

IFAC Launches Global Knowledge Gateway

New Online Global Hub Aggregates Accounting Resources, Insights, and News, Connects Global Accountancy Community. The International Federation of Accountants (IFAC) recently announced the launch of the Global Knowledge Gateway, a platform designed to bring together news, views, resources, and thought leadership for the worldwide accountancy profession. The Gateway showcases key accountancy materials and provides a forum to explore thought-provoking issues, participate in discussions, and be part of the global community of accountants that IFAC represents. The Gateway initially focuses on the following topics: Ethics, Business Reporting, Finance Leadership & Development, Performance & Financial Management, Governance, Risk Management & Internal Control, and Sustainability. However, the content of the knowledge gateway ranges from developing areas of the profession to longstanding but continually evolving areas of accountancy. The breadth of topics is meant to serve the diverse sectors of accountancy, including IFAC member organisations, accountancy professionals, the regulatory community, and firms, as well as accounting students. The Gateway includes six key components namely Viewpoints, Accountancy News, Resources, Discussions, Topical News and Upcoming Events. To gain full access to the Gateway's offerings, register at IFAC's website.

(Source: <http://www.ifac.org/>)

Editorial corrections to bound volumes and A Guide through IFRS 2013 published

The editorial team of the IASB recently published a collection of editorial corrections. Editorial corrections were made to Corrections to consequential amendments, Corrections to stand-alone Standards and Corrections to 2013 IFRS (Red Book), A Guide through IFRS 2013 and 2014 IFRS (Blue Book). The corrections consist of those amendments that are needed as a result of an error made when writing or typesetting the documents consisting of spelling errors, grammatical mistakes or unmarked consequential amendments. Any major technical amendments will be made by Standard.

(Source: <http://www.ifrs.org/>)

IFAC Issues Proposed Guidance on Supplementary Financial Measures

The Professional Accountants in Business (PAIB) Committee of the International Federation of

Accountants (IFAC) recently issued proposed International Good Practice Guidance, *Developing and Reporting Supplementary Financial Measures*, for public comment. This guidance seeks to establish a benchmark for the use of supplementary financial measures, in order to improve understanding of an organisation's performance among management, investors, and other stakeholders. The proposed guidance provides principles regarding the qualities measures should have and disclosures that should accompany them if reported externally. The guidance is meant for all organisations that want to use supplementary financial measures, regardless of size or structure, private or public. Supporting the profession and accountants in business is a key objective of the PAIB Committee. This type of principles-based guidance is an important aspect of achieving that objective. Professional accountants, their organizations, and other interested parties are encouraged to respond to the proposed guidance to help improve its applicability in organisations of all sizes. It cover areas of international and strategic importance in which professional accountants in business are likely to engage. In issuing principles-based guidance, IFAC seeks to foster a common and consistent approach to those aspects of the work of professional accountants in business not covered by international standards. IFAC seeks to clearly identify principles that are generally accepted internationally and applicable to organisations of all sizes in commerce, industry, education, and the public and not-for-profit sectors.

(Source: <http://www.ifac.org/>)

Consultative Group for Shariah-Compliant Instruments and Transactions—Call for Papers

In 2011, the IASB conducted a consultation on topics to be included in its technical agenda. As a consequence of that consultation, the Board decided to establish a consultative group on Shariah-Compliant Instruments and Transactions. The Group held an organisational meeting in Kuala Lumpur in July 2013. The Group intends to focus on challenges that may arise in the application to instruments and transactions commonly referred to as Islamic finance and to invite papers on those challenges and, after reviewing those papers, to make recommendations to the Board about steps that it might take. The first topic for papers, is whether some or all of the Islamic products typically owned by Islamic banks qualify for amortised-cost

classification. If the answer is “yes,” on what basis? In the answer is “no”, what steps, if any, the Board should take to either clarify the classification of these contracts or to amend IFRS 9?

(Source: <https://www.ifrs.org/>)

IFRS 9 leaves IASB with impaired convergence

The IASB and the US Financial Accounting Standards Board have failed to develop a common financial instruments accounting standard. The reality about the lack of a single asset impairment model emerged during IASB meeting in January is that there is no convergence. It leaves preparers playing in the middle between the competing IFRS and US GAAP models. The board also voted to fix a new effective date for IFRS 9, Financial Instruments, of 1 January 2018. IASB members were reluctant to delay the standard, or make further changes to it, pending decisions on the linked insurance contracts literature. Later that same meeting, staff reported that the FASB will almost certainly reject two central features of the IFRS 9 classification and measurement approach - the business model and the contractual cashflow assessments for amortised cost. In recent weeks, the European Parliament has shown an increased willingness to challenge the IASB, even going so far as to propose linking funding for the IASB's activities to specific outcomes. Separately, the G20 nations have urged the two boards to come up with a single financial instruments model. At some point in time, Hoogervorst is going to have a very awkward conversation with his political masters.

(Source: <http://www.journalofaccountancy.com/>)

IFRS conference in South Africa announced

The IFRS Foundation, along with the South African Institute of Chartered Accountants (SAICA), has announced an upcoming conference in Johannesburg, South Africa on 13th-14th August 2014. The conference will include discussions on the future of financial reporting, as well as the latest IASB updates on the major IFRSs, implementation issues, conceptual framework and research projects. The conference will feature presentations by IASB Vice-Chairman and IASB members. Some of the topics to be covered at the conference include: The future of financial reporting, IASB update, Major IFRSs, Implementation, Conceptual framework, Research projects, Panel

discussions on IFRS disclosures, the upcoming revenue requirements, and IFRS 9.

(Source: <http://www.iasplus.com/>)

EU Approves IASB Funding with Strings Attached

European Politicians have voted to approve EU funding for the body that oversees the setting of global accounting standards, but with the proviso the funding could be pulled if it fails to meet certain conditions. Questions have been raised by the European Parliament about the governance structures and lack of transparency of these bodies, as well as their close links to the accounting industry. The release of these EU funding streams will therefore only be forthcoming upon sufficient reform to prevent conflicts of interest.

(Source: <http://www.accountancyage.com/>)

FASB Eases Variable Interest Entity Requirements for Private Companies

The Financial Accounting Standards Board recently issued guidance to make it easier for private companies to report on consolidation of variable interest entities. The new guidance applies to the consolidation of lessors in certain common control leasing arrangements for private companies. It comes in response to recommendations from FASB's sister organisation, the Private Company Council, which has also weighed in with recommendations on adjusting the standards on goodwill impairment and interest rate swaps for private companies that were ultimately adopted by FASB. Under current U.S. GAAP, a company is required to consolidate the financial reporting from an entity in which it has a controlling financial interest. The assessment of a controlling financial interest is performed under either a voting interest model or a variable interest entity, or VIE, model. To determine which model applies, a company preparing financial statements must first determine whether it has a variable interest in the entity being evaluated for consolidation and whether that entity is a VIE. The new guidance in *FASB Accounting Standards Update No. 2014-07, Applying Variable Interest Entities Guidance to Common Control Leasing Arrangements*, allows a private company to elect—when certain conditions exist—not to apply VIE guidance to a lessor under common control. Instead, the private company would make certain disclosures about the lessor and the leasing arrangement.

(Source: <http://www.accountingtoday.com/>)