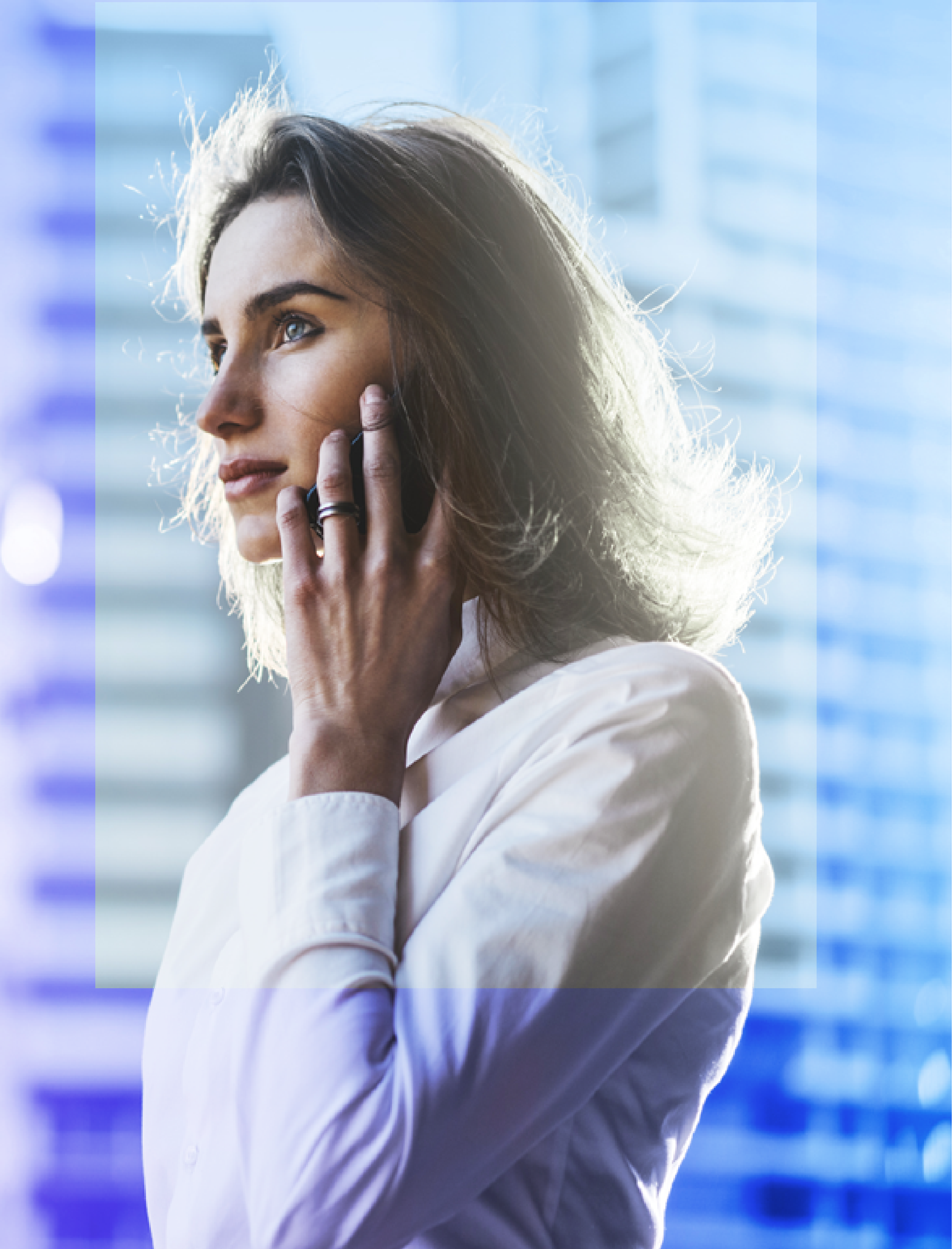
IFRS compared to Dutch GAAP: An overview

November 2022



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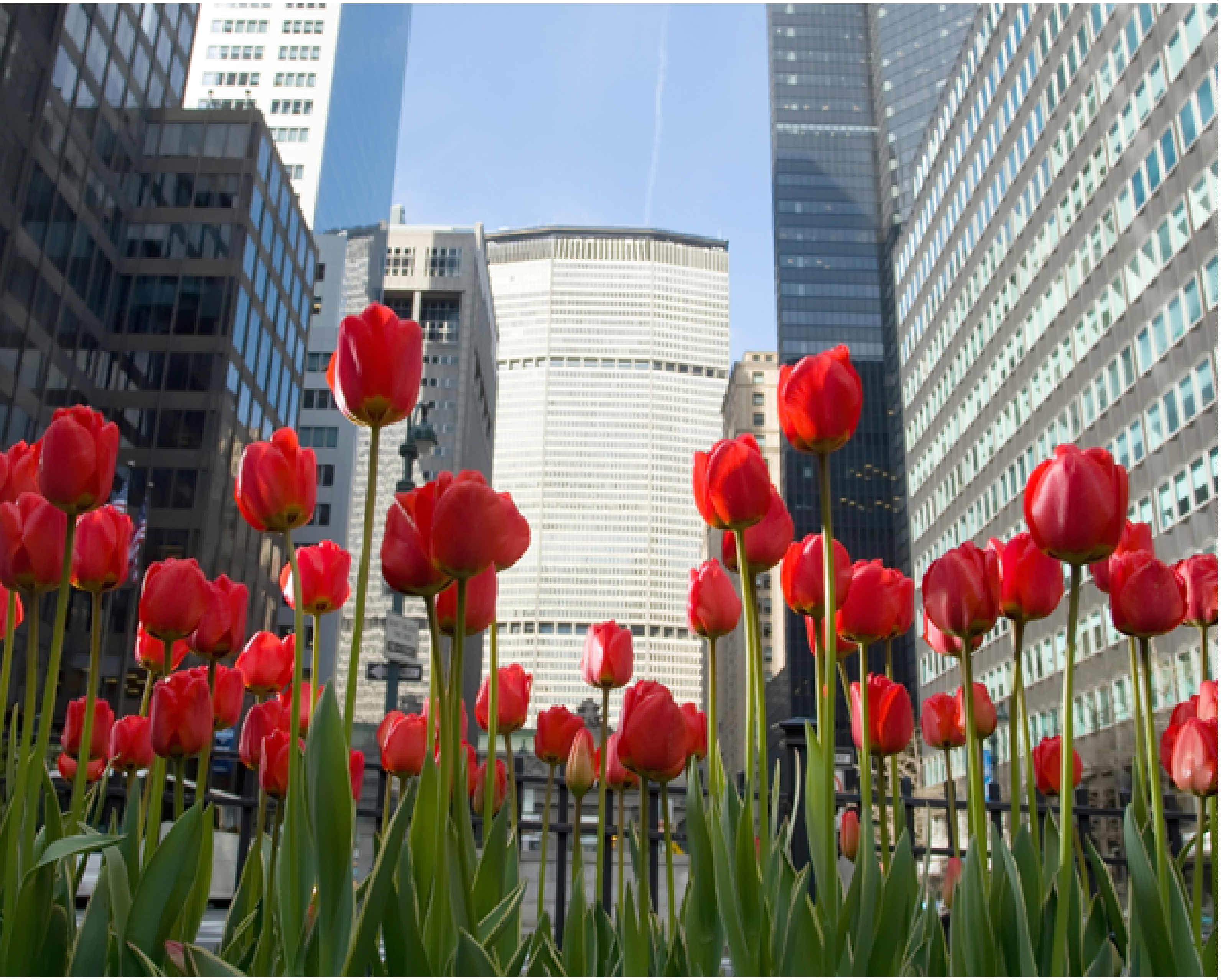

Foreword

KPMG is very pleased to present this fourth edition of our comparison between IFRS and Dutch GAAP. We hope that this publication will support all of you who would like to obtain an understanding of the main differences between IFRS and Dutch GAAP (including forthcoming requirements).

