28 March 2025
Agenda Paper 10

UK Endorsement Board

IASB General Update

Executive Summary

Project Type	Influencing
Project Scope	Various

Purpose of the paper

This paper provides the Board with an update on projects the Secretariat is currently monitoring, including the work of the IFRS Interpretations Committee.

As agreed with the Board, the Secretariat monitors projects being undertaken by the IASB and IFRS Interpretations Committee. This is undertaken to inform the Board about the progress and decisions being made by the IASB on active projects. Discussion by the Board may also help inform interactions with international standard setter meetings, including the IASB's Accounting Standards Advisory Forum (ASAF).

Summary of the Issue

Topics addressed in this paper include those discussed by the IASB at its February 2025 meeting.

Topics for discussion

- Updating IFRS 19 *Subsidiaries without Public Accountability: Disclosure*
- Amortised Cost Measurement
- Intangible Assets

Topics for noting

- Climate-related Risks and Other Uncertainties in the Financial Statements
- IASB Fourth Agenda Consultation

IFRIC Update

Questions for the Board

Topics for discussion

Updating IFRS 19 *Subsidiaries without Public Accountability* (Appendix A)

1. Do Board members have any questions or comments on the IASB's tentative decisions taken at the February 2025 meeting?

Amortised Cost Measurement (Appendix B)

1. Do Board members have any questions or comments on the information about the IASB's Amortised Cost Measurement project presented in this Appendix?

2.	What is your advice on the level of stakeholder engagement the Secretariat should be carrying out during the research phase of this project?

Intangibles (Appendix C)

1.	Do Board members have any questions or comments on the update provided in the paper?

Topics for noting

Do Board members have any questions or comments on the topics for noting?

IFRIC Update

There are no questions for the Board this month.

Recommendation
N/A

Appendices
Appendix A: Updating IFRS 19 *Subsidiaries without Public Accountability*
Appendix B: Amortised Cost Measurement
Appendix C: Intangible Assets
Appendix D: Climate-related Risks and Other Uncertainties in the Financial Statements
Appendix E: IASB Fourth Agenda Consultation
Appendix F: Interpretations Committee Update
Appendix G: List of IASB projects

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Appendix A: Updating IFRS 19 *Subsidiaries without Public Accountability: Disclosures*

Project Stage							
IASB	Research / Pipeline	Discussion paper	Redeliberation	Exposure Draft	Redeliberation	Final standard	Post Implementation Review
UKEB	Research / Influencing	Research / Influencing	Monitoring	Influencing	Monitoring	Endorsement	Influencing
UKEB project page UKEB Final Comment Letter (published 28 November 2024)							

Background

A1. IFRS 19 *Subsidiaries without Public Accountability: Disclosures* issued in May 2024 included reduced disclosure requirements for IFRS Accounting Standards issued before 28 February 2021.

A2. In July 2024, the IASB published the Exposure Draft Amendments to IFRS 19 (ED) that proposed reductions to disclosure requirements for new or amended IFRS Accounting Standards issued between 28 February 2021 and May 2024.

A3. In January 2025, the IASB discussed the feedback in comment letters and from outreach events on the ED[1].

Purpose of this update

A4. This paper provides an update on the February 2025 meeting where the IASB made tentative decisions on the ED.

IASB discussion

A5. At the meeting IASB members commented on the following topics of the ED:

[1] See Agenda Paper 9: Appendix F of the February 2025 UKEB meeting for a summary of the feedback on the key ED proposals.

a) **Supplier finance arrangement (SFA)**. One IASB member disagreed with deleting the requirement to disclose the range of payment due dates for both the financial liabilities that are part of a SFA and comparable trade payables that are not part of an SFA. In the view of that IASB member, this disclosure enables users of financial statements to assess how these arrangements affect the entity's cash flows. This is relevant for users of subsidiaries' financial statements who are particularly interested in information about short-term cash flows. However, in considering costs and benefits, the IASB has decided to delete this disclosure requirement.

b) **International Tax Reform—Pillar Two Model Rules (Pillar Two)**. One IASB member said that the disclosure requirements are of limited relevance because the Pillar Two rules are already in effect in many jurisdictions. The IASB staff paper[2] explained that in a future review of IFRS 19, if the disclosure requirements have become entirely irrelevant, the Standard could be amended at that point to delete the disclosure requirements.

c) **Lack of exchangeability (LOE)**.

i. IASB members had mixed views on the disclosure requirements for LOE, in particular on the staff recommendation to delete the requirement to disclose:

- qualitative information about each type of risk to which the entity is exposed because the currency is not exchangeable into the other currency, and the nature and carrying amount of assets and liabilities exposed to each type of risk; and

- the requirement to disclose summarised financial information for foreign operations.

ii. Some IASB members supported the IASB staff recommendation because the costs of the requirements for preparers would exceed the benefits to users.

iii. However, two IASB members strongly disagreed and said that these disclosures would enable users to understand the financial impact of a currency not being exchangeable into another currency, in particular, when the subsidiary is materially impacted. In contrast, these two IASB members also said that the benefits of the information to users exceed the costs for preparers i.e. subsidiaries would already have this information available for consolidation purposes.

2 See paragraph 29 of IASB February 2025 Agenda Paper 32B

IASB tentative decisions

A6. The table below summarises the IASB's proposals contained in the ED, the recommendations made by the UKEB in its comment letter[3], and the tentative decisions made by the IASB. We note that in many respects the final IASB position is aligned with the views expressed in the UKEB comment letter.

ED proposal	UKEB comment letter[4]	IASB tentative decision
IFRS 18 *Presentation and Disclosure in Financial Statements*		
Retained all the disclosure requirements in IFRS 18, except the disclosure objective from a disclosure requirement relating to non-current liabilities.	The UKEB comment letter agreed with the proposals and did not identify any potential reduction to the disclosure requirements in IFRS 18.	The IASB has decided to retain these proposals.
Replaced the requirements relating to management-defined performance measures (MPMs) with a cross-reference to those requirements in IFRS 18.		
Supplier finance arrangements		
Added the definition of supplier finance arrangements (SFA) from paragraph 44G of IAS 7 *Statement of Cash Flows*.	The UKEB comment letter did not support this proposal because in general IFRS 19 does not include definitions or descriptions.	The IASB has decided to delete this definition.
Retained all the disclosure requirements relating to SFA, except the disclosure objective.	The UKEB comment letter recommended providing an explanation of how benefits outweigh the costs for disclosure of liabilities (part of SFA) for which suppliers have already received payment from the finance providers.	The IASB has retained the proposal to delete the disclosure objective. In considering costs and benefits, the IASB has decided to delete the requirement to disclose the range of payment due dates for both the financial liabilities that are part of a SFA and comparable trade

3 See the UKEB's Final Comment Letter on the ED.
4 See the UKEB's Feedback Statement on the ED.

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ED proposal	UKEB comment letter[4]	IASB tentative decision
		payables that are not part of SFA.
International Tax Reform—Pillar Two Model Rules		
Removed: • the disclosure objective i.e. the whole of paragraph 198 of IFRS 19; and, • the reference to a disclosure objective in paragraph 199 of IFRS 19 i.e. the first sentence of this paragraph.	The UKEB comment letter agreed with the proposals.	The IASB has decided to clarify the disclosure requirements by adding the phrase 'known or reasonably estimable' from paragraph 198 of IFRS 19 (the disclosure objective which the ED proposed to delete) to paragraph 199 of IFRS 19 to ensure the requirements are not more onerous for eligible subsidiaries.
Lack of exchangeability		
Retained all the disclosure requirements relating to lack of exchangeability, except the disclosure objective.	The UKEB comment letter agreed with the proposal.	The IASB has retained the proposal to delete the disclosure objective.
Amendments to the Classification and Measurement of Financial Instruments		
No reductions were proposed for disclosures related to changes in contractual cash flows (paragraphs 20B–20D of IFRS 7 *Financial Instruments: Disclosures*).	The UKEB comment letter agreed with the proposal but suggested the IASB consider whether paragraph 56C[5] of the consequential amendments, which appears to be disclosure guidance, should be included in IFRS 19.	The IASB has decided to delete: • paragraph 56C of IFRS 19 consistent with the principle of not including any guidance in IFRS 19; and • the second sentence of paragraph 56A[6] of IFRS 19 because it is akin to guidance.

