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IFRS on Point

Financial and Sustainability Reporting Developments and Information from May 2026

June 2026

International headlines

IASB issues new standard on rate-regulated activities

The International Accounting Standards Board (IASB) has published a new IFRS Accounting Standard (IFRS 20) on regulatory assets and regulatory liabilities. The objective of IFRS 20 is to provide relevant information that faithfully represents how regulatory income and regulatory expense affect an entity's financial performance, and how regulatory assets and regulatory liabilities affect its financial position.

Regulatory assets are defined in IFRS 20 as enforceable present rights to add an amount to future rates. Similarly, regulatory liabilities are defined as enforceable present obligations to deduct an amount from future rates. An entity is required to recognise all regulatory assets and all regulatory liabilities existing at the end of the reporting period. If there is existence uncertainty, an entity is required to recognise a regulatory asset or regulatory liability if it is more likely than not that it exists. The recognition of some regulatory assets and regulatory liabilities is subject to specified conditions being met.

To measure the regulatory assets and the regulatory liabilities, an entity uses a cash-flow-based technique. For initial measurement, an entity is required to include all estimated future cash flows arising from a regulatory asset or regulatory liability, discounted using the regulatory interest rate. Subsequently, an entity updates the estimates of future cash flows and continues to use the regulatory interest rate as the discount rate, unless the regulatory agreement changes the regulatory interest rate.

An entity is required to present its regulatory income or regulatory expense in the statement of profit or loss, and its regulatory assets and regulatory liabilities in the statement of financial position. It is required to disclose further information about regulatory income, regulatory expense, regulatory assets and regulatory liabilities.

IFRS 20 is effective for annual reporting periods beginning on or after 1 January 2029. Earlier application is permitted. An entity is required to apply IFRS 20 to all regulatory assets and all regulatory liabilities either retrospectively or using a modified retrospective approach that is explained in the standard.

Please click to access the following:

- access to the standard, the illustrative examples and the basis for conclusions (subscription required) on the Deloitte Accounting Research Tool (DART)
- *iGAAP in Focus* newsletter summarising the requirements on IAS Plus
- press release on the IFRS Foundation website
- project summary on the IFRS Foundation website
- effects analysis on the IFRS Foundation website
- feedback statement on the IFRS Foundation website
- one-page quick overview of IFRS 20 on the IFRS Foundation website
- webcast offering an overview of IFRS 20 on the IFRS Foundation website.

International headlines

IASB proposes narrow-scope amendment to the *IFRS for SMEs* Accounting Standard

The IASB has published an exposure draft (ED) titled *Consolidation Exception (Proposed amendments to the IFRS for SMEs Accounting Standard)*. In the ED, the IASB proposes to extend the exception from presenting consolidated financial statements for entities that are themselves subsidiaries.

The exception would apply to entities whose ultimate (or intermediate) parent is an investment entity producing financial statements that comply with full IFRS Accounting Standards, in which subsidiaries are measured at fair value through profit or loss as well as those whose ultimate (or intermediate) parent produces consolidated financial statements.

The IASB proposes that an entity apply the amendments at the same time and on the same basis as it applies the third edition of the standard.

Comments are requested by 9 September 2026.

Please click to access the following:

- access to the ED on the IFRS Foundation website
- *iGAAP in Focus* newsletter summarising the proposals on IAS Plus
- press release on the IFRS Foundation website.

IASB meeting (May 2026)

The IASB met on 18-20 May 2026. The following topics were discussed:

- risk mitigation accounting
- rate-regulated activities
- equity method
- intangible assets
- business combinations—disclosures, goodwill and impairment
- statement of cash flows and related matters
- presentation of taxes or other charges that are not tax expenses or tax income applying IAS 12 (IFRS 18)
- amendments to the fair value option (IAS 28)
- provisions—targeted improvements.

Please click to access the following:

- *IASB Update* and post-meeting podcast on the IFRS Foundation website
- meeting page with links to the agenda, agenda papers and recordings of the meeting on the IFRS Foundation website
- work plan analysis on IAS Plus
- detailed meeting summaries on IAS Plus.

International headlines

ISSB meeting (May 2026)

The International Sustainability Standards Board (ISSB) met on 13 May 2026. The following topics were discussed:

- nature-related disclosures
- enhancing the SASB standards—Phase 1.

Please click to access the following:

- *ISSB Update* and post-meeting podcast on the IFRS Foundation website
- meeting page with links to the agenda, agenda papers and recordings of the meeting on the IFRS Foundation website
- work plan analysis on IAS Plus
- detailed meeting summaries on IAS Plus.