Over 167 countries have adopted International Financial Reporting Standards (IFRS) or require the accounting standards which are closely aligned with IFRS for most or all domestic listed companies.

In Europe, IFRS, as adopted by the European Union (EU-IFRS), is required for EU-listed companies in their consolidated financial statements. Additionally, the Dutch Civil Code permits listed Dutch companies to apply EU-IFRS (or, if desired, EU-IFRS recognition and measurement principles only) in their separate financial statements. Further, unlisted companies also are permitted to apply EU-IFRS. Consequently, a company's consolidated and separate financial statements may be prepared on the basis of two different accounting frameworks. Therefore, users of financial information need an overview of the significant differences between IFRS and Dutch GAAP to better understand differences in financial performance and financial position.

When IFRS was just implemented, there was a fast-growing convergence between Dutch GAAP and IFRS, as the Dutch Accounting Standards Board (DASB) rapidly was implementing IFRS and interpretations into its own guidelines. As a result, the number of differences between IFRS and Dutch GAAP declined significantly during this period. In the intermediate period the DASB had changed its strategy.

As a result, a large number of the DASB guidelines were no longer applicable to listed companies and the DASB focused its standard-setting activities to unlisted companies. Consequently, new IFRS were no longer implemented automatically into the DASB guidelines. However, there is a reversal of this trend in recent years as there is some re-convergence between IFRS and Dutch GAAP.

Legal entities under Dutch GAAP can opt to account impairment of financial assets based on the expected credit loss model under IFRS 9 Financial Instruments, Revenue from Contracts with Customers as per IFRS 15 and Leases as per IFRS 16.

Such options under Dutch GAAP are particularly relevant for those legal entities that are part of a group reporting under IFRS, as well as for legal entities in industries in which IFRS is the commonly used financial reporting standard.

DASB significantly revised RJ 270 Income statement (2022) and RJ 221 Construction contracts (2022), but also concluded that full adoption of the provisions of IFRS 15 as in the guidelines for annual reporting is not desirable for small/non-listed companies, primarily because of complexity and high implementation costs. Therefore, DASB has decided to make specific changes to the current revenue recognition standards and to supplement these guidelines with further explanation and examples.

Additionally, there are various additional key considerations and reliefs in relation to COVID-19 both under IFRS and Dutch GAAP.

These developments make this updated comparison even more valuable for the preparer of financial statements under IFRS and Dutch GAAP, respectively or both.

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About this publication

The purpose of this publication is to assist you in understanding the significant differences between the accounting principles of International Financial Reporting Standards as adopted by the European Union (IFRS) and Dutch accounting standards (Dutch GAAP).

A summary of the requirements of IFRS is included in the left-hand column. In the right-hand column, Dutch GAAP is compared to IFRS, highlighting similarities and differences. This publication is a summary of the key provisions of IFRS, contrasted with the parallel requirements of Dutch GAAP.

This publication does not discuss every possible difference, but it is rather a summary of those differences that we have encountered most frequently in practice, resulting from either a difference in emphasis or specific application guidance. The focus of this publication is on recognition, measurement and presentation, rather than on disclosure. Therefore, disclosure differences are generally not discussed, although users of this publication should be aware that there is a relatively large number of disclosure requirements under IFRS which are not included in Dutch GAAP. However, standards that are disclosure-based, such as segment reporting, are included.

This publication does not address the requirements included in the IFRS for Small and Medium-sized Entities, IAS 26 Accounting and Reporting by Retirement Benefit Plans and the forthcoming requirement in IFRS 17 Accounting for Insurance contracts; otherwise, this publication addresses the types of businesses and activities that IFRS addresses.

So, for example, biological assets are included in this publication, but accounting by not-for-profit entities is not. In addition, this publication focuses on consolidated financial statements prepared on a going concern basis. Separate (i.e. unconsolidated) financial statements are not addressed.

Lastly, the requirements of IFRS are discussed on the basis that the entity has already adopted IFRS and therefore excludes IFRS 1 First-time Adoption of IFRS and IFRS 14 Regulatory Deferral Accounts. The special transitional rules that will apply during the period that an entity changes its previous GAAP to IFRS, including implications for an entity in scope of IFRS 14, are discussed in our publication 'Insights into IFRS, KPMG's practical guide to International Financial Reporting Standards' – find out more at kpmg.com/ifrs.

Effective date

Generally, the standards and interpretations included in this publication are those that are mandatory for an annual reporting period beginning on or after 1 January 2022. Unless otherwise noted, the requirements contained in these standards are 'currently effective'. A list of these standards and interpretations is included in Appendices.

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1 Background

1.1 Application of EU-IFRS and/or Dutch Civil Code Book 2 Title 9

Title 9 offers legal entities the possibility to prepare both the separate and the consolidated financial statements in accordance with IFRS as endorsed by the European Union (EU-IFRS). Listed legal entities are directly obliged according to the IAS regulation to prepare the consolidated financial statements according to EU-IFRS. Non-listed legal entities are free to prepare their whole financial statements or only their consolidated financial statements in accordance with EU-IFRS. A legal entity can prepare the separate financial statements in accordance with EU-IFRS if the consolidated financial statements are also prepared in accordance with EU-IFRS. Preparing the separate and/or the consolidated financial statements in accordance with Title 9 implies the application of the Annual Accounts Formats Decree and the Current Value Decree (Art. 362.8).

The possible combinations offered by law are set out in the following table. In a document of the European Commission (November 2003) with an explanation of various matters from the IAS regulation the EC took the view that it firstly should always be established on the basis of national legislation (in this case Title 9) whether the legal entity must prepare consolidated financial statements. Subsequently, it may be determined which combination from the table can (and will be) applied.

*	Consolidated financial statements	Separate financial statements
1**	Dutch Civil Code Book 2 Title 9	Dutch Civil Code Book 2 Title 9
2	EU-IFRS	Dutch Civil Code Book 2 Title 9
3	EU-IFRS	Dutch Civil Code Book 2 Title 9, but using the option of applying the measurement policies as applied in the consolidated financial statements (Article 362 paragraph 8)***
4	EU-IFRS	EU-IFRS
5	n/a	Dutch Civil Code Book 2 Title 9
6	n/a	EU-IFRS

* Combinations 1 to 4 are relevant if consolidated financial statements are prepared, combinations 5 and 6 if only separate financial statements are prepared.

** This combination is not possible for listed legal entities.

*** Only possible for legal entities that prepare consolidated financial statements themselves on the basis of EU-IFRS.

Notes to combination 1

If the legal entity prepares the consolidated financial statements in accordance with Title 9 and, therefore, not EU-IFRS, the separate financial statements should also be prepared in accordance with Title 9. This combination is not possible for listed legal entities because of the fact that on grounds of the IAS regulation they must prepare the consolidated financial statements according to EU-IFRS.

