



IFRS Pulse

Ιούλιος | Σεπτέμβριος 2020

IFR bulletins & IFRS News

BDO IFR Bulletins

BDO releases IFR Bulletin 2020/11 - Accounting for Rent Concessions: Lessee FAQs

BDO has released IFR Bulletin 2020/11 - Accounting for Rent Concessions: Lessee FAQs. This publication answers dozens of questions that lessees have been asking with regards to the recent amendments to IFRS 16: COVID-19 related rent concessions. The Bulletin answers how to assess whether a lessee may apply the practical expedient, how the underlying calculations should be done, along with numerous illustrative examples of common rent concessions.

The Bulletin may be accessed [here](#)

BDO releases IFR Bulletin 2020/12 - Implications of COVID-19 for Lessors

BDO has released IFR Bulletin 2020/12 - Implications of COVID for Lessors. The effects of COVID-19 have raised many questions for lessors, including how they should recognise lease income, account for rent concessions, and many other questions. This Bulletin summarises BDO's most up to date analysis on these issues in FAQ format, with a number of illustrative examples.

The Bulletin may be accessed [here](#).

All of BDO's IFR Bulletins may be accessed [here](#).

BDO releases online course on June 2020 IFRIC Meeting

BDO has released an interactive online course summarising the final agenda decisions arising from the June 2020 IFRIC meeting. These final agenda decisions are:

- Sale and leaseback with variable payments (IFRS 16);
- Deferred tax related to an investment in a subsidiary (IAS 12); and
- Player transfer payments (IAS 38).

The course may be accessed [here](#).

All of BDO's online training may be accessed [here](#).



IASB News

IASB publishes Compilation of IFRIC agenda decisions - volume 2

The IASB has published the second volume of IFRIC agenda decisions. This publication summarises all IFRIC agenda decisions published between October 2019 and March 2020. IFRIC agenda decisions by relevant standard may also be accessed [here](#).

The publication may be accessed [here](#).

IASB Provides Update on Business Combinations under Common Control (BCUCC) Project

The IASB has released an update on its research project on business combinations under common control (BCUCC). The IASB will issue a discussion paper later this year, however, this update provides an overview of their preliminary recommendations.

The update may be accessed [here](#).

IASB defers effective date of amendments to IAS 1

The meeting papers and agenda for the July 2020 IASB meeting have been posted. The agenda includes:

- Disclosure Initiative—Accounting Policies
- Extractive Activities
- IBOR Reform and its Effects on Financial Reporting—Phase 2
- Maintenance and consistent application
- Management Commentary
- IFRS Taxonomy oral update

Further information may be obtained [here](#). BDO's Articulate Rise e-learning course on the amendments may be accessed [here](#).

IASB publishes article discussing the second comprehensive review of the IFRS for SME Standard

The IASB has published an article relating to the request for information it issued in January 2020 concerning the second comprehensive review of the IFRS for SME Standard.

In the article, IASB member Daryl Scott explains the rationale behind the review and the current debate behind whether IFRS for SMEs should align with 'full' IFRS.

The article may be accessed [here](#).

IASB publishes amendments to various IFRSs relating to IBOR reform ('IBOR - phase 2')

On 27 August 2020, the IASB issued amendments to IFRS 9, IAS 39, IFRS 7, IFRS 4 and IFRS 16: Interest Rate Benchmark Reform - Phase 2.

These amendments complement those made in 2019 ('IBOR - phase 1') and focus on the effects on entities when a company replaces the old interest rate benchmark with an alternative benchmark rate as a result of the reform.

The article discussing the amendments may be accessed [here](#).

September 2020 IFRIC update available

The September 2020 IFRIC update has been posted, which summarises the meeting of IFRIC held on 15 September 2020.

At that meeting the IFRIC issued a tentative agenda decision on Sale and Leaseback of an Asset in a Single-Asset Entity. The IFRIC also discussed other matters, which did not result in a tentative or final agenda decision being issued.

The IFRIC update is available [here](#).

ESMA / IOSCO

ESMA recommends supervisory coordination on accounting for COVID-19 related rent concessions

On 21 July 2020, The European Securities and Markets Authority (ESMA) issued a public statement on the coordination of supervisory action on accounting for lease modifications.

The IASB recently issued amendments to IFRS 16, COVID-19 Related Rent Concessions, which amends the requirements for lessees in order to provide practical relief. The amendments have not yet

been endorsed by the EU, and therefore, they are not yet available for reporting entities that apply IFRS as endorsed by the EU as their applicable financial reporting framework.

Concern has been raised about reporting entities that must prepare 30 June 2020 period end financial statements in accordance with EU-IFRS if the endorsement process is not completed by the time that 30 June 2020 financial statements are completed and issued.

ESMA's public statement discusses ESMA's position on the issue, including the following:

'ESMA, in coordination with NCAs, expects that, provided that the European Parliament and the Council do not object to the endorsement of the IFRS 16 amendment, NCAs will not prioritise supervisory actions in relation to the application of the requirements for lease modifications contained in IFRS 16 as currently endorsed by the EU to COVID-19-related rent concessions that would otherwise fall within the scope of the IFRS 16 amendment. This coordination of supervisory action would exceptionally apply to financial periods ending on or before 31 July 2020 and as long as issuers apply to those transactions the accounting treatment foreseen in the IFRS 16 amendment. Where issuers apply the IFRS 16 amendment, ESMA and NCAs expect issuers to disclose compliance with this amendment as issued by the IASB in the notes to the financial statements.'

The public statement may be accessed [here](#).

IFRS Intelligence & IFRS in Practice

IFRS in Practice

BDO releases Illustrative Interim Financial Statements as at 30 June 2020

BDO has released illustrative interim financial statements as at 30 June 2020. This publication includes explanations and illustrative disclosures for 30 June 2020 year-ends, including illustrative disclosures that may be required due to the effects

of COVID-19. These include impairment of assets, applying the amendments to IFRS 16: COVID-19 related rent concessions, and others.

The publication may be accessed [here](#).

BDO releases IFRS In Practice - IAS 36, Impairment of Assets (2020/2021)

BDO has released its most up to date guidance on IAS 36, Impairment of Assets. The recent effects of COVID-19 have highlighted the amount of complexity that may arise as entities apply IAS 36 to test for impairment on their PP&E, lease assets, goodwill and intangibles. IFRS In Practice provides an in depth explanation of IAS 36, with numerous worked examples. This update also includes guidance on how IAS 36 should be applied to lease assets that have arisen due to the adoption of IFRS 16.

The publication may be accessed [here](#).

BDO releases update to IFRS At a Glance as at 30 June 2020

BDO has released an update to its IFRS At a Glance publication series. IFRS At a Glance summarises every IFRS, IAS, IFRIC and SIC standard in a condensed, graphical format, between 1 and 5 pages per standard.

This update reflects all new standards and amendments to standards that had been made up to 30 June 2020.

The complete IFRS At a Glance publication series may be accessed [here](#). Each individual IFRS At a Glance may be accessed [here](#).

All of BDO's IFRS In Practice publications may be accessed [here](#).

All illustrative financial statements may be accessed [here](#).





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