
IASB[®] meeting

Date	November 2023
Project	Updating the Subsidiaries without Public Accountability: Disclosures Standard
Topic	Project plan for the Catch-up Exposure Draft
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Purpose of this paper

1. The purpose of this paper is to set out for the International Accounting Standards Board (IASB) the project plan for the preparation of the “Catch-up Exposure Draft” following the issue of the forthcoming IFRS Accounting Standard *Subsidiaries without Public Accountability: Disclosures* (“subsidiaries Standard”). The paper does not ask the IASB to make any decisions.

Structure of the paper

2. The paper is structured into two parts:
 - (a) summary of discussions to date (paragraphs 3–5); and
 - (b) plan for technical discussions (paragraphs 6–14).

Summary of discussions to date

3. The IASB expects to issue the subsidiaries Standard in the first half of 2024, having concluded its deliberations on the feedback on the Exposure Draft *Subsidiaries*

without Public Accountability: Disclosures (“subsidiaries Exposure Draft”) issued in July 2021.

4. The subsidiaries Standard will be voluntary for eligible subsidiaries and will permit the use of the recognition, measurement and presentation requirements of IFRS Accounting Standards with a set of reduced disclosure requirements. When the IASB developed the reduced disclosure requirements, it considered issued IFRS Accounting Standards as at 28 February 2021. Since this date, the IASB has issued new and amendments to disclosure requirements in IFRS Accounting Standards (for brevity, this is referred to as ‘new disclosure requirements’ in this agenda paper).
5. The IASB tentatively decided that until it issues an amendment—consulted on through the Catch-up Exposure Draft—to the subsidiaries Standard, eligible subsidiaries would be required to comply with all new disclosure requirements.

Plan for technical discussions

6. New or amended standards proposed or issued after 28 February 2021 will be dealt with for the purposes of the catch-up Exposure Draft based on their timing:
 - (a) Group 1: New or amended disclosure requirements issued between 28 February 2021 and the publication of the subsidiaries Exposure Draft in July 2021
 - (b) Group 2: New or amended disclosure requirements issued between the publication of the subsidiaries Exposure Draft and the issue of the subsidiaries Standard
 - (c) Group 3: New or amended disclosure requirements proposed between the publication of the subsidiaries Exposure Draft and the issue of the subsidiaries standard and whose proposals are expected to be finalised and issued after the subsidiaries standard is issued
 - (d) Group 4: New or amended disclosure requirements expected to be proposed after the subsidiaries standard is issued

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7. The new or amended disclosure requirements included in each of the groups are listed in Appendix A of this paper. Those in the scope of the catch-up Exposure Draft are those in groups 1 and 2. Those in group 3 have not yet been proposed and so will be included in the exposure drafts for those new or amended Standards – proposed as amendments to the subsidiaries Standard. Consequently, these disclosure requirements will be consulted on at the same time as the proposed disclosure requirements in each exposure draft. For example, the IASB discussed the disclosure requirements relating to Financial Instruments with Characteristics of Equity in May 2023¹ and those relating to Business Combinations Disclosures Goodwill and Impairment in September 2023².
 8. New or amended standards in group 4 will be subject to the agreed maintenance approach that the IASB discussed in September 2023³.
 9. The staff intends to bring to the IASB papers addressing the disclosure requirements in each of the new or amended standards in groups 1 and 2 similar to those the IASB discussed as part of their redeliberations on the subsidiaries exposure draft⁴. Each disclosure requirement in each new or amended standard will be assessed against the agreed principles for reducing disclosures and will also be subject to an overall review for proportionality. When any requirements had previously been discussed in the drafting of the subsidiaries Standard, these discussions will be referenced and taken into account.
 10. The staff's expectation is that the bulk of the technical discussion can take place in January 2024 with transition and due process in March 2024. This would lead to publication of the Catch-up Exposure Draft within a few months from issuing the subsidiaries Standard in Q2 2024. A timely finalisation of the proposals in the Catch-up Exposure Draft is important because until reduced disclosure requirements for

¹ Staff paper from [May 2023](#)

² Staff paper from [September 2023](#)

³ Staff paper from [September 2023](#)

⁴ Staff papers from [April 2023](#) and [May 2023](#)

those new disclosure requirements are issued as an amendment to the subsidiaries Standard, subsidiaries applying the new standard will have to provide all the information required by those new or amended disclosure requirements. In other words, they will not benefit from reduced disclosures in these areas until the subsidiaries Standard has been amended after consultation on the Catch-up Exposure Draft.