Notes to combination 2

The legal entity which prepares the consolidated financial statements in accordance with EU-IFRS (whether on an obligatory or voluntary basis) can prepare the separate financial statements on the basis of Title 9. In many cases this combination will lead to a difference in equity and result according to the consolidated financial statements and according to the separate financial statements because there will often be different policies in both financial statements. Furthermore, the capital maintenance rules of the Articles 365, paragraph 2, 373, 389, paragraphs 8 and 10, and 390 only apply to the separate financial statements because the separate financial statements form the basis for the dividend distributions. The application of these capital maintenance rules is required with combination 2 because the separate financial statements are prepared in accordance with Title 9.

The application of EU-IFRS in the consolidated financial statements entails that the regime for large legal entities must be applied in the separate financial statements on the basis of Title 9, irrespective of the size of the legal entity.

Notes to combination 3

Article 362 paragraph 8 allows the consolidated financial statements to be prepared on the basis of EU-IFRS in combination with the separate financial statements on the basis of Title 9, where, however, the measurement policies are applied in the separate financial statements that the legal entity has applied in its consolidated financial statements. The possibility of also applying the measurement policies that are applied in the consolidated financial statements according to EU-IFRS in the separate financial statements has been created by the legislator in order to enable that the equity and the result according to the separate financial statements (in principle) remain equal to the equity and the result according to the consolidated financial statements. On the basis of this the RJ concludes that the classification policies that have an impact on the distinction between equity and liabilities, also fall under the measurement policies.

With combination 3, the separate financial statements are prepared on the basis of Title 9. The presentation and disclosure requirements of Title 9 shall, therefore, be followed in the separate financial statements. The presentation and disclosure requirements of EU-IFRS cannot be followed in the separate financial statements if these differ from the requirements of Title 9.

The Annual Accounts Formats Decree applies to the separate financial statements. In addition, application of EU-IFRS in the consolidated financial statements means that the regime for large legal entities must be applied in the separate financial statements, irrespective of the size of the legal entity. Article 402 can be applied, except when the legal entity is an organisation of public interest, meaning that a condensed profit and loss account suffices. If EU-IFRS requires further disclosures, then there is nothing against including that information as well in the separate financial statements.

The capital maintenance rules of Article 365, paragraph 2, Article 373, Article 389 paragraphs 8 and 10, and Article 390 also apply, although only to the separate financial statements.

Combination 3 can only be applied by legal entities that prepare consolidated financial statements themselves on the basis of EU-IFRS. A legal entity that does not prepare consolidated financial statements itself, for example because it applies Article 408, cannot apply combination 3 (not even with a reference to consolidated EU-IFRS financial statements of the parent and/or an EU-IFRS consolidation set that is prepared for the benefit of the parent).

Notes to combination 4

With combination 4 both the consolidated and the separate financial statements are prepared on the basis of EU-IFRS policies. However, this does not necessarily mean that the equity and the result will be equal to each other in both financial statements. EU-IFRS makes it possible to measure participating interests over which significant influence can be exercised (in the separate financial statements) at cost, at equity value or otherwise in accordance with IFRS 9 Financial Instruments (in this case at fair value). In the consolidated financial statements, these same participating interests, insofar as they are not consolidated, shall be measured at equity value according to EU-IFRS. Therefore, depending on the chosen measurement policy in the separate financial statements, there may be measurement differences.

The legal entity that prepares the separate financial statements according to EU-IFRS, as in the case of combinations 4 and 6, only applies the following parts of Title 9:

- Article 362 paragraph 6, sentence before last: required actions when it appears that adopted financial statements are seriously defective
- Article 362 paragraph 7, final sentence: the language of the financial statements
- Article 362 paragraph 10: the statement according to which standards the financial statements are prepared
- Article 365 paragraph 2: the legal reserve for capitalised development costs
- Article 373: the presentation and disclosure of equit
- Article 379 paragraphs 1 and 2: the list of capital interests
- Article 380b, part d: the number of registration in the trade register
- Article 382: the average number of employees
- Article 382a: the auditor's fees
- Article 383 and Article 383b up to and including Article 383e: the statement of remunerations, loans, advance payments and guarantees for the benefit of Management Board members and Supervisory Board members
- Article 389 paragraph 8: the reserve currency translation differences
- Article 389 paragraph 10: the disclosure of the differences between the equity and the result according to the separate financial statements and according to the consolidated financial statements
- Article 390: the revaluation reserve
- Part 7 Management report
- Part 8 Other information
- Part 9 Audit
- Part 10 Publication

However, when applying EU-IFRS, a part of this information shall also be provided on grounds of EU-IFRS provisions.

Because the separate financial statements form the basis for the dividend distributions, the capital maintenance rules of Article 365 paragraph 2, Article 373, Article 389 paragraphs 8 and 10, and Article 390 only apply to the separate financial statements.

Notes to combination 5

If the legal entity is not required to prepare consolidated financial statements according to Title 9, then the separate financial statements can be prepared in accordance with Title 9. This combination may also be relevant for listed legal entities because the IAS regulation (together with the obligation recognised therein to apply EU-IFRS) only relates to the consolidated financial statements and it is possible that a listed legal entity does not need to prepare consolidated financial statements. The latter must be assessed on the basis of national legislation (in this case Title 9).

Notes to combination 6

If the legal entity does not need to prepare consolidated financial statements according to Title 9, then the separate financial statements can be prepared in accordance with EU-IFRS. The legal entity that prepares the separate financial statements in accordance with EU-IFRS, only applies the articles and parts from Title 9 that are cited in Article 362 paragraph 9.

Application of Article 362 paragraph 9 with combinations 2 and 3

For legal entities that prepare the consolidated financial statements in accordance with EU-IFRS and the separate financial statements in accordance with Title 9 (combination 2 or 3), the articles cited in Article 362 paragraph 9 already apply directly because the separate financial statements are prepared in accordance with Title 9. In those cases Article 362 paragraph 9 is irrelevant.

Disclosure of which standards have been applied

The legal entity shall disclose in the notes according to which standards the financial statements have been prepared. This provision also applies to legal entities that apply EU-IFRS. This means that it must be disclosed whether the financial statements are prepared in accordance with EU-IFRS or in accordance with the legal provisions of Title 9.

1.2 Introduction

IFRS	Dutch GAAP
'IFRS' is the term used to indicate the whole body of authoritative literature published by the International Accounting Standards Board (the IASB), including: • Standards issued by the IASB (IFRS) • International Accounting Standards (IAS Standards) issued by the IASB's predecessor, the International Accounting Standards Committee (IASC) or revisions thereof issued by the IASB • Interpretations developed by the IFRS Interpretations Committee (IFRIC) and approved for issue by the IASB, and • Interpretations developed by the IFRIC's predecessor, the Standing Interpretations Committee (SIC) and approved for issue by the IASB or the IASC. The term 'IFRS' is used in this publication to indicate any of the above material.	'Dutch GAAP' is the term used to indicate the whole body of authoritative accounting literature, including the Dutch Civil Code (DCC) and the Conceptual Framework and the Guidelines on Annual Reporting, called 'Richtlijnen voor de Jaarverslaggeving' (RJ) from the Dutch Accounting Standards Board (DASB).
IFRS is designed for use by profit-oriented entities, although its use by not-for-profit organisations is not prohibited.	Like IFRS, the DCC is primarily designed for use by profit-oriented entities. Unlike IFRS, the RJ is designed for use both by profit-oriented entities and certain not-for-profit organisations
Any entity claiming compliance with IFRS must comply with all standards and interpretations, including disclosure requirements, and makes an explicit and unreserved statement of compliance with them.	Like IFRS, any entity claiming compliance with Dutch GAAP must comply with all the elements thereof and has to provide an explicit statement of compliance with Dutch GAAP.
The bold- and plain-type paragraphs of IFRS have equal authority and must be complied with.	Like IFRS, the DCC must be complied with, although it does not comprise bold- and plain-type paragraphs like the RJ. Unlike IFRS, the bold-type paragraphs of RJ are authoritative statements, whereas the plain-type paragraphs of RJ are recommendations only. Unlike IFRS, in addition, vertical lines in RJ (in the margin of the guidelines) help to identify new guidance or amended guidance.
The overriding requirement of IFRS is for the financial statements to give a fair presentation (or a true and fair view).	Like IFRS, the overriding requirement of Dutch GAAP is for the financial statements to give a fair presentation (true and fair view).
A hierarchy of alternative sources is specified for situations when IFRS do not cover a particular issue. In developing and applying an accounting policy must use judgment that results in relevant and reliable information and which does not conflict with the Conceptual Framework.	Unlike IFRS, no hierarchy is specified for situations when Dutch GAAP does not cover a particular issue. Like IFRS, in developing and applying an accounting policy must use judgment that results in relevant and reliable information and does not conflict with the Conceptual Framework.

