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Contents

Highlights

IFRS highlights page 2

European highlights page 2

Crossword page 3

A Closer Look

IASB clarifies definition of a business in IFRS 3 page 4

ESMA and AMF publish recommendations for 2018 financial reporting page 7

Events and FAQ page 12

Editors-in-Chief:

Michel Barbet-Massin, Edouard Fossat, Isabelle Grauer-Gaynor

Columnists:

Colette Fiard, Vincent Gilles, Isabelle Grauer-Gaynor, Florence Michel, Didier Rimbaud, Arnaud Verchère

Contact us:

Mazars
Exaltis, 61, rue Henri Régnault
92 075 – La Défense – France
Tel: +33 (0)1 49 97 60 00

Editorial

During October, the European legislators have endorsed interpretation IFRIC 23 – *Uncertainty over Income Tax Treatments.* Meanwhile, the IASB has published new short, but focused, documents.

As the end of the year gets ever closer, it is time for issuers to think about preparing their year-end financial statements. On that note, our 'A Closer Look' feature in this issue looks at the financial reporting recommendations published by the AMF (the France's Financial Markets Authority) and ESMA, which are traditionally published in October and are always useful for identifying the areas the regulators will focus on in their review of issuers' financial documents.

Happy reading!

Edouard Fossat Isabelle Grauer-Gaynor

IFRS highlights

IASB amends definition of "material"

As part of its *Better Communication* project, the IASB published amendments to IAS 1 and IAS 8 on 31 October 2018, to amend and clarify the definition of "material".

The amendments aim to:

- align the definition of "material" across the *Conceptual Framework* and IFRS standards, and make minor improvements to the definition;
- incorporate some of the provisions of IAS 1 into the definition of "material" in order to give them more prominence;
- clarify the explanation accompanying the definition of "material".

The new definition states that "information is material if omitting, misstating or obscuring it could reasonably be expected to influence the decisions that the primary users of general purpose financial statements make on the basis of those financial statements, which provide financial information about a specific reporting entity".

The IASB expects that the amendments will help entities make better materiality judgements, without substantially changing existing requirements.

The amendments are mandatory from 1 January 2020 and shall be applied prospectively. Early application is permitted.

Share-based payment research project

On 31 October, the IASB published a document entitled *Share-based Payment — Research on Sources of Accounting Complexity* on its website. This document summarises work performed and conclusions reached in the project.

It reviews the reasons why the IASB launched the project (i.e. accounting complexity, many requests for interpretation, the need to assess whether there is a financial reporting problem); enumerates the sources of information used; presents the research findings (i.e. variety and complexity of terms and conditions / structures, issues relating to grant-date fair value measurement, and disclosures); and discusses interactions with other standards and projects (notably the *Financial Instruments with Characteristics of Equity* (FICE) project).

In the light of the work performed, the IASB has concluded that there is no significant financial reporting problem that would require amendments to IFRS 2, and there is no need to carry out further research on the topic or seek further feedback from stakeholders. As a result, the topic is closed for the present.

The document is available on the IASB's website via the following link:
https://www.ifrs.org/news-and-events/2018/10/share-based-payment-project-summary-now-available/

European highlights

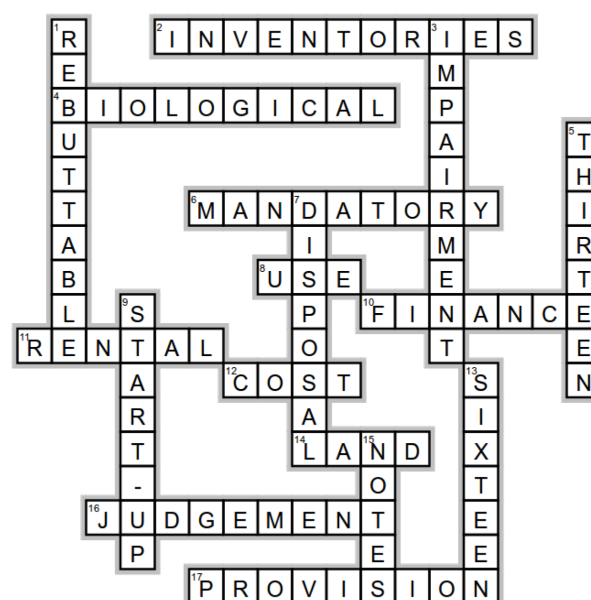
European Commission adopts IFRIC 23 interpretation

On 24 October, Commission Regulation (EU) 2018/1595 of 23 October 2018 was published in the Official Journal of the European Union, formally adopting IFRIC 23 – *Uncertainty over Income Tax Treatments*.