IASB extends comment period for risk mitigation exposure draft

In December 2025, the IASB published Exposure Draft (ED) IASB/ED/2025/1 *Risk Mitigation Accounting (Proposed amendments to IFRS 9 and IFRS 7)* with comments requested by 31 July 2026. The comment letter deadline has now been extended to 30 November 2026.

Please click to access more information in the press release on the IFRS Foundation website.

IFRS Foundation publishes fourteenth compilation of IFRS Interpretations Committee agenda decisions

The IFRS Foundation has issued *Compilation of Agenda Decisions—Volume 14* which contains all the agenda decisions made by the IFRS Interpretations Committee from November 2025 to April 2026.

Please click to access the compilation via the press release on the IFRS Foundation website.

ISSB publishes transcript of Chairman speeches

The ISSB has published the transcript of speeches that its Chair, Emmanuel Faber, gave at the International Sustainability Conference in Beijing on 23 April 2026 and at the Frankfurt Sustainability Standards Conference on 18 May 2026.

Please click to access the following on the IFRS Foundation website:

- transcript of the speech given in Beijing
- transcript of the speech given in Frankfurt.

Programme for the 2026 IFRS Foundation conference

On 29-30 June 2026, the IFRS Foundation will host its annual IFRS Foundation conference in London.

Please click to access more information on the conference page on the IFRS Foundation website.

International headlines

FICG meeting (May 2026)

The Financial Instruments Consultative Group (FICG) met on 13 May 2026. The following topics were discussed:

- risk mitigation accounting
- post-implementation review (PIR) of the IFRS 9 hedge accounting requirements
- statement of cash flows and related matters
- amortised cost measurement.

Please click to access the meeting page with links to the agenda, agenda papers and recordings of the meeting on the IFRS Foundation website.

SSAF meeting (May 2026)

The Sustainability Standards Advisory Forum (SSAF) met on 19 May 2026. The following topics were discussed:

- supporting implementation of IFRS S1 and IFRS S2
- latest work of the Greenhouse Gas (GHG) Protocol
- enhancing the SASB standards
- nature-related disclosures.

Please click to access the meeting page with links to the agenda, agenda papers and recordings of the meeting on the IFRS Foundation website.

Summary of the March 2026 ASAF meeting

The IFRS Foundation has published a summary of the Accounting Standards Advisory Forum (ASAF) meeting held on 30-31 March 2026. The following topics were discussed:

- risk mitigation accounting
- equity method
- statement of cash flows and related matters
- connections between financial statements and sustainability disclosures
- amendments to the fair value option (IAS 28)
- provisions—targeted improvements
- PIR of the IFRS 9 hedge accounting requirements
- PIR of IFRS 16
- presentation of taxes and related amounts in the income statement in accordance with IFRS 18
- IFRS Foundation *Due Process Handbook*.

Please click to access the meeting summary on the IFRS Foundation website.

IFRS Foundation Trustees seek new Advisory Council members

The Trustees of the IFRS Foundation are seeking members for the IFRS Advisory Council. The positions are for a three-year appointment beginning on 1 January 2027, eligible for renewal once for another three years.

Please click to access more information in the press release on the IFRS Foundation website.

International headlines

GPF seeks new members

The Global Preparers Forum (GPF) is seeking new members to join with a particular interest in candidates from the Asia-Oceania region or the United States of America, or those with experience in the banking or financial services industry.

Please click to access more information in the press release on the IFRS Foundation website.

ISSB and GRI joint statement on using both organisations' sets of standards

The ISSB and the Global Reporting Initiative (GRI) have published a joint statement on achieving efficient sustainability reporting using both GRI and ISSB standards. The statement articulates how the two sets of standards can be used together by reporting entities and information users.

Please click to access the statement on the IFRS Foundation website.

GRI announces webinar on reporting social matters

GRI has announced a webinar titled *Just Transition in Action: Advancing Social Inclusion and Sustainability Reporting with a Focus on Persons with Disabilities*. The webinar will include experts who will discuss how to build a strong case for integrating social goals with climate and nature in sustainability strategies. It will take place on 9 June 2026 at 9.30am CEST.

Please click to access more information, including on how to register, on Zoom.

GRI updates mapping with CDP's 2026 corporate questionnaire

GRI has updated its mapping between *GRI 102: Climate Change, GRI 103: Energy Standards* and CDP's 2026 corporate questionnaire.