5 Paragraph 56C states: *For example, an entity shall disclose the information required by paragraph 56B for a class of financial liabilities measured at amortised cost whose contractual cash flows change if the entity achieves a reduction in its carbon emissions.*

6 The second sentence of paragraph 56A states: …*The entity shall consider how much detail to disclose, the appropriate level of aggregation or disaggregation, and whether users of financial statements need additional explanations to evaluate any quantitative information disclosed.*

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Next steps

A7. In a future IASB meeting, the staff will bring an agenda paper to discuss other matters (e.g. effective date, transition requirements), due process and an effects analysis, and will ask permission from the IASB to begin the balloting process.

A8. The IASB's aim is to finalise the amendments to IFRS 19 in Q3 2025.

A9. The IASB will decide whether to develop reduced disclosures for the forthcoming IFRS Accounting Standard *Regulatory Assets and Regulatory Liabilities* (RARL Standard) separately at its March 2025 meeting because the amendments to IFRS 19 are expected to be finalised before the IASB issues the RARL Standard. The UKEB Secretariat will continue to monitor the IASB discussions on this topic and provide feedback to the Board as required.

A10. The UKEB plans to assess both IFRS 19 and the final amendments resulting from the ED as a package for adoption and will present a Project Initiation Plan for the endorsement assessment of IFRS 19 in due course.

Question for the Board
1. Do Board members have any questions or comments on the IASB's tentative decisions taken at the February 2025 meeting?

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Appendix B: Amortised Cost Measurement

Project Stage							
IASB	Research / Pipeline	Discussion paper	Redeliberation	Exposure Draft	Redeliberation	Final standard	Post Implementation Review
UKEB	Research / Influencing	Research / Influencing	Monitoring	Influencing	Monitoring	Endorsement	Influencing

IASB Next Milestone:

- IASB outreach activities with preparers from March 2025.
- Decide project direction: H1 2026

B1. In February 2025, the IASB was presented with a summary of feedback from consultative groups, the IASB staff analysis of that feedback, and suggested next steps on its *Amortised Cost Measurement* project[1]. The IASB was not asked to make decisions at that meeting.

B2. The purpose of this paper is to provide the Board with an update on these matters.

Background

B3. At its September 2024 meeting, the IASB commenced its research project Amortised Cost Measurement. The UKEB was provided with an update on that meeting along with background project information in the October 2024 General IASB Update.

B4. In November and December 2024, the IASB sought feedback on the project objectives, approach and scope from consultative groups[2] including the Accounting Standards Advisory Forum (ASAF), of which the UKEB is a member.

1 As set out in the IASB's Agenda Paper 11.
2 As well as ASAF, the IASB sought feedback from the IFRS Interpretations Committee and the Emerging Economies Group.

Project objectives and approach

Project objectives

B5. The IASB's objectives for the project are:

a) "to address application matters arising from the amortised cost measurement requirements in IFRS 9, that are widespread and have a material effect on entities' financial statements; and

b) to improve specific information provided to users of financial statements about financial instruments measured at amortised cost."[3]

Project approach

B6. The IASB will take a 'targeted improvements' approach to this project. The intention behind this approach is to clarify[4] the underlying principles of the amortised cost measurement requirements in IFRS 9 and develop new principles where required. In this way, the IASB aims to address the root causes of the application issues and the resulting diversity in practice which has been highlighted by stakeholders.

B7. Overall, consultative groups were broadly supportive of the project objectives and approach. Consistent with the IASB's discussion in September 2024, some consultative group members (including the UKEB) observed that diversity in practice is not necessarily indicative of an issue which needs to be solved[5] and stressed the importance of identifying the root causes of diversity in practice by consulting with preparers.

B8. Members of consultative groups and the IASB also noted the importance of clear communication with stakeholders about the project approach, to ensure it is well understood. Applying a principle-based approach, targeted improvements could result in potentially significant impact for some entities (e.g., to system infrastructure), and potential changes to long standing accounting practice. Therefore, it will be important to draw a clear distinction between such an approach and, for example, a 'narrow-scope' approach which would typically involve limited amendments for a specific feature of financial instruments or a particular fact pattern, without clarifying underlying principles[6].

3 Paragraph 6 of the February 2025 IASB Agenda Paper 11

4 Paragraph 9a of the February 2025 IASB Agenda Paper 11 states "Clarification may involve, for example, adding an explanation of what the current requirements in IFRS 9 are designed to achieve and adding application guidance to facilitate their application."

5 Paragraph 26 of the December 2024 ASAF meeting summary notes that the "IASB can resolve the diversity arising from unclear requirements in IFRS 9, but it cannot reduce diversity caused by other reasons (for example, varied contractual terms or the effect of various jurisdictional laws and regulations)."

6 Paragraph 6 of the February 2025 IASB Agenda Paper 11

B9. Consultative groups and IASB members alike highlighted the need for timely completion of the project.

Project criteria

B10. When the project was launched in September 2024, the IASB staff developed criteria for determining the issues in scope of the project, being those:

a) "that are widespread and have a material effect on entities' financial statements;

b) for which financial reporting would be improved through clarifications aimed at reducing diversity in practice. That is, the diversity resulting from unclear requirements or insufficient application guidance in IFRS 9.

c) for which the benefits to investors from the resulting information outweigh the implementation costs for preparers. When evaluating this condition, the IASB will consider factors such as whether a potential solution was previously dismissed due to operational complexity; and

d) that can be resolved by the IASB efficiently and effectively without:

(i) fundamentally rewriting the requirements of IFRS 9;

(ii) creating internal inconsistencies in IFRS 9; and

(iii) amending other IFRS Accounting Standards (except for consequential amendments)."[7]

B11. Discussions at the September 2024 IASB meeting and the December 2024 ASAF meeting referred to the need to focus on resolving those issues which would result in useful information for investors, especially considering that much of the feedback on the project thus far has come from preparers or auditors[8]. This will have to be balanced against the costs for preparers and the need to develop solutions which are operational in practice (see paragraph B10.c) above).

B12. The wording of the criteria will be aligned to the IASB Prioritisation Framework once that is finalised.

Scope

B13. When the project was launched in September 2024, the IASB identified eleven issues for potential inclusion, which were set out in a table in Appendix A of September 2024 IASB Agenda Paper 11.

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7 Paragraph 32 of the February 2025 IASB Agenda Paper 11
8 Paragraph 46 of the February 2025 IASB Agenda Paper 11

B14. These issues were subsequently discussed with consultative groups to ensure the list was complete and to identify any missing issues. Most consultative group members confirmed that the list was complete. However, some members (including the UKEB) suggested that the IASB was being ambitious in seeking to address all issues on the list and recommended some method of prioritisation.

B15. However, the IASB staff note that "the application issues in this project are interrelated" [9] and therefore, it would not be effective or efficient to consider the issues in isolation. Rather than viewing the list of issues as discrete application matters requiring separate solutions, the IABS staff consider that the issues in scope should be considered thematically.