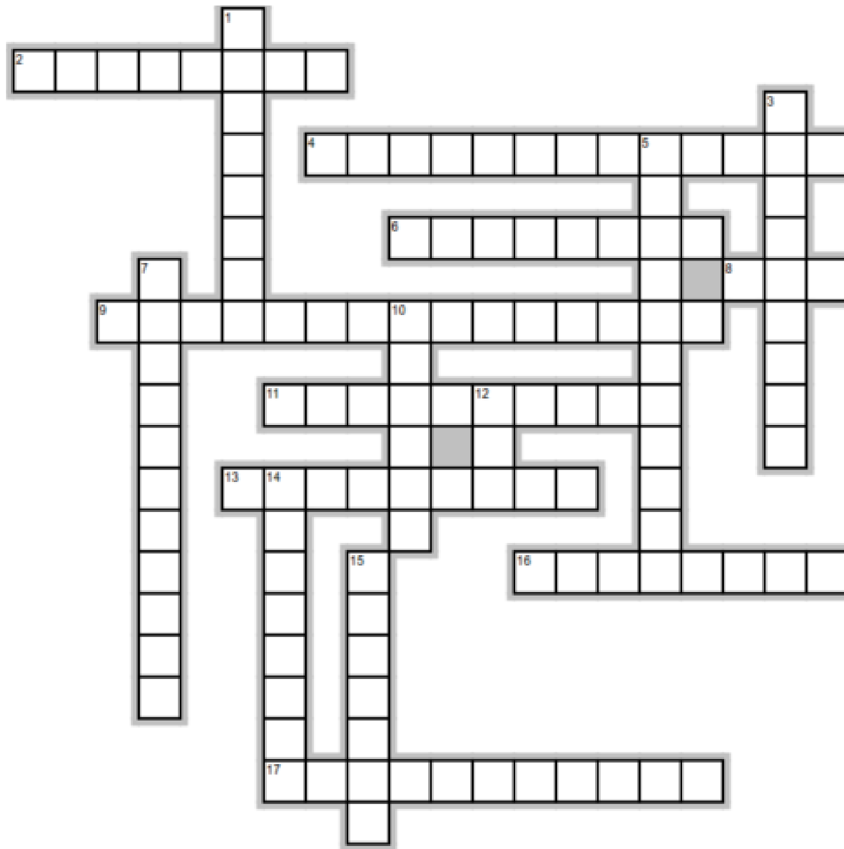
The mandatory effective date in the EU is the same as that set by the IASB, i.e. for financial periods commencing on or after 1 January 2019.

The regulation is available here:
https://eur-lex.europa.eu/legal-content/EN/TXT/?uri=uriserv:OJ.L_.2018.265.01.0003.01.ENG&toc=OJ:L:2018:265:TOC

Crossword: last month's solution



Crossword: Key features of IAS 32



Across

2. The term used for instruments that have both equity and liability components
4. The right to avoid delivering cash to another party must be this in order for a non-derivative financial instrument not to be classified as a financial liability
6. All financial instruments are this type of agreement
8. Assets and liabilities resulting from this are not contractual and are thus not financial instruments
9. Derivative instruments that do not meet this condition are classified as financial liabilities
11. This type of shares may be classified as financial liabilities or equity instruments depending on their specific characteristics
13. This type of instrument does not provide the holder with a right to a return of principal, or else provides them with a right under terms that make it very unlikely or very far in the future
16. These benefits are not accounted for under IAS 32 even though they meet the definition of a financial instrument
17. Refers to a certain type of bond comprising both a financial liability component and an equity component

Down

1. IAS 32 includes an exception stipulating that this type of instruments may be classified as equity instruments under certain very specific conditions, even though they meet the definition of a financial liability
3. The set off of an asset and a liability is this if the entity has a legally enforceable right to do so and intends to settle on a net basis (or simultaneously)
5. Only such costs directly attributable to the issue or acquisition of own equity may be accounted for as a deduction from equity
7. Usually, when an entity enters into a contractual obligation to repurchase its own shares, these shares are classified as such
10. Financial assets and liabilities cannot generally be this
12. Acronym for a type of asset introduced by IFRS 16 that is not classified as a financial asset
14. As the classification assessment is based on the contractual substance, such constraints are not taken into account
15. A contingent settlement provision that could require an entity to deliver cash to another party is only taken into account when classifying an instrument if it is this

A Closer Look

IASB clarifies definition of a business in IFRS 3

On 22 October, the IASB published amendments to IFRS 3 – *Business Combinations*, which applies to business combinations carried out during financial periods commencing on or after 1 January 2020 (early application is permitted). The Board decided to review the definition of a business following the Post-implementation Review (PiR) of IFRS 3 and the subsequent discussions by the IFRS IC in November 2015 and the IASB in March 2016. (For more details on the findings of the PiR, see our 'A Closer Look' feature in Beyond the GAAP no. 91, July-August 2015.) First of all, we must remember that a business involves inputs, processes and, usually, outputs.