Please click to access the updated mapping via the press release on the GRI website.

TNFD publishes DP on the state of nature measurement

The Taskforce on Nature-related Financial Disclosures (TNFD) has published a discussion paper (DP) on the state of nature measurement. The DP seeks feedback on proposals for integrating state of nature metrics into the frameworks and standards of TNFD, GRI and the Science Based Targets Networks (SBTN) by exploring how the state of nature underpins nature-related dependencies, impacts, risks and opportunities. The comment period closes on 4 June 2026.

Please click to access the DP via the consultation page on the TNFD website.

TISFD consults on draft framework

The Taskforce on Inequality and Social-related Financial Disclosures (TISFD) has launched a consultation on its draft framework (Beta Version 0.1). The framework is designed to help businesses and financial institutions identify and disclose people-related impacts, dependencies, risks and opportunities. The comment period is open until 31 July 2026.

Please click to access the draft framework and an executive summary via the press release on the TISFD website.

IPSASB proposes materiality practice statement

The International Public Sector Accounting Standards Board (IPSASB) has published an exposure draft titled *IPSAS Practice Statement, Making Materiality Judgments*. Comments are requested by 28 August 2026.

Please click to access the following information on the IPSASB website:

- press release
- access to the exposure draft and an *At A Glance* document.

International headlines

EC seeks feedback on draft delegated act revised ESRSs

The European Commission (EC) has published a draft delegated act that proposes changes to the European Sustainability Reporting Standards (ESRSs) that were issued in December 2023. The draft delegated act incorporates the technical advice on the simplification of the ESRSs that EFRAG submitted to the EC in December 2025. The comment period for the draft delegated act closes on 3 June 2026.

Please click to access the draft delegated act via the consultation page on the EC website.

EC consults on voluntary standard for sustainability reporting

The EC has launched a consultation on a draft voluntary standard for sustainability reporting for value chain entities with less than 1,000 employees. The consultation period closes on 3 June 2026.

Please click to access the proposed voluntary standard via the consultation page on the EC website.

EC finalises interpretation and implementation guidance on the amendments to the EU Taxonomy

The EC has finalised its notice to provide interpretation and implementation guidance on the amendments to the EU Taxonomy Disclosures Delegated Act introduced by the Omnibus Delegated Act in the form of frequently asked questions (FAQs).

Please click to access the final notice on the EC website.

ESMA publishes report on the activities of corporate reporting enforcers and their findings within the EU in 2025

The European Securities and Markets Authority (ESMA) published a report that provides an overview of its activities and those of the corporate reporting enforcers in the EU when examining compliance of financial and non-financial information provided by issuers listed on regulated markets with the applicable reporting framework in 2025.

Please click to access the report on the ESMA website.

ESMA publishes updated overview of which competent authorities comply, intend to comply or do not comply with GLESI

ESMA has published an updated overview of which competent authorities comply, intend to comply or do not comply with the Guidelines on Enforcement of Sustainability Information (GLESI) initially published in July 2024.

Please click to access the updated overview on the ESMA website.

EFRAG publishes draft comment letter on proposed amendments to the SASB standards

EFRAG has published its draft comment letter on the ISSB exposure draft *Proposed Amendments to the SASB Standards and IFRS S2 Industry-based Guidance* that was published in March 2026. Comments on the draft comment letter are requested by 28 June 2026 and can be submitted via a survey.

Please click to access the draft comment letter, as well as a link to the survey, via the press release on the EFRAG website.

International headlines

EFRAG releases new video on the VSME standard

EFRAG has released a new educational video on its *Voluntary Sustainability Reporting Standard for SMEs* (VSME standard). The video is aiming to help SMEs understand the different functionalities of the VSME section of the ESRS Knowledge Hub.

Please click to access the video via the press release on the EFRAG website.

SEC proposes rescission of its climate disclosure rules

The US Securities and Exchange Commission (SEC) has proposed to rescind its rules on climate-related disclosures because, in its view, they exceed the scope of its statutory authority. The press release states that even if the SEC had the authority to adopt such final rules, the SEC believes there are independent, compelling policy reasons to rescind them entirely. The comment period on the proposed rescission ends 60 days following the publication of the proposing release in the Federal Register.

Please click to access the following on the SEC website:

- press release
- statement from SEC Chairman Paul Atkins
- statement from Commissioner Mark Uyeda
- statement from Commissioner Hester Pierce.