IFRS also prescribe standards for Small and Medium sized Entities (SME). Compared with full IFRS, the IFRS for SMEs are less complex. The IFRS for SMEs are outside the scope of this publication.	Like IFRS, Dutch GAAP contains several exemptions for micro, small and medium-sized legal entities. A separate set of RJs exists for micro and small legal entities. These exemptions and requirements are outside the scope of this publication. Therefore, the differences between IFRS and Dutch GAAP addressed in this publication are those that apply to large legal entities (meeting two out of three of the following criteria for two consecutive years: (1) net assets > euro 20 million; (2) revenue > euro 40 million; and (3) average number of employees > 250). IFRS for SME does not form a part of EU-IFRS and direct (voluntary) application of IFRS for SME by Dutch companies is not possible.
References: IFRS Foundation Constitution, IASB and IFRIC Due Process Handbooks, Preface to IFRS, IAS 1, IAS 8	**References:** DCC, Annual Accounts Formats Decree, Current Value Decree, Framework, RJ 110

1.3 Conceptual Framework and basis of preparation of financial statements

IFRS	Dutch GAAP
The Conceptual Framework is used in developing and maintaining standards and interpretations. The Conceptual Framework is a point of reference for preparers of financial statements in the absence of specific guidance in IFRS.	Like IFRS, the Conceptual Framework is used as a basis for drafting new or revised RJs. Like IFRS, the DASB Framework is a point of reference for preparers of financial statements in the absence of specific guidance. Where the RJ permits 'full application' of IFRS or US-GAAP standards, 'full application' means that, in principle, all provisions of the standards concerned (or the relevant parts thereof) are followed, except for references to provisions in other standards that are not applied by the legal entity, unless this has been explicitly allowed.
IFRS do not apply to items that are 'immaterial'.	Like IFRS, Dutch GAAP does not apply to items that are 'immaterial'.
The Conceptual Framework provides a broad discussion of the concepts that underlie the preparation and presentation of financial statements. It discusses the: • objective of general purpose financial reporting; • qualitative characteristics of useful financial information, such as relevance and faithful presentation; • concept of the reporting entity; • elements of financial statements; • general guiding principles for recognition and derecognition; • measurement bases; and • high-level concepts for presentation and disclosure.	Like IFRS, The DASB Conceptual Framework provides a broad discussion of the concepts that underlie the preparation and presentation of financial statements. It discusses the: • objective of financial statements; • qualitative characteristics that determine the usefulness of information in financial statements; • definition, recognition and measurement of the elements from which financial statements are constructed; and • concepts of capital and capital maintenance.

Financial statements are prepared on a going concern basis, unless management intends or has no realistic alternative other than to liquidate the entity or to stop trading.	The going concern assumption under Dutch GAAP is similar to IFRS.
If the entity is not a going concern entity and the financial statements are being prepared in accordance with IFRS, then in our view there is no general dispensation from the measurement, recognition and disclosure requirements.	Unlike IFRS, if an entity cannot meet its obligations and discontinuity becomes unavoidable, the financial statements are prepared on liquidation basis.
An asset is a present economic resource controlled by the entity as a result of past events. An economic resource is a right or a set of rights that has the potential to produce economic benefits. The probability of economic benefits is not relevant for determining whether an asset or a liability exists; however, a low probability of economic benefits may affect the recognition and measurement analysis.	Like IFRS, an asset is a resource controlled by the entity as a result of past events and from which future economic benefits are expected to flow to the entity.
A liability is a present obligation of the entity to transfer an economic resource as a result of past events. An obligation is a duty or responsibility that an entity has no practical ability to avoid. If it is conditional on an entity's future action, then an obligation exists if the entity has no practical ability to avoid taking that action.	Like IFRS, a liability is a present obligation of the entity arising from past events, the settlement of which is expected to result in an outflow from the entity of resources embodying economic benefits.
An entity recognises any item meeting the definition of an asset or a liability in the financial statements unless it affects the relevance, or the faithful representation of the information provided: • its 'relevance' may be affected if there is uncertainty about the existence of an asset or liability or the probability of an inflow or outflow of economic benefits from the asset or liability is low; and • its 'faithful representation' may be affected by high measurement uncertainty.	Like IFRS, an item that meets the definition of an asset or liability should be recognised if: • it is probable that any future economic benefit associated with the item will flow to or from the entity; and • the item has a cost or value that can be measured with reliability.
The term 'probable' is not defined in the Conceptual Framework, although it is defined in the provision standard as more likely than not (see 3.10). However, higher thresholds cannot be ruled out for standards with a specific definition.	Like IFRS, the term 'probable' is not defined in the Conceptual Framework. The probability threshold would be interpreted similarly.
Equity is the residual interest in the assets of the entity after deducting all its liabilities.	Like IFRS, equity is the residual interest in the assets of the entity after deducting all its liabilities.
Transactions with shareholders in their capacity as shareholders are recognised directly in equity e.g. capital contributions from shareholders or dividends paid. However, the position is less clear when a transaction with a shareholder equally could have been with a third party. In these cases, the accounting is generally based on whether the shareholder was acting as a 'normal' counterparty.	Like IFRS, transactions with shareholders in their capacity as shareholders, are recognised directly in equity. Other transactions with equity holders should be considered carefully in determining the appropriate accounting.

The Conceptual Framework describes two measurement bases and the factors to consider when selecting a measurement basis. • Historical cost: measurement is based on information derived from the transaction price and that measurement is not changed unless it relates to impairment of an asset or a liability becoming onerous. • Current value: measurement is based on information that reflects current conditions at the measurement date (including fair value, value in use and fulfilment value based on the present values of cash flows and current cost).	Like IFRS, financial statements are prepared on a modified historical cost basis with a growing emphasis on fair value. Unlike IFRS, the term 'current value' (actuele waarde) is used in DCC instead of 'fair value, and its meaning (current cost, value in use, net realisable value or fair value) depends on the type of asset or liability and the specific circumstances.
An entity discloses information about key sources of estimation uncertainty and judgments made in applying the entity's accounting policies. An entity discloses estimation uncertainty that has a significant risk of causing material adjustments within the next annual reporting period.	Like IFRS, it is mandatory to disclose information about key sources of estimation uncertainty and judgements made in applying the entity's accounting policies (if it is considered necessary to provide a true and fair view in the financial statements).
References: The Conceptual Framework for Financial Reporting, IAS 1, IAS 37	**References:** DCC, Framework, RJ 100, RJ 115, RJ 170