1. New approach to identifying a business

In addition to the changes to the definitions of the various elements necessary to a business, the amendments also propose a new approach that can be used in practice to determine whether or not a set of assets is a business.

The first, optional, step is to determine whether substantially all of the fair value of the assets acquired is concentrated in a single asset (or a group of similar assets).

If the fair value of the assets acquired is not concentrated in a single asset, the amendments provide guidance on how to assess whether or not an acquired process (or processes) is (are) substantive. The guidance covers situations in which the activities and assets acquired have the ability to generate outputs, and situations in which they do not.

2. Clarifications to the definitions of the elements of a business

The new definition of outputs focuses more on the provision of goods and services to customers (to align the definition more closely with the concept of an output in IFRS 15). Moreover, the new definition no longer refers to the ability of the assets and activities acquired to reduce costs (or generate other economic benefits).

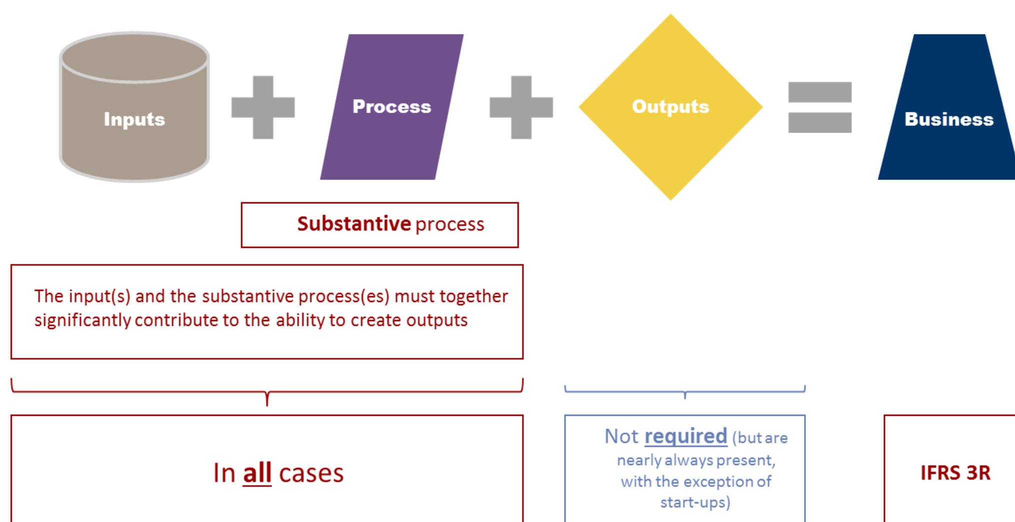
The amendments specify that the process(es) acquired must be substantive/significant and must contribute to the ability to create outputs.

They also remove the reference to market participants, which was previously used in situations in which not all of the inputs and processes used by the seller were transferred to the buyer (to assess the buyer's capacity to replace the missing elements).

In contrast, the assessment of the activities and assets acquired is still based on a hypothetical market participant (i.e. the aim is to carry out an objective assessment of the acquisition, without taking account of the buyer's intentions or the previous use by the seller).

Finally, there is no longer a presumption that a more than insignificant amount of goodwill signifies the existence of a business. In fact, although goodwill was included as an "indicator" in the draft amendment, it has been removed from the final amendment.

The existing IFRS 3 already mentioned an organised workforce as a potential indicator of the existence of a process (or processes), but the amendments add a reference to the intellectual capacity of the workforce in question.



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3. Step 1 of the assessment: test to identify concentration of fair value

This new step is intended to simplify the assessment, by allowing an entity to identify immediately that a business does not exist if certain conditions are met, without needing to progress any further through the decision tree.

In practice, the introduction of this new optional step involves determining whether substantially all of the fair value of the gross assets acquired is concentrated in a single asset (or a group of similar assets), in which case the transaction does not involve a business.

The concept of a "single asset" is based on the unit of account that would be used in a business combination.

Thus, in practice, a property leased to a third party under an operating lease would not be broken down into a property asset and an intangible asset (the lease), but would be considered as a single identifiable asset.