The special case of Primary Financial Statements

11. In most cases the new or amended standards have relatively few disclosure requirements so it is expected that discussions will not be unduly onerous. The exception is the new Primary Financial Statements standard (PFS Standard), which will be issued before the subsidiaries Standard.
12. This PFS Standard replaces IAS 1 *Presentation of Financial Statements* and relocates some of its previous content to IAS 8 *Accounting Policies, Changes in Accounting Estimates and Errors*. In preparing the subsidiaries Standard, the following approach has been applied:
 - (a) if the disclosure requirement was in IAS 1 and remains in either the PFS Standard or relocated to another IFRS Accounting Standard, the IASB's proposals in the Exposure Draft (subject to changes made in redeliberations) holds for the subsidiaries Standard.
 - (b) new or amended disclosure requirements in the PFS Standard will all apply to eligible subsidiaries.
13. The Catch-up Exposure Draft will therefore address those disclosure requirements within the scope of paragraph 12(b) of this paper individually and those in paragraph 12(a) holistically.

Summary

14. The contents of the Catch-up Exposure Draft for disclosure requirements in new or amended standards issued after 28 February 2021 will be discussed by the IASB in the first half of 2024, the intention being to publish the exposure draft as soon as possible after the subsidiaries Standard is issued. This will be the last part of the work on the subsidiaries Standard as a self-contained project because after this point amendments to it will be proposed and finalised at the same time as other IFRS Accounting Standards are amended (or new IFRS Accounting Standards are issued)

Question for the IASB

Does the IASB have any comments or questions on the work plan for the catch-up ED?

Appendix A—New and amended disclosure requirements in IFRS Accounting Standards after 28 February 2021

Group 1: New or amended disclosure requirements issued between 28 February 2021 (the “cut-off date”) and the publication of the subsidiaries Exposure Draft

There are no items in this category, which is included only for technical completeness.

Group 2: New or amended disclosure requirements issued between the publication of the subsidiaries Exposure Draft and the subsidiaries Standard

Project	Effective date	Remarks
<i>Lack of Exchangeability</i> (Amendments to IAS 21)	Annual reporting periods beginning on or after 1 January 2025	Exposed in April 2021 and issued in August 2023.
<i>International Tax Reform—Pillar Two Model Rules</i> (Amendments to IAS 12)	Annual reporting periods beginning on or after 1 January 2023	Exposed in January 2023 and issued in May 2023
<i>Supplier Finance Arrangements</i> (Amendments to IAS 7 and IFRS 7)	Annual reporting periods beginning on or after 1 January 2024	Exposed in November 2021 and issued in May 2023
<i>Non-current Liabilities with Covenants</i> (Amendments to IAS 1)	Annual reporting periods beginning on or after 1 January 2024	Exposed in November 2021 and issued in October 2022
<i>Primary Financial Statements</i>	Annual reporting periods beginning on or after 1 January 2027	Exposed in December 2019 and expected to be issued in H1 2024 before the subsidiaries Standard

Group 3: New or amended disclosure requirements proposed between the publication of the subsidiaries Exposure Draft and the issue of the subsidiaries Standard and whose proposals are expected to be issued after the subsidiaries Standard

Project	Remarks
<i>Financial Instruments with Characteristics of Equity</i> (Amendments to IAS 32, IFRS 7 and IAS 1)	Expected to be exposed in Q4 2023
<i>Business Combinations—Disclosures, Goodwill and Impairment</i> (Amendments to IFRS 3 and IAS 36)	Expected to be exposed in H1 2024
<i>Rate-regulated Activities</i>	Exposed in January 2021 and a new Standard to replace IFRS 14 <i>Regulatory Deferral Accounts</i> is expected after the issue of the subsidiaries Standard. This is a special case because the exposure draft was issued before the subsidiaries Exposure Draft, so that exposure draft did not include amendments to the subsidiaries standard. Instead, the catch-up Exposure Draft will propose disclosure requirements for rate-regulated activities based on the requirements that will have been drafted and tentatively agreed by the IASB for the new rate-regulated activities standard.
<i>Amendments to the Classification and Measurement of Financial Instruments</i> (Amendments to IFRS 9 and IFRS 7)	Exposed in March 2023 and final amendments are expected to be issued in H1 2024. As with rate regulated activities, the exposure draft did not include proposed amendments to the subsidiaries Standard so proposals will be included in the catch-up Exposure Draft.

Any disclosure requirements included in the Annual Improvements will also be considered.

Group 4: New or amended standards expected to be proposed after the subsidiaries Standard is issued

Project	Remarks
Equity Method	The consultation document for the project is expected to be published in H2 2024.
Dynamic Risk Management	An Exposure Draft is expected in 2025.