2 General issues

2.1 Form and components of financial statements

IFRS	Dutch GAAP
An entity with one or more subsidiaries must present consolidated financial statements unless specific criteria are met (e.g. for intermediate holding companies).	Like IFRS, an entity must present consolidated financial statements unless specific criteria are met. The specific criteria are slightly different from those in IFRS.
There is no requirement to present the parent entity's financial statements in addition to consolidated financial statements, although this is permitted.	Unlike IFRS, company financial statements (statutory financial statements) must be presented.
The following are presented as a complete set of financial statements: • a statement of financial position; • a statement of profit or loss and other comprehensive income (statement of comprehensive income); • a statement of changes in equity; • a statement of cash flows; and • notes including accounting policies.	A set of (consolidated) financial statements comprises: • a statement of financial position (balance sheet); • an income statement (profit and loss account); • a statement of cash flows; • a statement of comprehensive income, which can be presented as a primary statement or combined with the note on group equity or as extension on the income statement; and • notes comprising a summary of significant accounting policies and other explanatory information. Unlike IFRS, a statement of changes in equity is not required in consolidated financial statements. The statement of changes in equity (when presented), the statement of cash flows and the statement of comprehensive income may be presented in the notes.
IFRS does not require a management report. The IASB did, however, publish the practice statement 'Management Commentary' at the end of 2010, in which the principles and the minimum elements of a directors' report are set out in detail. Its objective is to help management provide useful management commentary in respect of financial statements prepared in accordance with IFRS. The document does not have the status of a standard but contains a 'non-binding framework' that can be applied voluntarily.	Unlike IFRS, Dutch law requires that a management report (directors' report) and Other information shall be recognised in the annual report. The primary obligation of Dutch companies that apply IFRS is compliance with Dutch legislation with regard to their management report, and if desired, these companies can also apply the practice statement of the IASB (insofar as this is not contrary to Dutch law).
In addition, a statement of financial position as at the beginning of the preceding period is presented when an entity restates comparative information following a change in accounting policy, the correction of an error or the reclassification of material items in the financial statements.	Unlike IFRS Standard, there is no requirement to present a 'third' statement of financial position in case of a change in accounting policy, the correction of an error or the reclassification of material items in the financial statements.
The notes must be supplemented by a segment report in case the entity's debt or equity instruments are traded in a public market.	Unlike IFRS, there is minimum prescribed disclosure requirement for segment reporting. For further voluntary disclosures, the RJ implemented the main rules of IFRS 8, (see 5.2).

IFRS specify minimum disclosures for material information; however, they do not not prescribe specific formats. Comparative information is required for the preceding period only, but additional periods and information may be presented.	Prescriptive formats exist for the balance sheet and income statement; therefore, differences from IFRS may exist in practice. Like IFRS, comparative information is required for the preceding period only, but additional periods and information may be presented.
References: IFRS 10, IAS 1, IAS 27	**References:** CC, RJ 110, RJ 217, RJ 265, RJ 360, Annual Accounts Formats Decree (Besluit Modellen Jaarrekening)

2.2 Statement of financial position (Balance Sheet)

IFRS	Dutch GAAP
There is no prescribed format, i.e. an entity can choose to present the statement of financial position in a horizontal or in a vertical layout. As a minimum, the statement of financial position shall include following line items: **Assets** • Property, plant and equipment • Investment property • Intangible assets and goodwill • Financial assets • Investments accounted for using the equity method • Deferred tax assets • Biological assets • Inventories • Trade and other receivables • Cash and cash equivalents • Assets classified as held for sale in accordance with IFRS 5 • Assets for current tax **Liabilities** • Trade and other payables • Provisions • Financial liabilities • Liabilities or current tax • Liabilities classified as held for sale in accordance with IFRS 5 • Deferred tax liabilities **Equity** • Issued capital and reserves attributable to owners of the parent • Non-controlling interests	According to the DCC, large entities should choose between two balance sheet formats, model A and B. In the Annual Accounts Formats Decree specific guidance is provided. In accordance with this Decree, the statement of financial position shall include (as a minimum) the following line items: **Assets** **Non-current assets (x)** • Intangible fixed assets • Tangible fixed assets • Financial fixed assets **Current assets (x)** • Inventories • Receivables • Securities • Cash and cash equivalents **Equity and Liabilities** **Equity (y)** • Issued capital • Share premium • Revaluation reserve • Other statutory reserves and reserves according to the Articles of Association • Other reserves • Unappropriated result **Provisions (x)** **Non-current liabilities (x)**
	Current liabilities (x) The items marked with (x) should not be renamed. The order of the items mentioned in the applied model should not be changed. In the consolidated statement of financial position, equity (y) may be presented as one line item under the heading 'Group equity'. Non-Controlling Interest (NCI) is also presented under this heading.
However, following the concept of materiality, it may be possible to aggregate two or more of these line items with disclosure of disaggregation in the notes. In contrast, it may be necessary to present further line items or disaggregation of line items in the statement of financial position, if certain criteria are met.	There is flexibility to present additional line items or disaggregation of line items in the statement of financial position.
The current/non-current classification is required except when a liquidity presentation is more relevant.	Like IFRS, the current/non-current classification is required except when a liquidity presentation is more relevant.
For financial institutions it is presumed that a liquidity presentation is more relevant.	For financial institutions it is presumed that a liquidity presentation is more relevant.
An asset is classified as current if it meets any of the following conditions: • It is expected to be realised in or is held for sale or consumption in the entity's normal operating cycle. • It is primarily held for trading purposes. • It is expected to be realised within 12 months of the reporting date. • It is cash and cash equivalent, that is not restricted from being exchanged or used to settle a liability for at least 12 months after the reporting date.	The current/non-current criteria for assets are similar to IFRS.
All other assets shall be classified as non-current.	
A liability is classified as current if it meets any of the following conditions: • It is expected to be settled in the entity's normal operating cycle. • It is primarily held for trading purposes. • It is due to be settled within 12 months after the reporting date. • It is subject to an unconditional right of the entity at the reporting date to defer settlement of the liability for at least 12 months after the reporting date.	Unlike IFRS, for liabilities the current/non-current distinction should be based on the criterion whether the counterparty could redeem the liability within 12 months after the balance sheet date (if yes: current liability; if no: non-current liability)
A liability that is payable on demand because certain conditions are breached is classified as current even if the lender has agreed after the reporting date but before the financial statements are authorised for issue, not to demand repayment.	Unlike IFRS, in case of breach of debt covenants a liability may continue to be classified as non-current after the reporting date if an agreement has been reached with the lender before the financial statements are prepared.

