



Periodic review of UK and Ireland accounting standards

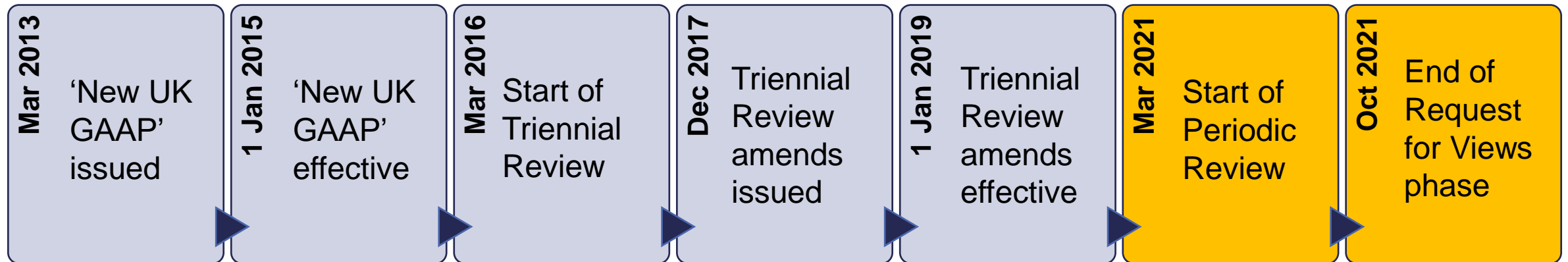
Project update: April 2022



The journey so far

A timeline of key events

This document provides an update from the FRC's Accounting and Reporting Policy team on the progress of our periodic review of UK and Ireland accounting standards, as at April 2022. To register for our upcoming roundtable sessions, please email stakeholderengagement@frc.org.uk.



Key sources

... of potential amendments:

As set out in September 2021 webinar

Current status

Improvements required, including:

- Feedback from stakeholders on how the standards are working in practice
- New issues/transactions that should be addressed

- Over 450 stakeholder comments recorded from Request for Views phase.
- Standards generally working well: issues raised include government grants; share-based payment; accounting for climate-related matters; other targeted amendments.

Changes in international standards, including:

- Major changes in IFRS (e.g. 15, 16, and IFRS 9 ECL)
- 2nd comprehensive review of *IFRS for SMEs* Standard

- We heard support for on-balance sheet lease accounting in FRS 102 in this Periodic Review, subject to appropriate simplification of IFRS 16 requirements; IASB tentatively decided to leave leasing unchanged in the *IFRS for SMEs* Standard in this Comprehensive Review.
- We heard support for updating revenue accounting in FRS 102; IASB proposes to rewrite revenue requirements to align with five-step model of IFRS 15, with simplifications.
- We heard mixed feedback regarding expected credit loss model; IASB proposes a hybrid model requiring expected credit loss approach except for trade receivables and contract assets.
- We plan a series of roundtables to discuss ideas with preparers and users.

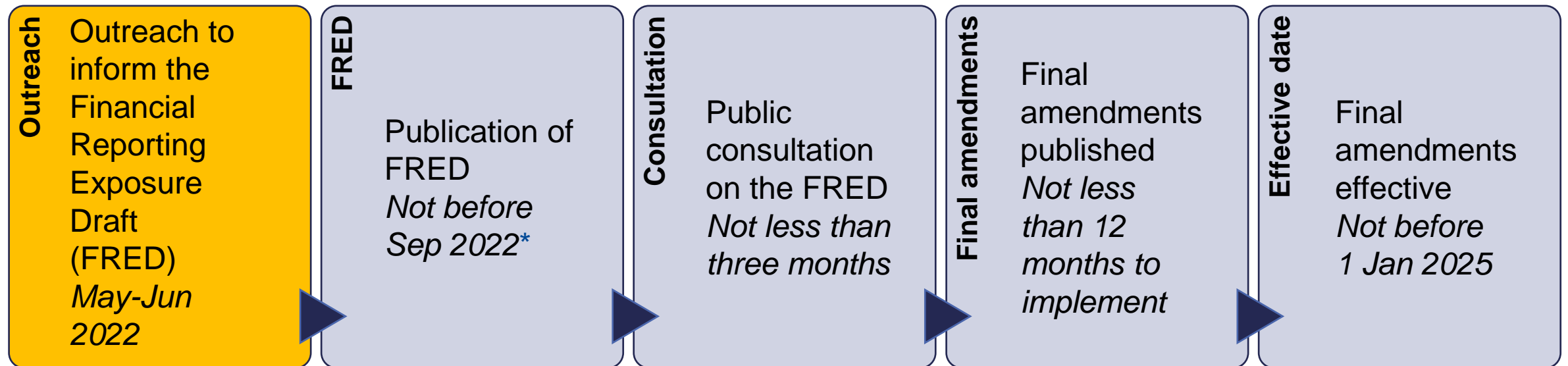
Wider developments, including:

- *Restoring trust in audit and corporate governance* consultation

- We await the Government Response and will consider implications (e.g. PIE requirements).

What's next?

A timeline of key events



Note: all dates represent current expectations but may be subject to change

**To follow IASB's IFRS for SMEs Exposure Draft, currently expected H2 2022*

Have your say: Join our roundtable discussions



Preparers – Lease accounting – 17 May 1000-1200



Preparers – Credit loss accounting – 7 June 1000-1200



Preparers – Revenue accounting – 14 June 1000-1200



Users – Revenue, leases and credit losses – 21 June 1000-1200



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