B16. The overarching theme of the eleven application issues in the IASB's list is considered to be the question of "how to account for a change in expected cash flows of a financial instrument measured at amortised cost."[10] A change in expected cash flows could include:

a) "changes in expected cash flows that affect the EIR[11] (both at initial recognition and subsequent measurement); and

b) changes in expected cash flows that affect the carrying amount."[12]

B17. In the IASB staff view, focusing on the measurement principles underpinning these two themes would allow the IASB to explore principle-based solutions for application issues and holistically consider the interactions between different requirements.

Indicative project timeline

B18. This is currently a research project and the IASB is expected to decide project direction in H1 2026. The IASB is consulting with stakeholders during Q1and Q2 2025. An indicative timeline for the IASB's deliberations during the research phase of the project is summarised below:

9 Paragraph 20 of the February 2025 IASB Agenda Paper 11 states "[f]or example, addressing the accounting for modifications…would be incomplete without addressing the accounting for the associated fees or costs…or the resulting modification gains or losses…"
10 Paragraph 19 of the February 2025 IASB Agenda Paper 11
11 Effective Interest Rate
12 Paragraph 27 of the February 2025 IASB Agenda Paper 11

Area	**Topic** (Items in bold are prioritised by consultative groups—see Feb.2025 IASB staff paper 11, paragraph 22)	**Indicative timeline**
Changes in expected cash flows that affect the EIR	**Determining EIR with conditions attached to the contractual interest rate** **Accounting for subsequent changes in estimated cash flows** **The effect of modifications on EIR**	Q2 / Q3 2025
Changes in expected cash flows that affect the carrying amount	**What constitutes a 'modification' of financial instruments** **Assessment of modifications that lead to derecognition** **Partial derecognition vs modification of a financial instrument** Accounting for modification gains or losses Accounting for unamortised transaction costs and fees received in modifications Accounting for 'fees and costs incurred' as required by paragraph 5.4.3 of IFRS 9	Q4 2025
	Boundaries between modification, derecognition, and impairment	Q1 2026
	The IASB to reconsider whether it can solve the issues relating to accounting for write-offs effectively and efficiently.	Q1 2026

Source: Paragraph 50 of the February 2025 IASB Agenda Paper 11

Next steps

B19. The IASB staff will consult with preparers in different industries and across different geographic regions (see paragraph B7 above) on matters such as the root causes of diversity in practice. These meetings are expected to take place from March 2025.

B20. The IASB staff will also consult with investors as the project progresses, particularly in evaluating potential solutions (see paragraph B11 above).

B21. At the ASAF meeting in December 2024, the UKEB highlighted the importance of early stakeholder engagement on this project and offered to assist the IASB with UK outreach. The UKEB Secretariat is liaising with the IASB staff on this matter. The Secretariat will continue to monitor project developments.

Questions for the Board
1. Do Board members have any questions or comments on the information about the IASB's Amortised Cost Measurement project presented in this Appendix?
2. What is your advice on the level of stakeholder engagement the Secretariat should be carrying out during the research phase of this project?

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Appendix C: Intangible Assets

Project Stage							
IASB	Research / Pipeline	Discussion paper	Redeliberation	Exposure Draft	Redeliberation	Final standard	Post Implementation Review
UKEB	Research / Influencing	Research / Influencing	Monitoring	Influencing	Monitoring	Endorsement	Influencing
UKEB project page **IASB next milestone:** Decide project direction							

Background

C1. Following the Third Agenda Consultation in 2022, the IASB added a project on intangible assets to its research pipeline to "comprehensively review the requirements in IAS 38 *Intangible Assets.*"[1]

C2. The IASB commenced the project in April 2024[2] and has discussed stakeholder feedback and the output of research activities at subsequent meetings.

Purpose of this update

C3. This paper provides an update on the IASB March 2025 meeting, where the IASB discussed Agenda Paper 17A which "provides staff analysis of the feedback and other evidence gathered in the initial phase of the Intangible Assets project and staff's initial thoughts on possible objective(s) of the project and broad groups of topics that the IASB could explore in the project."[3] The IASB was not asked to make any decisions at this meeting.

C4. The table below sets out the possible objectives and topics which were presented in the paper, as well as the IASB staff's initial thoughts on these topics and the IASB's related discussions.

1 Paragraph 2 of March 2025 IASB Agenda Paper 17
2 April 2024 IASB meeting summary
3 Paragraph 5 of March 2025 IASB Agenda Paper 17

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Summary of objectives and topics discussed

Topic	Inclusion in project: Initial thinking of IASB staff	IASB comments from March 2025 meeting
Possible objectives of the project		
IAS 38 is outdated • Originally issued in September 1998 and requires modernisation and futureproofing • IAS 38 requirements "do not work well for new types of assets not envisaged when it was developed (such as cryptocurrencies and carbon credits) and new ways of operating…"[4]	**Yes** – strong support from stakeholders, possible project objective	Members supported the staff's initial thinking that the objectives of the project could be to: 1. modernise IAS 38 so that it copes with newer types of intangibles and new ways to use them; and 2. improve information entities provide about intangibles in the financial statements. Members thought the two objectives are a good starting point for the project as they are broad and would allow the board to address the various concerns that have been raised by stakeholders. The objectives can then be further refined as the project progresses, and the issues to focus on become clearer. Several members expressed concerns about the wording of objective one. Of

4 Paragraph 11 of the March 2025 IASB Agenda Paper 17A

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Topic	Inclusion in project: Initial thinking of IASB staff	IASB comments from March 2025 meeting
		particular concern was the use of the word 'modernising'. Members thought the use of this word may potentially create confusion among stakeholders as it may suggest the board plans on doing a complete overhaul of IAS 38, which is not the intention with this project.
Financial statements provide insufficient information about intangibles • "Most commonly, information was seen as insufficient for data, human capital and customer-related intangibles"[5]	**Yes** – strong support from stakeholders, possible project objective	Members agreed with feedback from stakeholders that the financial statements need to provide sufficient information about an entity's intangible assets. One member said presenting better information for users is less about the balance sheet and more about better portraying financial performance in the statement of profit or loss and statement of cash flows and related disclosures. The Chair cautioned against not considering the importance of the balance sheet on this project as the balance sheet was useful in helping users answer questions that the other statements cannot.

5 Paragraph 20 of the March 2025 IASB Agenda Paper 17A

Topic	Inclusion in project: Initial thinking of IASB staff	IASB comments from March 2025 meeting
Gap between market value and book value	**No** - paragraph 1.7 of the Conceptual Framework states that "[g]eneral purpose financial reports are not designed to show the value of a reporting entity". Therefore, this may not be an appropriate objective of the project	One member said while the project does not aim to close the gap between book value and the market value, or the gap between acquired and internally generated intangible assets, the work done during the course of the project may lead to consequences that are not contradictory to this.
Lack of comparability of information about internally generated and acquired intangible assets • Commonly mentioned as a problem during outreach, although there are mixed views about whether this should be a project objective • In follow up meetings, most users expressed a preference for improved disclosures	**No** – mixed support for this proposed objective	A member said the only way the issue of comparability between internally generated and acquired intangible assets could be addressed is through subsequent measurement at fair value. However, stakeholders hadn't shared any views about doing this.
Lack of recognition of internally generated intangible assets e.g., brands, R&D costs and cloud computing arrangements	**No** – limited support for addressing this issue	A member said users and investors had been clear in the feedback that they want better application consistency of the standard and not recognition of more intangible assets. Application inconsistency is the reason users make

Topic	Inclusion in project: Initial thinking of IASB staff	IASB comments from March 2025 meeting
		adjustments to the information in the financial statements, not because of a lack of recognised intangible assets.
IAS 38 is a residual standard i.e. it applies to intangible assets that are not within the scope of another IFRS Accounting Standard	**No** – limited support for addressing this issue	No views were shared on this topic.
Difference between IFRS Accounting Standards and US GAAP resulting in reduced comparability	**No** – limited support for addressing this issue	No views were shared on this topic.
Groups of topics for the IASB to explore – scoping topics		
Topic 1: Intangible assets held for investment, such as cryptocurrencies and carbon credits • Exploring this topic would be in line with the objective of modernising IAS 38 • Some concern about whether cryptocurrencies and carbon credits should be in scope as some stakeholders consider them more akin to financial assets.	**Unclear** – strong support from stakeholders for exploring the topic but no clear direction. For cryptocurrencies and carbon credits the IASB could: "(a) apply a principle-based approach and explore accounting for intangible assets based on their use; or (b) use cryptocurrencies or carbon credits or both as 'test cases' in exploring	Members who commented on Topic 1 supported exploring this topic. A member proposed that staff use cryptocurrencies and Pollutant Pricing Mechanisms (PPMs) as a test case before conducting further work on the other topics. Another member supported this and said using cryptocurrencies and PPMs would allow staff to test for recognition, measurement and disclosure of intangible assets.