FASB issues ASU on environmental credits

The US Financial Accounting Standards Board (FASB) has issued an Accounting Standards Update (ASU) to improve the financial accounting for and disclosure of activities related to environmental credits and environmental credit obligations.

Please click to access the ASU via the press release on the FASB website.

ASIC releases observations on first sustainability reports

The Australian Securities and Investments Commission (ASIC) has published observations on the first sustainability reports prepared under Chapter 2M of the Australian Corporations Act 2001.

Please click to access the observations on the ASIC website.

NCSS publishes guidelines for social impact metrics

The Singapore National Council of Social Services (NCSS) has published *Guidelines for Social Impact Metrics in Corporate Sustainability Reporting*. The guidelines are designed to provide entities with the clarity and structure they need to effectively measure, monitor and report social impact as part of the 'social' component of their sustainability disclosures.

Please click to access the guidelines via the press release on the NCSS website.

IVSC perspectives paper on value uncertainty

The International Valuation Standards Council (IVSC) has issued a new perspectives paper titled *Managing and Communicating Value Uncertainty* that examines the difference between valuation risk and value uncertainty. The paper also includes five consultation questions through which the IVSC invites input from stakeholders on how value uncertainty should be defined, disclosed and addressed within its standards going forward.

Please click to access the paper via the press release on the IVSC website.

WBCSD updates guidance on avoided emissions

The World Business Council for Sustainable Developments (WBCSD) has updated its *Guidance on Avoided Emissions* to better support businesses and investors who want to assess and communicate the impact of their low-carbon solutions and portfolios beyond the greenhouse gas inventory footprint.

Please click to access the updated guidance on the WBCSD website.

Updates to Deloitte iGAAP manual

The Deloitte iGAAP manual is available on subscription only via the Deloitte Accounting Research Tool (DART).

Added Deloitte guidance

Chapter	Deloitte guidance title
A4 Presentation and disclosure in financial statements	Presentation of disaggregated items as additional line items
A4 Presentation and disclosure in financial statements	Assessing whether investing in assets is a main business activity of an insurer
A4 Presentation and disclosure in financial statements	Identifying assets that an entity invests in as a main business activity
A4 Presentation and disclosure in financial statements	Assessing which assets are part of an insurer's main business activity of investing in assets
A4 Presentation and disclosure in financial statements	Classification of income and expenses from cash and cash equivalents by an entity that provides financing to customers – example
A4 Presentation and disclosure in financial statements	Entity that provides financing to customers and is unable to distinguish cash and cash equivalents related to that business activity

Chapter	Deloitte guidance title
A4 Presentation and disclosure in financial statements	Classification of income and expenses from liabilities that arise from transactions that involve only the raising of finance
A4 Presentation and disclosure in financial statements	Inability to distinguish liabilities that relate to providing financing to customers
A4 Presentation and disclosure in financial statements	Classification of gains or losses on a derivative designated as a hedge of more than one risk
A4 Presentation and disclosure in financial statements	Classification of gains or losses on a derivative designated as a hedge of more than one risk – example
A4 Presentation and disclosure in financial statements	Presentation of interest settlements and accruals on derivative instruments used to manage identified risks but not designated as hedging instruments applying IFRS 9
A4 Presentation and disclosure in financial statements	Presentation of realised and unrealised gains and losses on financial assets at FVTPL – example

Updates to Deloitte iGAAP manual

Chapter	Deloitte guidance title
A4 Presentation and disclosure in financial statements	Presentation of interest income and expense and dividend income on non-derivative financial instruments at FVTPL
A4 Presentation and disclosure in financial statements	Classification of loan commitment fees from the perspective of the holder
A4 Presentation and disclosure in financial statements	Examples of subtotals that may be MPMs
A4 Presentation and disclosure in financial statements	Numerator in a financial ratio as an MPM
A4 Presentation and disclosure in financial statements	Subtotal that includes income and expenses from investments accounted for using the equity method
A4A Presentation of financial statements	Significant risk of material adjustment to the carrying amount of assets or liabilities beyond the next financial year
A5 Basis of preparation of financial statements (entities that apply IFRS 18)	Significant risk of material adjustment to the carrying amount of assets or liabilities beyond the next financial year

