASBJ (Japan)
43	Suat Cheng Goh	ASC (Singapore)
44	Yat Hwa Guan	ASC (Singapore)
45	Junwei Quek	ASC (Singapore)
46	Yu Shan Koo	ASC (Singapore)
47	Georg Lanfermann	ASCG (Germany)
48	Sven Morich	ASCG (Germany)
49	Kristina Schwedler	ASCG (Germany)
50	Nishan Fernando	CA Sri Lanka
51	Manil Jayasinghe	CA Sri Lanka
52	Ameena Anver	CA Sri Lanka
53	Saumya Madhubashini	CA Sri Lanka
54	Shakthi Karunanathan	CA Sri Lanka
55	Huaxin Xu	CASC (China)
56	Minzi Zhang	CASC (China)
57	Ying Qiu	CASC (China)
58	Jie Zhao	CASC (China)
59	Yan Wang	CASC (China)
60	Yingxiao Guo	CASC (China)
61	Sadi Podevijn	CBN (Belgium)
62	Adriana Florina Popa	CECCAR (Romania)
63	Mirela Păunesc	CECCAR (Romania)
64	Elsa B. Garcia Bojorges	CINIF (Mexico)
65	William A. Biese Decker	CINIF (Mexico)
66	Luis A. Cortes Moreno	CINIF (Mexico)
67	Gerard van Santen	DASB (Netherlands)
68	Jan Peter Larsen	DASC (Denmark)
69	Lisbeth Frederiksen	DASC (Denmark)
70	Devi S. Kalanjati	DASK-IAI (Indonesia)
71	Irwan Lawardy Lau	DASK-IAI (Indonesia)
72	Elisabeth Imelda	DASK-IAI (Indonesia)

	Name	Organisation
73	Riki Sanjaya	DASK-IAI (Indonesia)
74	Pera Yulianingsih	DASK-IAI (Indonesia)
75	Christine Barckow	Deloitte
76	Chiara Del Prete	EFRAG
77	Vincent Papa	EFRAG
78	Kathrin Schoene	EFRAG
79	Didrik Thrane-Nielsen	EFRAG
80	Hocine Kebli	EFRAG
81	Robert Stojek	EFRAG
82	Sapna Heeralall	EFRAG
83	Silvio Marcelo Rizza	FACPCE (Argentina)
84	Heraclio Juan Lanza	FACPCE (Argentina)
85	Marsha Hunt	FASB
86	Jeffrey Mechanick	FASB
87	Jenny Carter	FRC (UK)
88	Gary Stevenson	HKICPA (Hong Kong)
89	Cecilia Kwei	HKICPA (Hong Kong)
90	Eky Liu	HKICPA (Hong Kong)
91	Norman Chan	HKICPA (Hong Kong)
92	Carmen Ho	HKICPA (Hong Kong)
93	Joni Kan	HKICPA (Hong Kong)
94	Katherine Leung	HKICPA (Hong Kong)
95	Anthony Wong	HKICPA (Hong Kong)
96	Carrie Lau	HKICPA (Hong Kong)
97	Andreas Barckow	IASB
98	Tadeu Cendon	IASB
99	Rika Suzuki	IASB
100	Bruce Mackenzie	IASB
101	Nili Shah	IASB
102	Roberta Ravelli	IASB
103	Raghava Tirumala	IASB
104	Michelle Fisher	IASB
105	Michelle Sansom	IASB
106	Sam Prestidge	IASB
107	Laura Kennedy	IASB
108	Uni Choi	IASB
109	Riana Wiesner	IASB

	Name	Organisation
110	María Dolores Urrea Sandoval	ICAC (Spain)
111	Carlos Moreno Saiz	ICAC (Spain)
112	Hortensia Lorenzana García	ICAC (Spain)
113	Ana Belén Muñoz	ICAC (Spain)
114	Ana María del Moral Ambite	ICAC (Spain)
115	Pramod Jain	ICAI (India)
116	Abhay Chhajed	ICAI (India)
117	Parminder Kaur	ICAI (India)
118	Yasunobu Kawanishi	IFASS
119	Takeshi Maruoka	IFASS
120	Megumi Makino	IFASS
121	Norihiro Hanazawa	IFASS
122	Fumihito Tezuka	IFASS
123	Masami Yamamoto	IFASS
124	Shuji Ito	IFASS
125	Ian Carruthers	IPSASB
126	Ross Smith	IPSASB
127	Dave Warren	IPSASB
128	Eui-Hyung Kim	KASB (Korea)
129	Jae-Ho Kim	KASB (Korea)
130	Sung-Ho Joo	KASB (Korea)
131	Woung-Hee Lee	KASB (Korea)
132	Il-Hong Park	KASB (Korea)
133	Hyun-Jae Bae	KASB (Korea)
134	Ha-Eun Yoo	KASB (Korea)
135	Na-Young Yoon	KASB (Korea)
136	Kakyoun Kang	KASB (Korea)
137	Eugene Lee	KASB (Korea)
138	Chan Hooi Lam	MASB (Malaysia)
139	Tan Bee Leng	MASB (Malaysia)
140	Angus Thomson	MASB (Malaysia)
141	Mohd Amirul Mukminin Mansor	MASB (Malaysia)
142	Tatyana Rybak	MOF Belarus
143	Bjørn Einar Strandberg	NASB (Norway)
144	Kjell Ove Røsok	NASB (Norway)
145	Tommaso Fabi	OIC (Italy)
146	Leonardo Piombino	OIC (Italy)

	Name	Organisation
147	Silvia Persichetti	OIC (Italy)
148	Joel Tan -Torres	PRC Board of Accountancy (Philippines)
149	Bongeka Nodada	SAICA (South Africa)
150	Mulala Sadiki	SAICA (South Africa)
151	Carina Edlund	SFRB (Sweden)
152	Fredrik Walmeus	SFRB (Sweden)
153	Reto Zemp	Swiss GAAP FER (Switzerland)
154	Seema Jamil-O'Neill	UKEB (UK)
155	Yousouf Hansye	UKEB (UK)
156	Matthew Tilling	UKEB (UK)
157	Louise Freeman	UKEB (UK)
158	Gabriella Martinez	UKEB (UK)
159	Catherine Crowsley	UKEB (UK)
160	Justin Ryan	UKEB (UK)
161	Carolyn Cordery	XRB (New Zealand)
162	Anthony Heffernan	XRB (New Zealand)
163	Gali Slyuzberg	XRB (New Zealand)
164	Vanessa Sealy-Fisher	XRB (New Zealand)
165	Jamie Cattell	XRB (New Zealand)
166	Carly Berry	XRB (New Zealand)
167	Tereza Bublikova	XRB (New Zealand)