Topic	Inclusion in project: Initial thinking of IASB staff	IASB comments from March 2025 meeting
	application challenges for newer intangible assets."[6] The results of this work and IASB decisions in the next agenda consultation could inform whether these items need to be scoped out of IAS 38.	
Topic 2: Accounting for a broader range of intangibles • There is demand for improved information about these currently unrecognised assets • Concerns about whether these items belong in the financial statements, measurement issues and the possibility of having to update the asset definition in the *Conceptual Framework for Financial Reporting* (the Conceptual Framework) to accommodate recognition of such assets	**No** – medium support for this topic from stakeholders but initially maintaining a narrow scope would keep the project manageable. Topic 8 on disclosure (see below) may address some of the feedback received from stakeholders. In addition, "other projects and activities of the IFRS Foundation are considering users' needs for information on a broader range of intangibles and the connectivity between this information and information in the financial statements."[7]	Only a few members supported focusing on this topic. Members who commented and were not in support of exploring this topic said: 1. Investors have said in their feedback that they do not support the recognition of more intangible assets. 2. When investors are asked what they want to see in the financial statements, they often share very sector specific issues or issues related to business models and not issues that are principle-based. This is therefore not an issue for the IASB to solve.

6 Paragraph 60 of the March 2025 IASB Agenda Paper 17A
7 Paragraph 67 of the March 2025 IASB Agenda Paper 17A

Topic	Inclusion in project: Initial thinking of IASB staff	IASB comments from March 2025 meeting
		3. Investors at times do not make a clear distinction between information they source from the financial statements and information from other sources which makes their requests more challenging to address.
Topic 3: Accounting for intangible assets covered by other IFRS Accounting Standards • Feedback mainly on goodwill which is often material and of interest to users • However, the IASB has concluded that evidence collected during the Post Implementation Review (PIR) of IFRS 3 *Business Combinations* "did not demonstrate a compelling case to change its previous decision about accounting for goodwill (in which the IASB explicitly decided not to allow amortisation of goodwill)"[8]	**No** - medium support for this topic from stakeholders but initially maintaining a narrow scope would keep the project manageable. Goodwill may be considered later if other developments in the project (e.g. in relation to Topic 6 on intangible assets recognised in a business combination) significantly affect the accounting for goodwill.	Members who commented on this topic had mixed views, with only one member being in support of including the topic in the project. Two members disagreed with including the topic, while two other members said that it could be considered at a later stage as it may have interactions with IFRS 18 or may already be covered by other standards such as IFRS 3.

8 Paragraph 72 of the March 2025 IASB Agenda Paper 17A

Topic	Inclusion in project: Initial thinking of IASB staff	IASB comments from March 2025 meeting
Groups of topics for the IASB to explore – subject area topics		
Topic 4: Updating the definition of an intangible asset and associated guidance to make them easier to apply, particularly to newer types of intangible assets • New, material intangibles exist due to digitalisation of the economy, such as cloud computing and data resources • However, developing a comprehensive solution could be complex and could be approached in various ways	**Yes** – strong support for this topic from stakeholders, especially preparers. The IASB's approach could be to initially explore several test cases and assess the broader effects on intangible assets.	Members who commented on this topic were in support of it being explored as users, in particular investors, had highlighted its importance.
Topic 5: Investigating whether more intangibles should be reported on the balance sheet • Could improve information for users about the entity's capital investment, reduce diversity in practice for accounting for certain items and improve comparability of information about acquired and internally generated intangibles	**Unclear** – limited support for addressing this topic. However, the IASB consider that there may be "real effects for entities as a result of lack of recognition, such as difficulties in raising finance or paying dividends, which could justify exploring this topic."[9] It may also be useful to consider recognition once there is a definition (see Topic 4).	Of the members who commented on this topic, most were in favour of including this topic in the project, with some members being of the view that it should be the starting point for further work to be done by staff. One member said that while the IASB does not aim to recognise more intangible assets, the work done during the course of

9 Paragraph 99 of the March 2025 IASB Agenda Paper 17A

Topic	Inclusion in project: Initial thinking of IASB staff	IASB comments from March 2025 meeting
		the project may lead to consequences that are not contradictory to this.
Topic 6: Improving comparability of information about acquired and internally generated intangible assets • Feedback suggests that it is "difficult to compare entities that grow organically and those that grow through acquisitions"[10] and that material differences may exist in the balance sheet values of such entities. Therefore, exploring the topic could improve comparability of information for users	**Unclear** - medium support for this topic from stakeholders. The IASB could wait until it has progressed its project work on disclosure and recognition to see if that results in more comparable information for users**.**	Only a few members commented on this topic. One member said that addressing topic 6 would be an easy win, however, he was unsure how beneficial this would be for the project as a whole. Other members noted that the topic does not appear to have strong support from stakeholders.
Topic 7: Improving measurement of intangible assets • This is currently a challenging area of accounting for intangible assets • However, there was mixed support for addressing the issue with the least support for exploring fair value accounting	**Unclear** - medium support for this topic, mainly from preparers. However, this does not appear to be a priority for stakeholders.	No views were shared on this topic.

10 Paragraph 104 of the March 2025 IASB Agenda Paper 17A

Topic	Inclusion in project: Initial thinking of IASB staff	IASB comments from March 2025 meeting
Topic 8: Improving disclosure about capitalised and expensed intangibles • Expected to improve information in the financial statements about intangible assets • However, there is a risk of boilerplate disclosures due to concerns about commercial sensitivity, the judgements involved and costs • In addition, "some stakeholders cautioned against using disclosure as a substitute for recognition and measurement"[11]	**Yes** - strong support for this topic, especially from users. However, the IASB will need to consider whether information requested by users belongs in the financial statements or in another document. The IASB could undertake an initial assessment of user information needs but explore the topic more fully at a later stage to take account of the work done on other topics, and the effects of implementing IFRS 18 *Presentation and Disclosure in Financial Statements* and IFRS S1 *General Requirements for Disclosure of Sustainability-related Financial Information*.	The Chair said the research work conducted by the UKEB had identified some expenses that are future-related and could potentially be recognised as assets. While these expenses may not meet the definition of an asset today, it may be worth exploring them as they have future revenue creation potential. He therefore suggested that this topic not be taken off the list of issues to consider at this stage. Another member who commented on this topic was in support of it being included in the project.
Topic 9: Improving consistency of labels for different intangibles e.g. a single label for customer relationships, customer base and customer lists	**No** - limited support for addressing this topic. However, the IASB could consider consistent labels and terminology when exploring other topics, such as Topic 8.	Members who commented said the topic did not seem to have support. However, one member was of the view that not having significant support would not be reason enough to eliminate the topic at this stage of the project.