All other liabilities shall be classified as non-current. However deferred tax assets or liabilities are always classified as non-current.	Unlike IFRS, deferred tax liabilities should be presented as a provision. A deferred tax asset should be presented as current receivables if it is expected to be received within 12 months after the balance sheet date; if not, it should be presented as financial fixed assets.
A financial asset and liability are offset and reported net only when the entity has a legally enforceable right to offset and either intends to settle on a net basis or to settle both amounts simultaneously.	Like IFRS, a financial asset and liability are offset and reported net only when the entity has a legally enforceable right to offset and either intends to settle on a net basis or to settle both amounts simultaneously..
In case of early redemption (or an agreement thereto) of a liability after reporting date but before the date of preparation of financial statements, an entity presents such a liability as non-current in the balance sheet.	Unlike IFRS, in case of early redemption (or an agreement thereto) of a liability after balance sheet date but before the date of preparation of financial statement, an entity may elect to present such a liability as non-current in the balance sheet.
References: IAS 1, IAS 12	**References:** CC, RJ 240, RJ 272, Annual Accounts Formats Decree (Besluit Modellen Jaarrekening)

2.3 Statement of comprehensive income (Income Statement)

IFRS	Dutch GAAP
An entity is required to present a statement of comprehensive income either in a single statement, or in two statements comprised of a separate statement of profit or loss followed immediately by a separate statement of comprehensive income (beginning with profit or loss and displaying components of other comprehensive income (OCI)).	According to the DCC, large entities should choose between two income statement formats (model E and F). In the Annual Accounts Formats Decree specific guidance is provided. The formats differ in form of presentation of expenses (by function versus by nature).
Although IFRS require certain items to be presented in the statement of profit or loss and OCI, there is no prescribed format.	Unlike IFRS, the RJ recommends presenting the statement of comprehensive income ('totaalresultaat') supplementary to the consolidated balance sheet, profit and loss account and cash flow statement. It may also be disclosed as part of the equity movements schedule in the notes, or as an extension to the profit and loss account. The statement is only required for large entities that prepare consolidated financial statements.
Revenue comprises income arising in the course of an entity's ordinary activities and is presented as a separate line item in the statement of profit or loss and OCI.	Like IFRS, revenue is income that arises in the course of an entity's ordinary activities and is presented as a separate line item in the statement of profit or loss and OCI.
An analysis of expenses is required, either by their nature or by function, on the face of the statement of profit or loss and OCI or in the notes to the financial statements.	Like IFRS, an analysis of expenses is required, either by their nature or by function, on the face of the income statement or in the notes to the financial statements.

As a minimum, the income statement or the income statement section shall include the following line items: • Revenue • Finance costs • Share of the profit or loss of associates and joint ventures accounted for using the equity method • Tax expense • A single amount for the total of discontinued operations • Separate presentation of the result for the period attributable to owners of the company and non-controlling interests. An example of a classification using the nature of expense method is as follows: • Revenue • Other income • Changes in inventories of finished goods and work in progress • Raw materials and consumables used • Employee benefit expense • Depreciation and amortisation expense • Other expenses • Total expenses • Profit before tax	In accordance with the Annual Accounts Formats Decree, the income statement format (format E, expenses by nature) includes (as a minimum) the following line items: • Net turnover • Change in inventories of finished goods and in work in progress • Capitalised production (on behalf of own business) • Other operating income • Total operating income • Raw material and consumables • Other external charges • Wages and salaries • Social security costs • Amortisation/depreciation of intangible and tangible fixed assets • Other changes in value of intangible and tangible fixed assets • Impairment of current assets • Other operating expenses • Total operating expenses • Income from receivables attributable to fixed assets and from investments • Interest receivable and similar income • Changes in value of receivables attributable to fixed assets and of investments • Interest payable and similar charges • Result before tax • Tax • Share of result from participating interests • Result after tax
An example of a classification using the function of expense method is as follows: • Revenue • Cost of sales • Gross profit • Other income • Distribution expenses • Other expenses • Profit before tax	In accordance to the Annual Accounts Formats Decree, the income statement format (format F, expenses by function) includes (as a minimum) the following line items: • Net turnover • Cost of sales • Gross margin on turnover • Selling and distribution expenses • General and administrative expenses • Total operating expenses • Net result on turnover • Other operating income • Income from receivables attributable to fixed assets and from investments • Interest receivable and similar income • Changes in value of receivables attributable to fixed assets and of investments • Interest payable and similar charges • Result before tax • Tax • Share of result from participating interests • Result after tax

IFRS	Dutch GAAP
When the entity chooses the function of expense method, then it shall disclose additional information on the nature of expenses in the notes.	Unlike IFRS, Dutch GAAP is more prescriptive in the required line items that should be presented in the income statement.
However, following the concept of materiality, it may be possible to aggregate two or more of these line items with disclosure of disaggregation in the notes. In contrast, it may be necessary to present further line items or disaggregation of line items in the statement of comprehensive income, if certain criteria are met.	Like IFRS, when applying the function of expense method additional disclosures of certain information under the nature of expense method in the notes to the financial statements are required.
The presentation of alternative earnings measures is not prohibited either in the statement of profit or loss and OCI or in the notes to the financial statements.	Unlike IFRS, the presentation of alternative performance measures can only be used in the notes to the profit and loss account and not on the face of the income statement itself.
In our view, the use of the terms unusual or exceptional should be infrequent and reserved for items that justify greater prominence.	Unlike IFRS, separate presentation of exceptional items is not in accordance with the models of the profit and loss account in the Annual Accounts Formats Decree. These exceptional gains and losses should be included in the relevant items in the profit and loss account. If an exceptional item is included in several other items in the statement of income, the total financial effect of this exceptional item should be explained.
The presentation or disclosure of items of income and expense characterised as extraordinary items is prohibited.	Like IFRS, extraordinary items are not permitted.
Items of income and expenses are not offset unless required or permitted by another standard, or if the amounts relate to similar transactions or events that are not material.	Like IFRS, items of income and expense are not offset unless required or permitted by another RJ or when the amounts relate to similar transactions or events that are not material.
An entity presents the items of other comprehensive income (OCI) that will be reclassified to profit or loss in the future if certain conditions are met separately from those that will never be reclassified to profit or loss. If OCI is presented before the related tax effects, then the disclosure of the related tax effects also distinguishes between these components of OCI.	Unlike IFRS, there is no such requirement for OCI items.
References: IAS 1	**References:** CC, RJ 135, RJ 240, RJ 265, RJ 270, Annual Accounts Formats Decree

2.4 Statement of changes in equity

IFRS	Dutch GAAP
An entity presents both a statement of profit or loss and other comprehensive income and a statement of changes in equity as part of a complete set of financial statements. The statements cannot be combined.	Unlike IFRS, the comprehensive income statement and the statement of changes in equity are not primary statements and may be presented as part of the notes to the consolidated financial statements. Unlike IFRS, a detailed presentation of equity components and changes therein should be disclosed in the company's financial statements. It is allowed to present the components of equity and changes therein also in the consolidated financial statements.
The statement of changes in equity presents line items distinguishing between profit or loss, other comprehensive income and transaction with owners in their capacity as owners, showing separately contributions, distributions and changes in ownership interests in subsidiaries that do not result in a loss of control. The statement of changes in equity also presents columns for each component of equity, presenting a subtotal for all components that are attributable to owners of the parent. This matrix approach results in a reconciliation for each component of equity between the carrying amount at the beginning and the end of the period.	Like IFRS, owner-related changes in equity are disclosed separately from non-owner changes in equity.
References: IAS 1	**References:** DCC, RJ 240, RJ 265

2.5 Statement of cash flows

IFRS	Dutch GAAP
The statement of cash flows is presented as a primary statement.	Unlike IFRS, the statement of cash flows is not a primary statement but instead may be presented as part of the notes to the consolidated financial statements, although this is not common practice. Unlike IFRS, a statement of cash flows is not required for small and micro size entities and intermediate holding companies whose parent presents consolidated financial statements including a cash flow statement that is equivalent to the one required by Dutch GAAP.
Cash flows are inflows and outflows of cash and cash equivalents.	Like IFRS, cash flows are inflows and outflows of cash and cash equivalents.