When assessing the concentration of the fair value of the assets acquired, an entity may not treat the following as similar assets:

- tangible and intangible assets;
- different types of intangible assets (brand names, patents, contractual relationships, etc.);
- different types of tangible assets (such as inventory and equipment, with the exception of situations in which the assets cannot be physically separated from one another without incurring significant costs or resulting in a significant loss of value);
- financial and non-financial assets;
- different types of financial assets (receivables, securities, cash, etc.).

The fair value of the gross assets differs from the transaction price as it also includes the fair value of any liabilities, the fair value of any non-controlling interests and the fair value of any previously held interest in the entity.

If the fair value of the gross assets is concentrated in a single asset (or a group of similar assets), the Board concludes that the transaction does not involve a business (and the entity does not need to continue with the assessment).

4. Step 2: assessing whether or not an acquired process (or processes) is (are) substantive

If the fair value concentration test does not resolve the issue, the entity must assess whether or not the acquired processes are significant. The criteria for this second step differ depending on whether or the activities and assets acquired have the ability to generate outputs.

If they do not have the ability to generate outputs, the amendments state that the acquired processes are only substantive if the inputs include an organised workforce that can generate outputs from the other acquired inputs.

In other words, the presence of a workforce that performs an ancillary support function is not sufficient to conclude that the activities and assets acquired constitute a business.

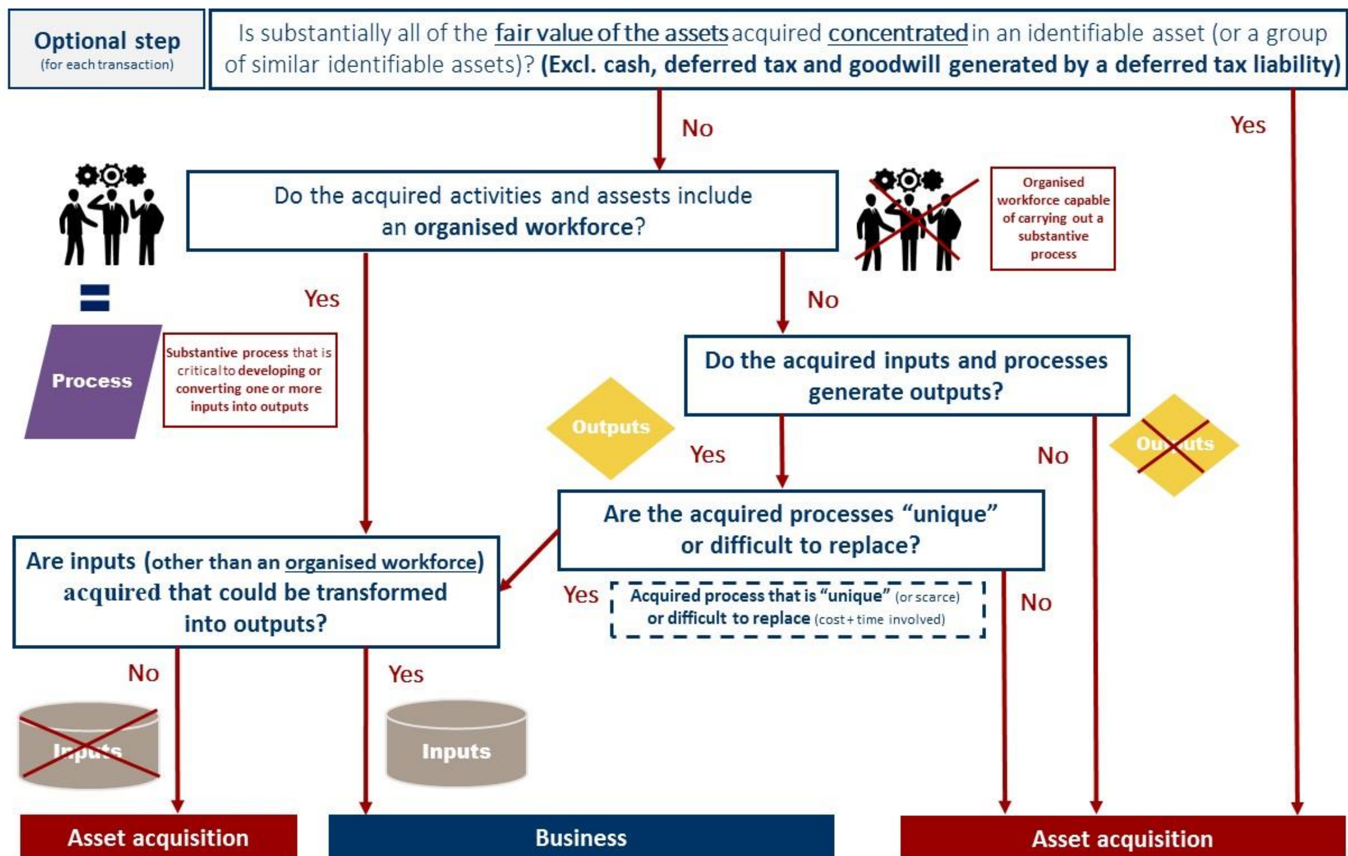
If the activities and assets acquired have the ability to generate outputs, one or more substantive processes exists if:

- the acquired inputs include an organised workforce (i.e. one that is capable of generating outputs); **or**
- the acquired activities and assets include one or more processes capable of generating outputs, and these processes are "unique" or "scarce" or cannot be replaced without significant cost or delay.

The amendments to IFRS 3 also include numerous illustrative examples.

5. In summary

In summary, given the key importance of the organised workforce, we felt it would be clearer to base our decision tree around this element, rather than replicating the structure used in the amendment (see diagram hereafter).



Key points to remember

- The amendments make changes to the definitions of the various elements of a business. The acquired processes must be substantive and must significantly contribute to the ability to create outputs (e.g. an organised workforce).
- The amendments set out a new two-step approach.
- The first step of the assessment is optional, and is a test to identify the concentration of the fair value of the assets. Thus, if substantially all of the fair value is concentrated in a single asset (or a group of similar assets), the transaction does not involve a business.
- The second step assesses whether or not the acquired process(es) is (are) significant, based on whether or not these processes have the ability to generate outputs, and on other aspects such as whether an organised workforce is acquired, and the characteristics of the acquired assets.

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A Closer Look

ESMA and AMF publish recommendations for 2018 financial reporting

ESMA and the AMF have published their **recommendations for 2018 financial reporting** on their websites, on 26 and 29 October respectively.

Following a reminder that information presented in financial reporting should be relevant and proportionate, the recommendations unsurprisingly focus on issues relating to the application of **IFRS 15 – *Revenue from Contracts with Customers*** and **IFRS 9 – *Financial Instruments***, both of which came into effect for financial periods commencing on or after 1 January 2018. The recommendations also address the required disclosures relating to the implementation of **IFRS 16 – *Leases*** for the 2018 financial statements.

They also remind issuers affected by **Brexit** of the need to present disclosures on the expected impacts. In addition, they note that the **classification of Argentina as a hyperinflationary economy** under IFRS as of 1 July 2018 means that entities with significant exposure to this country must present disclosures on the resultant accounting and financial impacts. Finally, the AMF observes that the application of the most recent IFRS IC interpretation, **IFRIC 23 – *Uncertainty over Income Tax Treatments,*** for financial periods commencing on or after 1 January 2019, will involve significant work for preparers and could potentially have substantial impacts.

It should be noted that, whereas previous years' recommendations related to "financial statements", they will henceforth refer to annual financial reporting in general, as both organisations have provided recommendations relating to other aspects of financial reporting, notably **non-financial information**, including environmental issues, and **Alternative Performance Measures.**

The two institutions agree on the priorities identified for 2018 financial reporting. To avoid confusion, we will here focus on ESMA's recommendations, which are consistent with the AMF's enforcement priorities, with the exception of further detail provided by the AMF and of two topics relating to the implementation of IFRS 16 that are addressed only by the French regulator (marked "AMF only").

ESMA's recommendations focus on the following issues:

1. The importance of relevant and proportionate information

As major new standards are implemented, ESMA highlights the importance of issuers being specific in their disclosures and providing informative description and explanation of the issues that are relevant to the understanding of the entity's financial performance and financial position.

The AMF reminds preparers, on the other hand, that regulators and standard-setters will be looking at **the presentation, readability and relevance of financial statements**[†‡] and the application of the **materiality principle**[§].

It welcomes efforts by a growing number of issuers to make improvements in these areas, and encourages entities to continue working on them.

The AMF emphasises besides the need for **consistency** when deciding on the level of granularity for each subject, both between the financial statements and other components of financial reporting, and within the financial statements.

For example, detailed disclosures would be required in the notes if the entity reports a major event or a key judgement (within or outside the financial statements), or if a topic related to figures or aggregates from the financial statements is presented as a key audit matter in the auditors' report.