[11] Paragraph 130 of the March 2025 IASB Agenda Paper 17A

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Next steps

C5. The IASB staff agreed with the IASB's view that it was better to start with broader topics and then narrow things down as the project progresses. Due to the level of interaction between the topics, the staff will revisit the approach on how to proceed and include their proposals in the next paper presented to the IASB. The views shared by ASAF members at the March 2025 meeting will also be considering in drafting future papers presented to the IASB.

Question for the Board	
1.	Do Board members have any questions or comments on the update provided in the paper?

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Appendix D: *Climate-Related and Other Uncertainties in the Financial Statements* (CROUFS)

Project Stage							
IASB	Research / Pipeline	Discussion paper	Redeliberation	Exposure Draft	Redeliberation	Final standard (n/a)	Post Implementation Review (n/a)
UKEB	Research / Influencing	Research / Influencing	Monitoring	Influencing	Monitoring	Endorsement (n/a)	Influencing (n/a)
UKEB project page UKEB Final Comment Letter (published 3 December 2024)							

Context

D1. The IASB and ISSB held a joint four-hour meeting on 19 February 2025 to discuss stakeholder feedback on the IASB's *Climate-Related and Other Uncertainties in the Financial Statements* (CROUFS) Exposure Draft[1] (ED). The ED was published by the IASB in July 2024 and contained eight proposed illustrative examples. Annex A of this paper provides an overview of the eight proposed illustrative examples in the ED.

D2. The UKEB commented on the ED in the interest of ensuring connectivity and high-quality reporting. However, the UKEB will not endorse or adopt these examples, as they are not proposed to form a part of the mandatory IFRS Accounting Standards.

D3. The purpose of the joint meeting was to help the IASB determine the project's direction and to consider implications for the connectivity-related activities of the two boards. Neither board was asked to make any decisions

D4. The IASB has since scheduled an ad-hoc virtual ASAF meeting on 28 May 2025, at which the IASB staff will provide an overview on the feedback received in response to the ED and seek ASAF members' views on the project's direction.

1 Climate-related and Other Uncertainties in the Financial Statements: Proposed illustrative examples

D5. In preparation for the May ASAF session, the UKEB Secretariat will provide further information on the IASB's redeliberations and ask for UKEB members' views on the project's direction at future UKEB public meetings.

Background

D6. The aim of the CROUFS project is to improve the application of IFRS Accounting Standards, raise awareness of the requirements in IFRS Accounting Standards and strengthen connections between the financial statements and sustainability-related financial disclosures.

D7. The IASB received 125 comment letters before its 28 November 2024 deadline. The UKEB approved a final comment letter[2] for publication at its November 2024 meeting.

D8. The IASB staff papers[3] presented the feedback received in the following areas:

a) providing illustrative examples;

b) the approach to developing the examples;

c) connectivity;

d) detailed feedback on the eight proposed illustrative examples; and

e) transition and effective date.

IASB and ISSB joint board discussion

D9. Both boards discussed the feedback received but the IASB alone discussed the feedback on transition and effective date.

Providing illustrative examples

D10. Most stakeholders agreed that the examples would improve the reporting of the effects of climate-related and other uncertainties in the financial statements. Many IASB members supported revising the examples but also acknowledged a tension with stakeholder demand for timely guidance.

Approach to developing the examples

D11. Most stakeholders had also agreed with the proposed approach that the examples should accompany but not form a mandatory part of the accounting standards. Some IASB members were concerned that the illustrative examples may be perceived as authoritative requirements while others were concerned that by not

2 UKEB Final Comment Letter: Climate-Related and Other Uncertainties in the Financial Statements
3 IASB-ISSB joint meeting Agenda Papers 14-14e), February 2025

including them in the mandatory part of the accounting standards, some jurisdictions may not consider them.

D12. Many stakeholders commented on the lack of examples related to 'other uncertainties' and expressed concerns with specific technical aspects of examples.

D13. Several IASB members considered that if the illustrative examples did not have sufficient impact, then potential changes could be considered as future minor improvements to accounting standards. However, other members commented that based on previous discussions on the project approach[4] standard-setting had already been ruled out.

Connectivity

D14. It was noted that many stakeholders had emphasised the importance of connectivity between the financial statements and sustainability disclosures and had encouraged the IASB to conduct further work in this area.

D15. An IASB member commented that the proposed examples lacked illustrations of connectivity between sustainability reporting and financial reporting. It was noted that while connectivity to the financial statements is explicit in IFRS Sustainability Disclosure Standards, connections from IFRS Accounting Standards to sustainability reporting were only implicit.

D16. Several ISSB members acknowledged that stakeholders appeared to have different interpretations of the term 'connectivity', and that the project alone was unlikely to be sufficient to address this. However, it was considered that there was more work for both boards to do to provide guidance to stakeholders on connectivity.

D17. One of the ISSB Vice-Chairs suggested that the ISSB could use the finalised examples to illustrate how IFRS Sustainability Disclosure Standards would be applied. It was suggested that this may help clarify the coherence between sustainability disclosures and financial statements. Another ISSB member suggested that this could take the form of joint examples similar to those presented at the World Standard Setters' Conference in September 2024[5].

Detailed feedback on the eight proposed illustrative examples

D18. In response to the feedback received, most IASB members considered that revisions would be required to Examples 1 & 2[6]. These examples focused on the

4 IASB meeting, April 2024
5 World Standard Setters' Conference 2024: Connectivity between the financial statements and sustainability-related financial disclosures
6 Example One —Materiality judgements leading to additional disclosures (IAS 1/IFRS 18) and Example Two - Materiality judgements not leading to additional disclosures (IAS 1/IFRS 18)

assessment of materiality and generated the most comments from stakeholders. It was noted that while some stakeholders were supportive of these examples, others raised concerns that the technical analysis of IAS 1 paragraph 31 had gone beyond the requirements. These examples were the focus of the Board discussion.

Examples 1 and 2

D19. One IASB member commented that some stakeholders appeared to have concluded that the examples implied a lower materiality threshold for climate-related risks. He noted that this was a misinterpretation and should be clarified. The IASB member also expressed the view that this may indicate that materiality assessments had become too focused on quantitative aspects, without adequate consideration of the qualitative aspects.

D20. Some IASB members proposed combining these examples to potentially improve coherence while other IASB members suggested that they should be withdrawn, taking account of ongoing developments with IFRS Sustainability Disclosure Standards.

D21. Several IASB members expressed support for expanding the coverage of the examples to recognition and measurement, rather than focusing purely on disclosure.

D22. The IASB will consider whether it may be more appropriate to delay the release of these two examples until there is more maturity of disclosures in practice.

Transition and effective date

D23. IASB members' views were mixed regarding whether transitional provisions or an effective date for the illustrative examples was appropriate as the examples only clarified existing requirements.

D24. Concerns were expressed that setting an effective date or transitional provisions could signal that the IASB was introducing new expectations or requirements.

D25. Several IASB members noted that changing the format of the examples (e.g. integrating them in international accounting standards or issuing the examples as IFRS Interpretations Committee agenda decisions) would delay their publication.

Next steps

D26. The IASB will continue to analyse stakeholder feedback in its further deliberations, which are expected to resume in either April or May 2025. As noted in the context section, the IASB has scheduled an ad-hoc virtual ASAF meeting on 28 May 2025.

D27. The UKEB Secretariat will continue to monitor the IASB's redeliberations and provide further updates to the Board as appropriate.