Cash and cash equivalents in the balance sheet is similar as used for preparing a cash flow statement.	Unlike IFRS, the definition of cash and equivalents as used for the presentation in the balance sheet is different from the definition as used for preparing a cash flow statement.
'Cash' comprises cash on hand and demand deposits. 'Demand deposits' are not defined in IFRS, but in our view they should have the same level of liquidity as cash and, therefore, should be available to be withdrawn at any time without penalty. 'Cash equivalents' are short-term highly liquid investments that are readily convertible to known amounts of cash and are subject to an insignificant risk of changes in value.	Unlike IFRS, cash and cash equivalents in the balance sheet comprises cash in hand, balances on bank accounts, bills of exchange and cheques. Demand deposits and suchlike may be recognised as cash and cash equivalents if they are in fact available on demand, albeit with loss of interest income. Like IFRS, for the purposes of preparing a cash flow statement, cash and cash equivalents are defined as cash on hand, balances on bank accounts, bills of exchange and cheques, demand deposits and short-term highly liquid assets. The short-term highly liquid assets are investments that are readily convertible without restriction and with insignificant risk of a change in value as a result of the transaction.
Bank overdrafts are classified as liabilities in the balance sheet. For the purposes of preparing a cash flow statement, bank overdrafts that are repayable on demand are included in cash and cash equivalents only if they form an integral part of the entity's cash management.	Like IFRS, bank overdrafts are classified as liabilities in the balance sheet. Unlike IFRS, bank overdrafts are considered a form of short-term financing, with changes therein classified as financing activities in the statement of cash flows.
The statement of cash flows presents cash flows during the period, classified by operating, investing and financing activities.	Like IFRS, cash flows are classified by operating, investing and financing activities.
The separate components of a single transaction are classified as operating, investing or financing.	Like IFRS, the separate components of a single transaction are classified as operating, investing or financing.
Net cash flows from all three activities are totalled to show the change in cash and cash equivalents during the period, which then is used to reconcile opening and closing cash and cash equivalents.	Like IFRS, net cash flows from all three activities are totalled to show the change in cash and cash equivalents during the period, which then is used to reconcile opening and closing cash and cash equivalents.
Cash flows from operating activities may be presented either by the direct or the indirect method. If the indirect method is used, then an entity presents a reconciliation of profit or loss to net cash flows from operating activities. However, in our experience practice varies regarding the measure of profit or loss is used.	Like IFRS, cash flows from operating activities may be presented either by the direct or the indirect method. Unlike IFRS, the preferred starting point is the operating result. Alternatively, the result before or after tax may also be used.
An entity chooses its own policy for classifying each of interest and dividends paid as operating or financing activities, and interest and dividends received as operating or investing.	Like IFRS, dividends and interest received can be classified as operating or investing activities. Dividends paid and interest paid can be considered as operating activities or financing activities. However, classification of dividends paid as financing activities is preferred.

Income taxes paid are classified as operating activities unless it is practicable to identify them with, and therefore classify them as, financing or investing activities.	Like IFRS, income taxes paid (and received) are classified as operating activities, unless it is practicable to identify them with, and therefore classify them as financing or investing activities.
Foreign currency cash flows are translated at the exchange rates at the dates of the cash flows (or using averages when appropriate).	Like IFRS, foreign currency cash flows are translated at the exchange rate at the date of the cash flow (or using averages when appropriate).
Generally, all financing and investing cash flows are reported gross. Cash flows are offset only in limited circumstances.	Like IFRS, all financing and investing cash flows should be presented gross and not offset. However, no guidance is provided on the types of items that qualify for net reporting.
To help users evaluate changes in liabilities related to financing activities, an entity provides a disclosure, including cash and non-cash changes.	Similar disclosure of material differences between items in the statement of cash flows and statements of changes in assets and liabilities is a recommended reconciliation.
References: IAS 7	**References:** RJ 360

2.6 Fair value measurement

IFRS	Dutch GAAP
The fair value measurement standard applies to most fair value measurements and disclosures (including measurements based on fair value) that are required or permitted by other standards. Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date – i.e. it is an 'exit price'. Fair value is based on assumptions that market participants would use in pricing the asset or liability. 'Market participants' are independent of each other, they are knowledgeable and have a reasonable understanding of the asset or liability, and they are willing and able to transact. Fair value measurement assumes that a transaction takes place in the principal market for the asset or liability or, in the absence of a principal market, in the most advantageous market for the asset or liability.	Dutch GAAP has no specific accounting standard on fair value measurement. The definitions and measurement criteria of current value are set out in the Current Value Decree ('Besluit actuele waarde'). The Current Value Decree describes four current value measurement methods. The most appropriate measurement method depends on the type of asset, liability and relevant circumstances. The Current Value Decree describes the following methods, which are generally accepted under IFRS as well: a) current cost b) value in use c) market value (fair value) d) net realisable value

What is being measured – e.g. a stand-alone asset or a group of assets and/or liabilities – generally depends on the unit of account, which is established under the relevant standard.

In measuring the fair value of an asset or a liability, an entity selects those valuation techniques that are appropriate in the circumstances and for which sufficient data is available to measure fair value. The techniques used should maximise the use of relevant observable inputs and minimise the use of unobservable inputs.

A day one gain or loss arises when the transaction price for an asset or liability differs from its fair value on initial recognition. Such gain or loss is recognised in profit or loss, unless the standard that requires or permits fair value measurement specifies otherwise. For example, the financial instruments standards prohibit the immediate recognition of a day one gain or loss, unless fair value is evidenced by a quoted price in an active market for an identical financial asset or financial liability or is based on a valuation technique whose variables include only data from observable markets.

A fair value measurement of a non-financial asset considers a market participant's ability to generate economic benefits by using the asset in its highest and best use, or by selling it to another market participant who will use the asset in its highest and best use.

If certain conditions are met, then an entity is permitted to measure the fair value of a group of items with offsetting risk positions on the basis of its net exposure (portfolio measurement exception). Such items may be a group of financial assets and financial liabilities or other contracts that are in the scope of the financial instruments standard.

For liabilities or an entity's own equity instrument, if a quoted price for a transfer of an identical or similar liability or own equity instrument is not available and the identical item is held by another entity as an asset, then the liability or own equity instrument is valued from the perspective of a market participant that holds the asset. Failing that, other valuation techniques are used to value the liability or own equity instrument from the perspective of a market participant that owes the liability or has issued the claim on equity.

The fair value of a liability reflects non-performance risk. Non-performance risk is assumed to be the same before and after the transfer of the liability. Non-performance risk includes, but may not be limited to, an entity's own credit risk.

The RJ guidelines provide further rules on these methods and the assets, liabilities and circumstances in which these methods should be applied.

Fair value of an asset or liability is defined as the value that is based on market prices or on data relevant as per date of measurement.

There is very limited guidance on how to determine the fair value of an asset or liability. No strict fair value hierarchy is described.

There is no practical expedient that allows entities to measure the fair value of certain investments at net asset value.

When another IFRS requires or permits an asset or a liability to be measured initially at fair value, gains or losses arising on differences between fair value at initial recognition and the transaction price are recognised in profit or loss, unless the other IFRS Standard requires otherwise.

While the fair value measurement standard discusses three general approaches to valuation (the market, income, and cost approaches), it does not establish specific valuation standards. Several valuation techniques may be available under each approach.

An entity that manages a group of financial assets and financial liabilities on the basis of its net exposure to either market risks or credit risk is permitted (but not required) to measure the fair value of a group with offsetting risk positions on the basis of its net exposure, provided certain conditions are met (portfolio measurement exception).

The inputs are categorised into three levels (Levels 1, 2 and 3), with the highest priority given to unadjusted quoted prices in active markets for identical assets or liabilities and the lowest priority given to unobservable inputs.