[†] IASB - Better Communication in Financial Reporting

[‡] AMF - Guide to the relevance, consistency and readability of financial statements

[§] IASB – Practice Statement 2: Making materiality judgments

2. IFRS 15 – *Revenue from Contracts with Customers*

In light of the changes introduced by IFRS 15 on the main notions and principles of revenue recognition, ESMA emphasises the importance for entities to **understand how all the concepts and principles in the new standard apply to them**, whether or not the impact is material at the transition date.

It also draws issuers' attention to the following specific issues:

Transition disclosures

ESMA makes the following recommendations for the 2018 year-end financial statements:

- it emphasises that issuers should disclose the **entity-specific impacts** of the transition to IFRS 15;
- it reminds issuers of the need to present both **qualitative** and **quantitative** disclosures on aspects of the standard that have had a material impact on the entity's financial statements, presented separately by topic (identification of separate performance obligations, revenue recognition approach, reclassifications in the balance sheet, etc.) and to explain, where necessary, **the reasons why the standard has not had an impact on the financial statements** when other entities in the sector have experienced significant impacts;
- it underlines the need to provide **transparency on the transition method applied** and reminds that the use of the modified retrospective method requires additional disclosures for transitional reporting periods, namely the IFRS 15 impact on each financial statement line item as compared to the previously applied requirements and an explanation of the reasons for significant changes.

Specific issues

- **Identification of performance obligations (POs) and revenue recognition:** ESMA highlights the need for additional transparency on the changes in timing and/or amount of revenue recognition patterns (over time or at a point in time) arising from the new requirements for POs' identification and transfer of control. In this respect, ESMA encourages issuers to look at the decisions made by the IFRS IC in March 2018[**] when assessing whether separate performance obligations exist and whether they are fulfilled over time or at a point in time.
- **Allocation of the transaction price to multiple performance obligations:** in situations where an entity needs to estimate the stand-alone selling price, ESMA emphasises the need to maximise the use of observable inputs from comparable goods (adapting them as necessary to take account of market conditions, type of customer, etc.) and to apply estimation methods consistently in similar circumstances.
- **Agent vs. principal assessment:** ESMA reminds issuers that the general principle of IFRS 15 (i.e. whether an entity controls the good or service before it transfers it to the customer) is the key consideration in this assessment, and that the indicators provided in the standard are not an exhaustive list. It also reiterates the importance of the disclosures of significant judgements and assumptions applied for this assessment.

Disclosures in the notes

- **Accounting policies, judgements and estimates:** irrespective of the significance of the impact, ESMA recommends that entities should update their accounting policies in light of the new provisions of IFRS 15, ensuring that they are entity-specific (revenue streams, contracts) rather than simply describing the general principles of the standard. It also recommends that issuers should disclose significant judgements in the notes, and gives several examples. It also draws issuers' attention to the disclosure requirements on judgements made in determining the amount of the costs incurred to obtain or fulfil a contract with a customer, the amortisation methods and related impacts recognised in the reporting period. The AMF specifies also that it would be a good idea for entities to specify the types of costs taken into account when assessing whether contracts are onerous, while awaiting a final decision on the issue from the standard-setters[††].
- **Contract assets and liabilities:** ESMA reminds issuers that if they have significant contract asset and contract liability balances, it is important to present any changes over the period, broken down by type. It shall also present a qualitative explanation of their composition and the most significant changes.
- **Disaggregation of revenue:** ESMA reminds issuers that disclosures must meet the objective of IFRS 15, and must therefore enable users to understand the main drivers of revenue. Thus, when deciding on the level of disaggregation, issuers should consider (i) the principles and examples set out in the standard; and (ii) information provided about revenue in other components of financial reporting, which could imply that revenue should be disaggregated at a higher level of granularity than required under IFRS 8 and that companies may need to go into more detail than they did in their condensed interim financial statements.
- **Allocation of transaction price to remaining POs:** ESMA reminds issuers that it is important to provide

[**] IFRIC Update – Revenue recognition in a real estate contract

IFRIC Update – Revenue recognition in a real estate contract that includes the transfer of land

IFRIC Update – Right to payment for performance completed to date

[††] IFRIC Update – Costs considered in assessing whether a contract is onerous, March 2018

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qualitative as well as quantitative data. The AMF provides illustrations on this matter: (i) any significant amounts of consideration that are not included in the revenue recognition schedule (e.g. amounts of variable consideration in some situations); (ii) changes and significant amounts presented; and (iii) key assumptions (e.g. contracts and time periods) used in the calculation. The AMF also notes that it is useful to explain any major differences from the order book if the entity has presented this information earlier.