Annex A: CROUFS: Proposed illustrative examples

1. This annex provides a high-level overview of the eight illustrative examples.

   a) **Example 1** illustrates the application of materiality to a scenario in which the fact pattern and circumstance appear to have no immediate effect on the financial statements.

   b) **Example 2** illustrates a scenario in which no disclosure is required of climate transition risks. This is due to there being no effects on the entity beyond the entity's existing use of renewable energy and carbon offsets. It is assumed that users of financial statements would not reasonably expect there to be any material financial impacts in this industry.

   c) **Example 3** is relevant to entities in industries with high greenhouse gas emissions and significant amounts of goodwill. The application section focuses on the measurement and disclosure requirements of IAS 36.

   d) **Example 4** addresses a scenario when IAS 36 has no specific relevant disclosure requirement, but there is a significant risk of a material adjustment in less than 1 year and therefore disclosures under IAS 1.125 are applicable.

   e) **Example 5** addresses a fact pattern in which the entity's key assumption is that a deferred tax asset (DTA) is likely to be fully utilised before new regulations come into force curtailing the entity's ability to operate and generate profits. The conclusion is that additional disclosure is required to understand fully the impact of future events, as required by IAS 1.31.

   f) **Example 6** illustrates how climate-related risks, such as flooding risks, may manifest themselves in loan portfolios.

   g) **Example 7** illustrates disclosures concerning the uncertainties involved in determining provisions under IAS 37. While the topic of the example is related to climate-related and sustainability matters, the principle is of general application.

   h) **Example 8** illustrates how disaggregated information can be necessary to understand the different characteristics of items including their risks. The example illustrates an entity which has significant amounts of PPE with a range of different exposures to climate-related risks.

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Appendix E: *Fourth Agenda Consultation*

Project Stage							
IASB	Research / Pipeline	Discussion paper	Redeliberation	Exposure Draft	Redeliberation	Final standard	Post Implementation Review
UKEB	Research / Influencing	Research / Influencing	Monitoring	Influencing	Monitoring	Endorsement	Influencing
IASB Next Milestone: Request for Information (Q4 2025)							

Background

E1. At its March 2025 meeting, the IASB held an initial discussion regarding the Fourth Agenda Consultation for the work plan period 2027–2031. It is expected the IASB will issue a Request for Information (RfI) for stakeholder consultation in Q4 2025[1].

E2. The purpose of the IASB's discussion was to consider the staff's proposed approach to the consultation. This covered:

a) Background to agenda consultations.

b) Reflections on the Third Agenda Consultation.

c) The staff's proposed approach.

d) A tentative list of potential projects to describe in the RfI.

e) The staff's proposed project plan.

E3. The IASB's Third Agenda Consultation for the work plan period 2022–2026 took place in 2021[2]. The UKEB conducted an influencing project, culminating in a final comment letter[3] in response to the RfI.

[1] IASB March 2025 meeting Agenda paper 24
[2] Third Agenda Consultation | UK Endorsement Board
[3] UKEB Final Comment Letter – Third Agenda Consultation, September 2021

IASB staff proposals and IASB discussion

Strategy

E4. The approach taken to the Third Agenda Consultation was considered effective and therefore appropriate to reuse for the Fourth Agenda Consultation. However, it was noted that some adaptation would be required to cater for the establishment of the International Sustainability Standards Board (ISSB).

E5. Most IASB members supported the proposed strategy, and many emphasised the need for clear communication to manage stakeholders' expectations. A member noted that potential projects should be strategic in nature and that the IASB should seek stakeholder views specifically on these topics.

E6. Several IASB members noted that Intangible Assets and Statement of Cash Flows and Related Matters were large projects and still at a relatively early stage. It was emphasised that stakeholders should be made aware that these would take up significant time and resources to complete. Consequently, stakeholders would need to be aware of capacity limitations and that trade-offs would be required.

E7. Several IASB members also advocated maintaining flexibility in the work plan to address urgent issues as they arose. The examples of Pillar Two and Power Purchase Agreements from the 2022–2026 work plan period were cited.

E8. The IFRS Interpretations Committee Chair commented that due to the speed of change in the business environment there were likely to be more requests for maintenance projects than larger longer-term projects. The IASB Chair cautioned that a change in focus towards more maintenance projects may result in IFRS becoming less principles-based and more rules-based over time.

E9. Several members emphasised the importance of investor requirements and priorities as a key assessment in the priority of potential projects.

Connectivity with the ISSB

E10. Connectivity between the IASB and ISSB was described in the staff paper as either 'core' (ensuring each board's respective requirements were compatible and avoided potential inconsistencies or conflicts) or potential 'joint' projects.

E11. To align the consultation approaches of both the IASB and ISSB, it was proposed that should the ISSB decide to conduct an agenda consultation before the end of the IASB's Fourth Agenda Consultation period, then the IASB would consult again.

Assessment of additional projects

E12. The IASB's updated prioritisation framework[4] will be used to assess any additional projects to be added to its work plan.

Active projects and project reprioritisation

E13. No active projects would be considered for withdrawal nor would projects already in the IASB pipeline be considered for reprioritisation.

Projects in scope

E14. A list of potential projects will be included in the RfI which may include potential joint IASB–ISSB projects. However, joint projects would have to be considered a high priority for both boards and both boards would be required to approve the project. Please refer to Annex A for the list of potential projects.

E15. IASB members had mixed views regarding the length of the project list and its contents. Some members favoured a longer list of projects as it would allow stakeholders to holistically consider relative priorities. Other members felt that the proposed list was too long and should be further streamlined. A member noted that feedback from IFASS indicated an appetite for a narrower range of high priority projects for consultation.

E16. Several IASB members supported a work plan balanced between standard-setting, consistent application and maintenance projects. However, given the two large standard-setting projects in progress, other IASB members considered the focus should be on application and maintenance.

E17. A member considered that the potential project on going concern disclosures may not be as significant an issue as it had been at the time of the Third Agenda Consultation, during the covid-19 pandemic.

E18. A member suggested that the IASB staff should review the proposed list of projects based on its own awareness of the key issues, project delivery experience and known capacity constraints. A revised list could then be discussed with the consultative groups before the IASB finalised the RfI. This suggestion received support from several members and the Chair.

E19. The IASB Vice-Chair noted that several projects in the proposed list were sourced from the Post-Implementation Review (PIR) process. She acknowledged the strong stakeholder feedback received about the PIR process.

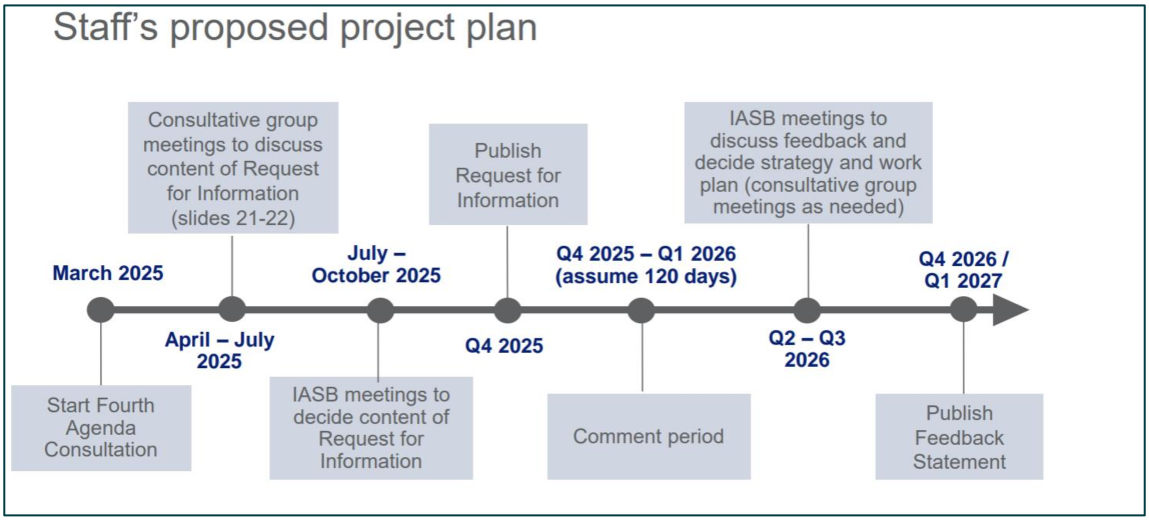
[4] UKEB February 2025 meeting: IASB General Update, Appendix C

Capacity

E20. The IASB would only add new projects to the pipeline if it expected to have capacity to commence them before 2031. The RfI could also include 'capacity indicators' in relation to how many large, medium and small projects the IASB had capacity to start during the period of the work plan.