Chapter	Deloitte guidance title
A13 Income taxes	Transactions with non-controlling interests – example
A25 Business combinations	Use of a newly formed entity as part of an initial public offering (IPO) – example
A25 Business combinations	Selecting an accounting policy for business combinations under common control by the receiving entity
A25 Business combinations	Factors an entity may consider in selecting an accounting policy for business combinations under common control
A25 Business combinations	Application of consistent accounting policies for business combinations under common control
A25 Business combinations	Application of acquisition accounting to business combinations under common control
A25 Business combinations	Application of predecessor accounting to business combinations under common control

Updates to Deloitte iGAAP manual

Chapter	Deloitte guidance title
A25 Business combinations	Carrying amounts when applying predecessor accounting
A25 Business combinations	Factors that may be considered when selecting carrying amounts as part of predecessor accounting
A25 Business combinations	Restatement of comparative information when applying predecessor accounting
A26 Investments in associates and joint ventures	Gain on deemed partial disposal (dilution) of an investment in an associate with no loss of significant influence – example

Chapter	Deloitte guidance title
A37 Financial reporting in hyperinflationary economies	Identifying a relevant and reliable index
A37 Financial reporting in hyperinflationary economies	Presentation of changes in carrying amount of a revalued asset – example
A37 Financial reporting in hyperinflationary economies	Consideration received or paid in advance of recognition of income or expenses
A37 Financial reporting in hyperinflationary economies	Consideration received in advance of recognition of revenue – example

Updates to Deloitte iGAAP manual

Amended Deloitte guidance

Chapter	Deloitte guidance title
A26 Investments in associates and joint ventures	Loss on deemed partial disposal (dilution) of an investment in an associate with no loss of significant influence – example
A37 Financial reporting in hyperinflationary economies	Jurisdictions considered to have a hyperinflationary economy
A37 Financial reporting in hyperinflationary economies	Restatement of inventories – example
A37 Financial reporting in hyperinflationary economies	Restatement of current year cost of goods sold
B1 Scope	Measurement of loan commitment outside the scope of IFRS 9 (holder)

Deloitte IFRS communications and publications

Publication date	Description
5 May 2026	*IFRS on Point*—April 2026
15 May 2026	*iGAAP in Focus*—IASB proposes extension of consolidation exception in the *IFRS for SMEs* standard
22 May 2026	*Adoption of IFRS Sustainability Disclosure Standards by jurisdiction* (updated May 2026)
27 May 2026	*iGAAP in Focus*—IASB issues IFRS 20 *Regulatory Assets and Regulatory Liabilities*
28 May 2026	*iGAAP in Focus*—Closing Out (May 2026)

Comment letters

	Description	Receiving party	Comment letter submitted/deadline
Comment letters submitted	Tentative agenda decision on reassessment of control (IFRS 10)	IFRS IC	5 May 2026
Comment letters pending	Discussion paper on state of nature measurement	TNFD	4 June 2026
	Air Pollution Exposure Draft	GRI	8 June 2026
	Soil Pollution Exposure Draft	GRI	8 June 2026
	Critical Incidents Exposure Draft	GRI	8 June 2026
	Exposure Draft—*Proposed amendments to the SASB Standards and IFRS S2 Industry-based Guidance*	ISSB	24 July 2026
	TISFD Framework (Beta Version 0.1)	TISFD	31 July 2026
	Exposure Draft—*IPSAS Practice Statement, Making Materiality Judgments*	IPSASB	28 August 2026
	Exposure Draft—*Consolidation Exception (Proposed amendments to the IFRS for SMEs Accounting Standard)*	IASB	9 September 2026
	Exposure Draft—*Risk Mitigation Accounting (Proposed amendments to IFRS 9 and IFRS 7)*	IASB	30 November 2026

Further information

Our summary of new and revised financial and sustainability reporting requirements, updated for financial reporting periods ending on 31 March 2026, is available on IAS Plus.

The Deloitte Accounting Research Tool (DART) is a comprehensive online library of financial and sustainability reporting literature. iGAAP on DART allows access to the full IFRS Standards, linking to and from:

- Deloitte's authoritative, up-to-date, iGAAP manuals which provide guidance for reporting under IFRS standards
- illustrative financial statements for entities reporting under IFRS Accounting Standards.

In addition, our sustainability reporting volumes of iGAAP provide guidance on disclosure requirements and recommendations which businesses must consider in light of the broader environmental, social and governance matters which can significantly drive thevalue of an entity.

To apply for a subscription to iGAAP on DART, start the application process and select the iGAAP package.

More information about iGAAP on DART, including pricing of the subscription packages, is available on the Deloitte website.

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For more information please see our IAS Plus website.

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