3. IFRS 9 – *Financial Instruments*

Transition disclosures

- ESMA reminds preparers of the need to **update their accounting policies** on the recognition of financial instruments. If first-time application of the standard on modification of debt has had significant impacts, these shall be presented separately. ESMA even encourages credit institutions to disclose the IFRS 9 impact on applicable prudential ratios.
- Particularly for credit institutions: ESMA recommends **disaggregating the reconciliation between IAS 39 and IFRS 9 impairment allowances by class of financial instruments.** Generally speaking, the main changes relating to reconciliations between the two standards (reclassifications, impairment allowances) should be explained in entity-specific rather than generic terms.

Hedge accounting disclosures

ESMA reminds issuers that **the new disclosure requirements of IFRS 7 apply to all issuers with significant hedging operations**, including those that continue to apply the provisions of IAS 39 and those for which application of IFRS 9 has only a limited impact.

IFRS 9 impairment model

Particularly for credit institutions:

- **Significant changes in credit risk:** in addition to qualitative criteria, which were provided by nearly all credit institutions in the sample studied at 30 June 2018, ESMA recommends that institutions should also present quantitative criteria (indicators, thresholds) for assessing whether there has been a significant increase in credit risk, as well as any factors taken into account in assessing the reversal of a significant increase in credit risk. It notes that it is also helpful to specify if a portfolio approach has been used.
- **Forward-looking information taken into account when determining lifetime expected credit losses:** ESMA encourages issuers to specify the macro-economic assumptions used (probability weighting of scenarios, nature and quantification of assumptions).
- **Reconciliations between opening and closing balances:** ESMA emphasises the need to provide details of significant changes, broken down by class of financial instruments, together with entity-specific qualitative explanations.
- **Assessment of expected cash flows from credit impaired loans**: ESMA recalls also its 2017 recommendation on this topic. It recommends that credit institutions significantly impacted by IFRS 9 review their estimates and ensure that these expectations, including those from the related collateral, are realistic and unbiased, It also underlines the need to consider a sale of the loan scenario in the measurement of expected credit loss, to the extent that it is one of the methods that the entity reasonably expects to pursue in a default scenario and provided such expectations are clearly evidenced, and supported, by its intention and ability to sell.

Classification and measurement of financial assets

Particularly for credit institutions: when analysing the contractual characteristics of a financial instrument to determine its classification under IFRS 9, issuers should disclose the **key judgements** made and provide details of the approach used.

Specific considerations relating to insurance activities

ESMA reiterates its recommendations for the 2017 financial statements for entities that have chosen to defer application of IFRS 9: they should provide sufficient information to enable users to understand how they meet the exemption criteria. The AMF also reminds issuers that IFRS 9 requires additional disclosures in the notes on the classification and measurement of certain types of financial assets.

Presentation of interest revenue in the income statement

ESMA reminds preparers that interest revenue calculated using the effective interest method shall be presented as a separate line item in accordance with the IFRS IC's March 2018 agenda decision[‡‡]. Impairment losses (and reversals of impairment losses) on financial assets shall also be presented as a separate line item.

[‡‡] IFRIC Update - Presentation of interest revenue for particular financial instruments

4. IFRS 16 – *Leases*

Key points of the standard

ESMA points out that the determination of lease terms and discounts rates are among the main assumptions used in the determination of right of use assets and lease liabilities that should be disclosed thus enabling users to assess the impacts of the changes introduced by IFRS 16. The AMF gives the following additional clarifications in this respect:

- **Determining the lease term:** the AMF reminds preparers that when determining the period for which a lease contract is enforceable, they should (i) consider all relevant contractual terms and legislation; (ii) ensure that assumptions used are in line with the group's strategy for use of the assets in question; and (iii) ensure consistency with related estimates (such as the depreciation period for fixtures and fittings).
- **Discount rate:** if the interest rate implicit in the contract cannot be readily determined, the AMF asks issuers to take especial care in determining the lessee's incremental borrowing rate, as this requires consideration of a range of factors and data that are specific to the lessee.

Deferred tax and IAS 12 exemption (AMF only)

The AMF encourages entities with significant deferred tax impacts to specify in the financial statements whether or not they have elected to recognise deferred tax. It notes that any change in accounting policy election would be retrospective, including for finance leases covered by IAS 17.