Proposed project plan

E21. The staff proposed the following high-level timeline for the consultation.



Source: IASB Agenda paper 24, for March 2025 meeting.

E22. IASB members were supportive of the high-level timeline and planned activities.

E23. The UKEB Secretariat notes that the RfI for the Third Agenda Consultation, which asked for feedback on 22 potential projects, had a 180-day comment period while the proposed project plan assumes a 120-day comment period.

Next steps

E24. The IASB staff meetings with consultative groups is expected to include a discussion at the July 2025 ASAF meeting.

E25. The Secretariat will continue to monitor IASB discussions and provide updates to future meetings as appropriate. The UKEB will hold an initial discussion on the IASB's Fourth Agenda Consultation approach at a future meeting.

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Annex A: Tentative project list for the Request for Information

1. The staff proposed a tentative project list for the RfI. The projects in the table below were categorised by source, but not priority or scope.

2. Table A contains a list of potential IASB projects, and the following Table B contains a list of potential joint IASB and ISSB projects.

Potential IASB projects (Table A)
Source: Third Agenda Consultation
Cryptocurrencies and related transactions
Going concern disclosures
Income tax disclosures
Operating segments
Pollutant pricing mechanisms
Source: Horizon-scanning
Hyperinflationary accounting
Cross-cutting • Applying IFRS 15 *Revenue from Contracts with Customers* with IFRIC 12 *Service Concession Arrangements* • Collaborative arrangements • Corporate wrappers • Financial guarantee contracts
Source: Post-Implementation Reviews
IFRS 10 *Consolidated Financial Statements,* IFRS 11 *Joint Arrangements* and IFRS 12 *Disclosure of Interests in Other Entities* • Disclosures about interests in other entities • Subsidiaries that are investment entities • Transactions changing relationships between an investor and an investee
IFRS 15 *Revenue from Contracts with Customers*

Potential IASB projects (Table A)
• Consideration payable to a customer • Principal vs. agent
To be determined – projects outside the scope of active projects

Source: IASB Agenda paper 24, for March 2025 meeting.

Potential joint IASB-ISSB projects (Table B)
A framework, such as a conceptual framework • addressing connected reporting • clarifying boundaries between different general purpose financial reports covering sustainability reporting
Integration in reporting

Source: IASB Agenda paper 24, for March 2025 meeting.

Appendix F: Interpretations Committee Update

UKEB Project Status: Monitoring **IASB Next Milestone:** N/A	

Background

F1. The UKEB's Due Process Handbook notes that the UKEB expects to respond to a limited number of tentative agenda decisions published by the IFRS Interpretations Committee (Interpretations Committee). Some factors to consider when deciding whether to respond may be:

a) the degree of impact of the tentative agenda decision on UK companies (for example, in cases where the tentative agenda decision is expected to affect a significant number of UK companies);

b) disagreement with the Interpretations Committee's analysis; or

c) usefulness of the explanations and clarifications included in the tentative agenda decision.

F2. The Interpretations Committee met on 11 March 2025. The next Interpretations Committee meeting is on 25 to 26 June 2025.

F3. At its March 2025 meeting, the Interpretations Committee discussed the staff analyses of the comment letters received on the tentative agenda decisions set out in the tables below, except for *Assessing indicators of hyperinflationary economies*, which will be discussed at a future meeting.

F4. In addition to discussing the feedback on the tentative agenda decisions, at its March 2025 meeting the Interpretations Committee provided input on a possible way forward in response to feedback on an aspect of the proposed translation method in the Exposure Draft *Translation to a Hyperinflationary Presentation Currency*. This discussion forms part of the wider stakeholder engagement on this project and is not discussed in this update.

F5. At the time of writing, no new matters have been received by the Interpretations Committee.

F6. The remainder of this update summarises the tentative agenda decisions. Where relevant the summaries have been updated to reflect responses received by the Interpretations Committee.

TENTATIVE AGENDA DECISIONS CLOSED FOR COMMENT	
Topic	Assessing indicators of hyperinflationary economies
Standard	IAS 29 *Financial Reporting in Hyperinflationary Economies*
Deadline	3 February 2025
Question[1]	Clarification is requested on: 1. Whether all indicators in paragraph 3 of IAS 29 should be considered in the assessment of when an economy becomes hyperinflationary when one indicator listed has been met. 2. Whether other indicators not listed in IAS 29 should be considered in the assessment. 3. Whether paragraphs 4 and 35 of IAS 29 require both a subsidiary and the consolidated group to apply IAS 29 consistently.
Tentative conclusion[2]	For question 1, evidence gathered by the Committee did not indicate that there is widespread diversity in understanding the requirements of IAS 29. For questions 2 and 3, evidence gathered by the Committee did not indicate that there is diversity within the responses to these questions. On the basis of that evidence, the Committee concluded that the matter described in the request does not have widespread effect. Consequently, the Committee decided not to add a standard-setting project to the work plan.
Comment	IAS 29 is applied to the financial statements of an entity whose functional currency is the currency of a hyperinflationary economy. The Secretariat's preliminary assessment was that the matter was unlikely to impact a significant number of UK companies.

1 This provides a summary of the question only. Please refer to the IFRS website for the full details.
2 This provides a summary of the IFRS Interpretations Committee's tentative conclusion only. Please refer to the IFRS website for the full details.

	At its October 2024 and November 2024 Board meetings the UKEB decided it would not undertake further work on this matter at this time. The IFRS Interpretations Committee received 10 responses, including one from a UK-based respondent. The majority of respondents supported the tentative agenda decision. NB: the IASB discussed stakeholders' concerns and challenges related to applying IAS 29 *Financial Reporting in Hyperinflationary Economies* in its January 2025 meeting as part of its work plan update. The IASB was not asked to make any decisions.

AGENDA DECISIONS WAITING FOR IASB RATIFICATION	
Topic	Recognition of intangible assets resulting from climate-related commitments
Standard	IAS 38 *Intangible Assets*
Question[3]	Whether (and if so, how) an entity recognises an intangible asset that may result from an entity's climate-related commitments.
Final conclusion[4]	Evidence gathered by the Committee did not indicate that there is material diversity in practice in the matter described in the request. On the basis of that evidence, the Committee concluded that the matter described in the request does not have widespread effect. Consequently, the Committee decided not to add a standard-setting project to the work plan.
Comment	At its September 2024 and November 2024 Board meetings the UKEB decided it would not undertake further work on this matter at this time. The IFRS Interpretations Committee received 14 responses, including three from UK-based respondents. The majority of respondents supported the tentative agenda decision. Four respondents, including a UK-based respondent, suggested that whilst there may not be material diversity in practice in the matter described in the request currently, this area could develop in the future as more entities begin to make climate-related commitments. They

3 This provides a summary of the question only. Please refer to the IFRS website for the full details.
4 This provides a summary of the IFRS Interpretations Committee's tentative conclusion only. Please refer to the IFRS website for the full details.

	believe the IASB should consider this more broadly as part of the project on Intangible Assets. There have been minor changes to the wording of the Agenda Decision from that presented to the IFRIC in December 2024. However, the substance of the Agenda Decision is consistent with that previously discussed.

