



## T7

# International Financial Reporting Standards for Compensation Professionals

### Learn the Language All Global Rewards Professionals Should Know

This course presents an introduction to International Financial Reporting Standards (IFRS). It will provide you with the understanding you need to interact effectively with accounting and finance departments in your company.

- Explore an overview of IFRS and the International Accounting Standards Board (IASB).
- Understand the objectives of financial reporting and how to identify and work with key stakeholders.
- Determine how financial statements relate to your compensation and benefits work.
- Examine International Accounting Standard 19 (IAS 19) short- and long-term benefits, as well as post-employment and termination benefits.

### Who Should Register

This course is for those individuals pursuing their GRP or CCP Canada or for Human Resources and Compensation Professionals who have global responsibility for compensation and rewards programs for countries outside of the U.S.

### What You Will Learn

#### Introduction to the IASB and the IFRS

- The objectives of the IASB
- The structure of the standard setting body and sub-committees
- The conceptual framework
- The IAS and IFRS standards

#### Objectives of Financial Reporting

- Relationship between the conceptual framework and stakeholders
- Providing information to the stakeholders of the organization
- Who are the stakeholders?

#### Financial Statements

- Content of the key financial statements
  - Statement of financial position
  - Statement of income
  - Statement of other comprehensive income
  - Statement of cash flows
  - Notes accompanying the accounts - the true source of information

#### IAS Purpose and Scope

- Concept of accrual accounting
- Basic principle that the cost of providing employee benefits should be recognized in the period in which the benefit is earned by the employee, rather than when it is paid or payable
- How is this done?

#### IAS 19 Short-Term Employee Benefits

- Definition
- Types of short-term benefit
- Benefits that accrue
- Benefits that do not accrue
- Profit sharing and bonus plans
- Accounting treatment for short-term benefits
- Practical examples of treatments

#### IAS 19 Types of Post Employment Benefit Plans

- AS 19 Features of a defined benefit plan
  - Calculating the liability of a defined benefit plan
  - Accounting treatment of a defined contribution plan
  - Practical examples of treatment
- IAS 19 Features of a defined benefit plan
  - Calculating the liability of a defined contribution plan

- Methods of calculation including the reliance on actuarial and financial assumptions
- Discounted cash flow techniques. Issues to be addressed, such as what is the appropriate discount rate

#### **IAS 19 Other Long-Term benefits**

- Accounting treatment of other long-term benefits
- Benefits that are immediately expensed
- Benefits that are accrued

#### **IAS 19 Termination Benefits**

- Categories of benefits that qualify and the conditions that determine these categories
- Determination of the conditions for a plan
- Treatment of the benefits provision/payments