

Appendix D—Summary of the Board’s tentative decisions

Tentative decision	When taken
<p>The proposed reduced-disclosure IFRS Standard should include the disclosure requirements set out in paragraphs 134(a)–(c), 134(d)(i), 134(e)(i), 134(e)(iiA), 135(a)–(c) and 136 of IAS 36 <i>Impairment of Assets</i>.</p>	<p>January 2021</p>
<p>A subsidiary that is an SME would be eligible to apply the proposed reduced-disclosure IFRS Standard if, at its reporting date, it is a subsidiary of a parent that applies IFRS Standards in its consolidated financial statements; and that the scope should not be limited to single-entity financial statements.</p>	<p>January 2021</p>
<p>Entities issuing insurance contracts within the scope of IFRS 17 <i>Insurance Contracts</i> should apply the disclosure requirements of IFRS 17. The Board will seek views on this decision as part of its consultation.</p>	<p>December 2020</p>
<p>The proposed reduced-disclosure IFRS Standard should not propose amendments to IFRS 1 <i>First-time Adoption of International Financial Reporting Standards</i>. In addition, transition provisions are not required for the reduced-disclosure IFRS Standard.</p>	<p>December 2020</p>
<p>In the first financial statements in which a subsidiary ceases to apply the reduced-disclosure IFRS Standard and applies IFRS Standards with full disclosures, the reduced-disclosure IFRS Standard will require comparatives for the disclosures not included in the previous years’ financial statements.</p>	<p>December 2020</p>

Tentative decision	When taken
<p>The proposed reduced-disclosure IFRS Standard may be applied for the ‘first time’ more than once by a reporting entity, for example when a subsidiary moves from a reporting group that prepares its financial statements applying IFRS Standards to a group that does not but which then subsequently adopts IFRS Standards.</p>	December 2020
<p>The proposed reduced-disclosure IFRS Standard should clearly state that its application is optional and that an entity’s decision to apply the Standard is reversible.</p>	December 2020
<p>Exceptions to the process for adapting disclosure requirements for a possible reduced-disclosure IFRS Standard would:</p> <ul style="list-style-type: none"> (a) exclude the disclosure requirements in paragraphs 19D(b) and 19E–19G of IFRS 12 <i>Disclosure of Interests in Other Entities</i> for investment entities. (b) require a reconciliation between the opening and closing balances of liabilities arising from financing activities. (c) require the disclosures recommended in Appendix B of Agenda Paper 31A <i>Exceptions to the process for adapting disclosure requirements</i> of the November 2020 meeting. This lists the disclosure requirements introduced in new and amended IFRS Standards with which the <i>IFRS for SMEs</i> Standard is not currently aligned that Board members recommended should be included in the reduced-disclosure IFRS Standard. (d) require subsidiaries to apply paragraph 25 of IFRS 6 <i>Exploration for and Evaluation of Mineral Resources</i>. 	November 2020

Tentative decision	When taken
<p>(e) require subsidiaries to apply paragraphs 20.13(b) and 11.42 of the <i>IFRS for SMEs</i> Standard. The Board also decided that it will consider whether to align the disclosure requirements for all financial liabilities as part of the Second Comprehensive Review of the <i>IFRS for SMEs</i> Standard, rather than as part of the Subsidiaries that are SMEs project.</p> <p>(f) include an expanded version of paragraph 28.41(e) of the <i>IFRS for SMEs</i> Standard.</p> <p>(g) exclude disclosure objectives that are in IFRS Standards.</p> <p>(h) for disclosure requirements of the <i>IFRS for SMEs</i> Standard not in IFRS Standards:</p> <p style="padding-left: 20px;">(i) exclude paragraphs 28.41(g) and 15.19(d) of the <i>IFRS for SMEs</i> Standard—these are based on disclosure requirements that have been replaced in IFRS Standards;</p> <p style="padding-left: 20px;">(ii) require subsidiaries to apply an adapted version of paragraph 20.14 of the <i>IFRS for SMEs</i> Standard—this is based on a disclosure requirement that has been replaced in IFRS Standards;</p> <p style="padding-left: 20px;">(iii) include the reliefs in paragraphs 17A and 18A of IAS 24 <i>Related Party Disclosures</i>; and</p> <p style="padding-left: 20px;">(iv) require subsidiaries to apply paragraphs 28.42 and 28.43, and an adapted version of paragraph 3.25 of the <i>IFRS for SMEs</i> Standard.</p>	
<p>The consultation document of the proposed reduced-disclosure IFRS Standard should include IFRS Standards and IFRIC Interpretations issued as at 1 January 2021 and exposure drafts</p>	<p>November 2020</p>

Tentative decision	When taken
published as at 1 January 2021, except for the Exposure Draft <i>General Presentation and Disclosures</i> .	
To maintain the reduced-disclosure IFRS Standard the Board shall consider amendments to the Standard when the Board publishes an exposure draft of a new or amended IFRS Standard.	November 2020
The proposed reduced-disclosure IFRS Standard will require a subsidiary applying the Standard that chooses to disclose earnings per share to apply the disclosure requirements of IAS 33 <i>Earnings per Share</i> .	November 2020
The proposed reduced-disclosure IFRS Standard should include an adapted version of IAS 34 <i>Interim Financial Reporting</i> disclosure requirements.	November 2020
The proposed reduced-disclosure IFRS Standard should require a subsidiary to disclose dividends paid in interim financial reports and annual financial statements where there is more than one class of share capital.	November 2020
The proposed reduced-disclosure IFRS Standard should include disclosure requirements derived from applying paragraph BC157 of the <i>IFRS for SMEs</i> Standard for regulatory deferral account balances.	November 2020
The proposed reduced-disclosure IFRS Standard will require a subsidiary to disclose that it has applied the reduced disclosure IFRS Standard, and require this disclosure to be located with the compliance statement required by paragraph 16 of IAS 1 <i>Presentation of Financial Statements</i> .	October 2020

Tentative decision	When taken
The proposed reduced-disclosure IFRS Standard will require a subsidiary to apply all of the disclosure requirements of IAS 8 <i>Accounting Policies, Changes in Accounting Estimates and Errors</i> .	October 2020
The proposed reduced-disclosure IFRS Standard will require a subsidiary to apply the disclosure requirements about transition provisions that are included in other IFRS Standards, subject to any modification to those disclosure requirements the Board considers appropriate for subsidiaries.	October 2020
The proposed reduced-disclosure IFRS Standard will not include disclosure requirements for combined financial statements.	October 2020
The Board will consider the scope of the project only after the completion of most of the analysis of whether adaptations to the disclosure requirements of the <i>IFRS for SMEs</i> Standard are required.	November 2019
The presentation requirements of IFRS Standards, not of the <i>IFRS for SMEs</i> Standard, shall be applied by subsidiaries that are SMEs that elect to apply the IFRS Standard being developed in this project.	April 2020
<p>When considering whether to adapt the disclosure requirements of the <i>IFRS for SMEs</i> Standard:</p> <p>(a) if there is no recognition and measurement difference – no change* to the disclosure requirements;</p> <p>(b) if there is a recognition and measurement difference – consider the principles in BC157 of the <i>IFRS for</i></p>	October 2019

Tentative decision	When taken
<p><i>SMEs</i> Standard and adapt the disclosure requirements if supported by one of the principles.</p> <p>* For the avoidance of doubt, there will be no change even if a disclosure requirement was added to an IFRS Standard since the <i>IFRS for SMEs</i> Standard was developed.</p>	