Topic	Recognition of revenue from tuition fees
Standard	IFRS 15 *Revenue from Contracts with Customers*
Question[5]	The request asks, given a specific set of circumstances, about the period over which the educational institution recognises revenue from tuition fees—that is, evenly over the academic year (10 months), evenly over the calendar year (12 months) or over a different period.
Final conclusion[6]	Evidence gathered by the Committee to date indicates that diversity in accounting for revenue from tuition fees is mainly the result of differing facts and circumstances. Based on its findings, the Committee concluded that the matter described in the request does not have widespread effect. Consequently, the Committee decided not to add a standard-setting project to the work plan.
Comment	This (or any similar) issue was not raised in the UKEB's recent discussions with stakeholders related to the post-implementation review of IFRS 15. The Secretariat's view was that the matter was unlikely to impact a significant number of UK companies. At its July 2024 and September 2024 Board meetings the UKEB decided it would not undertake further work on this matter at this time. The IFRS Interpretations Committee received 7 responses, including one from a UK-based respondent. The majority of respondents supported the tentative agenda decision. There have been minor changes to the wording of the Agenda Decision from that presented to the IFRIC in September 2024. However, the

5 This provides a summary of the question only. Please refer to the IFRS website for the full details.
6 This provides a summary of the IFRS Interpretations Committee's tentative conclusion only. Please refer to the IFRS website for the full details.

	substance of the Agenda Decision is consistent with that previously discussed.

Topic	Guarantees Issued on Obligations of Other Entities
Standard	IFRS 9 *Financial Instruments*
Question[7]	The Committee received a request about how an entity accounts for guarantees that it issues. The request described three fact patterns in the context of an entity's separate financial statements. The request asks whether the guarantees issued are financial guarantee contracts to be accounted for in accordance with IFRS 9 Financial Instruments and, if not, which other IFRS Accounting Standards apply to these guarantees.
Final conclusion[8]	Guarantees can arise or be issued in many ways and convey various rights and obligations to the affected parties. IFRS Accounting Standards do not define 'guarantees', and there is not a single Accounting Standard that applies to all guarantees. When determining which Accounting Standard applies to a particular guarantee that it issues, an entity is required to analyse all terms and conditions—whether explicit or implicit—of the guarantee unless those terms and conditions have no substance. The entity first considers whether a guarantee that it issues is a 'financial guarantee contract' in accordance with IFRS 9 (with one exception). If an entity concludes that the guarantee it issues is not a financial guarantee contract, the entity considers whether the guarantee is an insurance contract in accordance with IFRS 17. If an entity concludes that a guarantee it issues is neither a financial guarantee contract nor an insurance contract, an entity considers other requirements in IFRS Accounting Standards (IFRS 9, 15 or IAS 37) to determine how to account for the guarantee. The Committee concluded that the principles and requirements in IFRS Accounting Standards provide an adequate basis for an entity to consider when determining how to account for a guarantee that it issues. The Committee also noted that the IASB has decided to consider during its next agenda consultation the broader application questions related to financial guarantee contracts, including about the meaning of the term 'debt instrument' in the definition of a financial

7 This provides a summary of the question only. Please refer to the IFRS website for the full details.
8 This provides a summary of the IFRS Interpretations Committee's tentative conclusion only. Please refer to the IFRS website for the full details.

	guarantee contract. Consequently, the Committee decided not to add a standard-setting project to the work plan.
Comment	The Secretariat's preliminary assessment was that the matter was unlikely to impact a significant number of UK companies. At its July 2024 and September 2024 Board meetings the UKEB decided it would not undertake further work on this matter at this time. The IFRS Interpretations Committee received 10 responses, including one from a UK-based respondent. The majority of respondents supported the tentative agenda decision. There have been minor changes to the wording of the Agenda Decision from that presented to the IFRIC in September 2024. However, the substance of the Agenda Decision is consistent with that previously discussed.

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Appendix G: List of active IASB projects

This Appendix provides a list of all active IASB projects[1], including links to the IASB project page and, where relevant, to the UKEB project page and any UKEB reports or comment letters. Items highlighted in grey are changed from the last report.

List of IASB projects	
Amortised Cost Measurement	
UKEB Project Status: Monitoring **IASB Next Milestone:** Decide Project Direction H1 2026	
Business Combinations—Disclosures, Goodwill and Impairment	
UKEB Project Status: Monitoring **IASB Next Milestone:** Decide Project Direction 2026	**UKEB project page (Influencing)** **UKEB Project Initiation Plan** (Published March 2024) **UKEB Draft Comment Letter** (Published May 2024) **UKEB Final Comment Letter** (Published July 2024 **UKEB Feedback Statement** (Published July 2024) **UKEB Due Process Compliance Statement** (Published September 2024)

1 This list does not include projects related to the IFRS Interpretations Committee or IASB's projects outside the UKEB's work remit (such as the Second Comprehensive Review of the *IFRS for SMEs* Accounting Standard).

List of IASB projects	
	UKEB project page (Discussion Paper) UKEB Final comment Letter on the Discussion Paper (Published January 2021) UKEB Feedback Statement (Published March 2021) UKEB Report: Subsequent Measurement of Goodwill - A Hybrid Model (Published September 2022)
Climate-related and Other Uncertainties in the Financial Statements	
UKEB Project Status: Influencing **IASB Next Milestone:** Decide Project Direction May 2025	UKEB project page UKEB Project Initiation Plan (Published July 2024) UKEB Draft Comment Letter (Published September 2024) UKEB Final Comment Letter (Published December 2024) UKEB Feedback Statement (Published December 2024) UKEB Due Process Compliance Statement (Published December 2024)
Dynamic Risk Management	
UKEB Project Status: Monitoring **IASB Next Milestone:** Exposure Draft Q2 2025	

List of IASB projects	
Equity Method	
UKEB Project Status: Influencing **IASB Next Milestone:** Exposure Draft Feedback May 2025	UKEB project page UKEB Project Initiation Plan (Published October 2024) UKEB Draft Comment Letter (Published October 2024) UKEB Final Comment Letter (Published December 2024) UKEB Feedback Statement (Published December 2024) UKEB Due Process Compliance Statement (Published January 2025)
Financial Instruments with Characteristics of Equity	
UKEB Project Status: Monitoring **IASB Next Milestone:** Final Amendments 2026	UKEB project page UKEB Project Initiation Plan (Published October 2023) UKEB Draft Comment Letter (Published February 2024) UKEB Final Comment Letter (Published April 2024) UKEB Feedback Statement (Published April 2024) UKEB Due Process Compliance Statement (Published April 2024)

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List of IASB projects	
Intangible Assets	
UKEB Project Status: Monitoring **IASB Next Milestone:** Decide Project Direction Q2 2025	UKEB project page Accounting for Intangibles a Survey of Users' Views' (Published May 2024) Accounting for Intangibles a Quantitative Analysis of UK Financial Reports (Published May 2024) UKEB Project Initiation Plan Updated (Published June 2023) Accounting for Intangibles UK Stakeholders' Views' (Published 2023)
Post-implementation Review of IFRS 16—Leases	
UKEB Project Status: Monitoring **IASB Next Milestone:** Request for Information Q2 2025	
Provisions—Targeted Improvements	
UKEB Project Status: Influencing **IASB Next Milestone:** Exposure Draft Feedback Q2 2025	UKEB project page UKEB Project Initiation Plan (Published October 2024) UKEB Draft Comment Letter (Published December 2024)

List of IASB projects	
	UKEB Final Comment Letter (Published March 2025) UKEB Feedback Statement (Published March 2025)
Rate-regulated Activities	
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UKEB Project Status: Monitoring [UKEB Deferred Project] **IASB Next Milestone:** Exposure Draft Feedback May 2025	
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