Transition disclosures

- **Information to be disclosed to the market:** ESMA reminds issuers that:
  - they should provide more details and generally enhance their qualitative disclosures (progress of work towards implementation, types and characteristics of leases, practical expedients and exemptions used, assessments carried out to determine whether contracts are leases as defined in IFRS 16, key assumptions used when measuring lease liabilities and right-of-use assets, etc.);
  - the market will expect to see quantitative disclosures on expected impacts, where these are known or reasonably estimable (or failing this, a qualitative indication of the magnitude of the expected impact and the elements that are still being analysed);
  - they should disclose whether lease liabilities to be recognised under IFRS 16 are broadly in line with commitments for future minimum operating lease payments presented in accordance with IAS 17, and explain any major discrepancies.

  The AMF encourages also issuers who will be significantly affected to present (in their financial communication for 2018) the expected impacts on the aggregates used in financial reporting. Before this information is published, all efforts should be made to ensure it is reliable (e.g. it should be reviewed by the entity's governing bodies, with considerable involvement from the statutory auditors).

- **Transition requirements:** ESMA reminds issuers that if they use the modified retrospective approach, they may present restated comparative information provided that this is not presented in the primary financial statements or the associated notes. ESMA also recommends that entities should specify the lease term used to calculate the discount rate (i.e. the remaining lease term or the original lease term) if this assumption is significant. It also recalls that this information will fall under the scope of the ESMA Guidelines on APMs[§§].

First interim financial statements published in accordance with IFRS 16 (AMF only)

The AMF recommends that issuers should:

- present sufficiently **detailed and entity-specific** disclosures on the standard in the first interim financial statements published in accordance with IFRS 16. At a minimum, this should include the significant disclosures on first-time application and the chosen transition approach required by appendix C of the standard.
- **update their accounting policies on leases**, even if the impact is not material.

[§§] ESMA Guidelines on Alternative Performance Measures

5. Topics related to other parts of the annual report

Non-financial information

ESMA reminds issuers that the requirement in the Accounting Directive to include details of non-financial performance in the management report is effective for financial periods commencing on or after 1 September 2017. ESMA emphasises the importance of presenting non-financial information that is **relevant, material and entity-specific** and encourages issuers to refer to the (non-obligatory) guidelines on non-financial reporting published by the European Commission (EC)[***]. In this respect, the AMF also reminds issuers that they can refer to its recommendations published in November 2016[†††], which are still applicable.

- **Environmental matters:** ESMA emphasises that in order to comply with reporting requirements, entities must:
  - describe their environmental policies and due diligence processes, with a particular focus on climate change;
  - include any key performance indicators that are relevant for evaluating the results of these policies;
  - address both the actual and potential impacts of their business on the environment, as well as the ways in which these impacts may affect their own development, performance or position;
  - consider potential adverse consequences of these impacts at both an operational and a financial level.
- **If an entity has no policy on a risk identified as material:** ESMA reminds entities that in this case they must justify and explain their decision, and ensure they comply with other reporting requirements.
- **Disclosure and selection of key performance indicators (KPIs):** ESMA recommends that issuers should apply the principles set out in the EC Guidelines when selecting their KPIs, which should be (i) necessary to understand the development of their performance and the impact of their activity; and (ii) preferably widely used, to improve comparability between entities in the same sector. Qualitative disclosures should also be presented on the methodology used and the scope of activities covered.

Alternative Performance Measures (APMs):

As entities focus on non-financial reporting and the implementation of new accounting standards, ESMA reminds them of the **key principles of Guidelines[‡‡‡] on APMs:**

- entities must provide definitions of APMs used (details of their components and assumptions used in calculation);
- labels used should reflect the content of the APM and should avoid conveying misleading messages;
- entities must explain any changes to APMs and present restated comparative figures;
- entities should explain why APMs are deemed to be useful;
- APMs must not be presented with more prominence than measures directly stemming from financial statements.

Issuers are also encouraged to refer to the Questions and Answers document published by ESMA in October 2017, which provides further explanations and useful examples[§§§].

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[***] European Commission - Guidelines on non-financial reporting

[†††] AMF - Report on social, societal and environmental responsibility

[‡‡‡] ESMA Guidelines on Alternative Performance Measures

[§§§] ESMA – Questions and answers - Guidelines on Alternative Performance Measures (APMs)

Events and FAQ

Frequently asked questions

IFRS

- Sale of CICE (French competitiveness and employment tax credit) receivables
- Business combinations and earnouts
- Allocation of free shares
- First-time consolidation of a subsidiary
- Recognition of revenue arising from a patent licence
- First-time application of IFRS 16

Upcoming meetings of the IASB, IFRS Interpretations Committee and EFRAG

IFRS		EFRAG	
IASB	Committee	Board	TEG
12-14 December	27 November	18 December	29 November
22-23 January	16 January	29 January	20 December
6-8 February	5-6 March	27 February	16-17 January

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