For fair value measurements of assets or liabilities having bid and ask prices, an entity uses the price within the bid-ask spread that is most representative of fair value in the circumstances. The use of bid prices for assets and ask prices for liabilities is permitted.

Guidance is provided on measuring fair value when there has been a decline in the volume or level of activity in a market, and when transactions are not orderly.

The fair value measurement standard includes a comprehensive disclosure framework.

A fair value hierarchy is used to categorise fair value measurements for disclosure purposes. Fair value measurements are categorised in their entirety based on the lowest level input that is significant to the entire measurement.

References
IFRS 13

References:
Current Value Decree, RJ 120, RJ 290, RJ 210, RJ 212

2.7 Consolidation

IFRS	Dutch GAAP
Consolidation is based on a 'power to direct' model. An investor controls an investee if it is exposed to (has rights to) variable returns from its involvement with the investee and has the ability to affect those returns through its power over the investee. Although there is a practical distinction between structured and non-structured entities, the same control model applies to both.	Unlike IFRS, consolidation under Dutch GAAP is focused on the concept of a group (company) and on control. The main criteria for a group (company) are: • Economic unit • Organisational connections • Central management
The investor considers the purpose and design of the investee so as to identify its relevant activities, how decisions about such activities are made, who has the current ability to direct those activities and who receives returns there from.	The existence of a group relationship depends on whether one entity has the ability to exercise decisive influence (control)over another entity, or in other words actually decides the policy of that other (policy-dependent) entity.
For a structured entity, voting rights are not the dominant factor in assessing whether the investor has power over the investee.	Like IFRS, under Dutch GAAP, also special purpose entities need to be evaluated under the main criteria of Dutch GAAP.
Control is usually assessed over a legal entity but can also be assessed over only specified assets and liabilities of an entity (referred to as a 'silo') when certain conditions are met.	Unlike IFRS, no guidance exists regarding assessing control over only specified assets and liabilities of an entity (referred to as a 'silo'). Generally, the consolidation assessment is performed over legal entities.
Control is assessed on a continuous basis.	Like IFRS, the consolidation assessment is done on a continuous basis.
There is a 'gating' question in the model, which is to determine whether voting rights or rights other than voting rights are relevant when assessing whether the investor has power over the relevant activities of the investee.	Like IFRS, facts and circumstances determining the ability of having de facto control should be considered as well. However, the assessment under IFRS might be more strict and conclusive.
In assessing control, an investor considers both substantive rights that it holds and substantive rights held by others. To be 'substantive' rights need to be exercisable when decisions about the relevant activities are required to be made and the holder needs to have practical ability to exercise those rights	Like IFRS, in assessing control (potential) voting rights are considered when they are substantive.
If voting rights are relevant when assessing power, then substantive potential voting rights are taken into account. The investor assesses whether it holds voting rights sufficient to, unilaterally, direct the relevant activities of the investee, which can include de facto power.	
Subsidiaries are generally consolidated. As an exception, investment entities generally account for investments in subsidiaries at fair value recognised through profit or loss.	Unlike IFRS, subsidiaries, group companies and other legal entities over which an entity can exercise control or over which it has central management are generally consolidated. Unlike IFRS, interests which are held exclusively with a view to its disposal need not to be consolidated in the consolidated financial statements.
The definition of an investment entity requires an entity to meet certain criteria relating to its activities and its measurement and evaluation of the performance of its investments.	Like IFRS, the concept of investment entity applies also in Dutch GAAP but the evaluation of the definition of an investment entity in practice varies from IFRS.
The acquirer in a business combination can elect, on a transaction-by-transaction basis, to measure 'ordinary' non-controlling interests (NCI) at fair value, or at their proportionate interest in the net assets of the acquiree, at the date of acquisition.	Unlike IFRS, NCI should always be measured at their proportionate interest in the identifiable net assets of the acquiree, at the acquisition date.
'Ordinary NCI' are present ownership interests that entitle their holders to a proportionate share of the entity's net assets in the event of liquidation. Other NCI are generally measured at fair value.	
Uniform accounting policies are used throughout the group.	Like IFRS, uniform accounting policies must be used throughout the group.
A parent and its subsidiaries, generally, use the same reporting date when preparing consolidated financial statements.	Like IFRS, the difference between the reporting dates of a parent and a subsidiary cannot be more than three months.
If this is impracticable, then the difference between the reporting date of a parent and its subsidiary cannot be more than three months. Adjustments are made for the effects of significant transactions and events between the two dates.	
NCI in the statement of financial position are classified as equity but are presented separately from the parent shareholders' equity.	Unlike IFRS, NCI in the statement of financial position are classified separately from equity, however, can be presented as part of the group equity. Like IFRS, NCI are presented separately from the parent shareholders' equity in the disclosure notes.
An entity recognises a liability for the present value of the exercise price of put options held by NCI, but there is no detailed guidance on the accounting for such put options.	Unlike IFRS, Dutch GAAP has not prescribed the accounting for put options held by NCI.
Losses in a subsidiary may create a deficit balance in NCI.	Like IFRS, losses in a subsidiary may create a deficit balance in NCI. Treatment can be different, depending on any liability of the owner of the NCI to these losses.
Profit or loss and other comprehensive income for the period are allocated between controlling shareholders and NCI.	Like IFRS, profit or loss for the period is allocated between shareholders of the parent and NCI. Unlike IFRS, the statement of comprehensive income starts with the net result, after NCI. Therefore, there is no split between shareholders and NCI in the statement of comprehensive income.
Intragroup transactions are eliminated in full.	Like IFRS, intragroup transactions are eliminated in full.

Upon loss of control of a subsidiary, the assets and liabilities of the subsidiary and the carrying amount of the NCI are derecognised. The consideration received and any retained interest (measured at fair value) are recognised. Amounts recognised in OCI are reclassified as required by other IFRS. Any resulting gain or loss is recognised in profit or loss.	Unlike IFRS, on the loss of control of a subsidiary, the retained interest is not remeasured at fair value. The gain or loss on disposal to be recognised in profit or loss is determined on the basis of a proportion of the carrying amount (including goodwill) that is sold. Amounts recognised in OCI are reclassified proportionally as required by other Standards.
Changes in the parent's ownership interest in a subsidiary without a loss of control are accounted for as equity transactions. The interests of the parent and NCI are adjusted to reflect the relative change in their interests in the subsidiary's equity. Any difference between the amount by which the NCI are adjusted and the fair value of the consideration paid or received, if there is any, is recognised directly in equity and attributed to the owners of the parent.	Unlike IFRS, there are no specific provisions for changes in the parent's ownership interest in a subsidiary without a loss of control. In our view, there is a policy choice how these transactions are accounted for, i.e. as transactions between shareholders or as transactions between the – consolidated – group and a third party. • Upon acquisition of third-party interest: - If the transaction is regarded as a shareholder transaction, the transaction is recognised directly in equity (other reserves). - If the transaction is regarded as a transaction with a third party, the transaction is recognised as (an increase in) goodwill. • Upon sale of third-party interest: - If the transaction is regarded as a shareholder transaction, the transaction is recognised directly in equity (other reserves). - If the transaction is regarded as a transaction with a third party, the transaction is recognised in profit or loss. The (fair value of the) consideration received must be recognised and, next to this, the third-party interest is adjusted on the basis of the proportional share in the respective assets and liabilities of the related group company at the moment of the transaction.
References: IFRS 10, IAS 27	**References:** CC, RJ 214, RJ 217, RJ 265

2.8 Business combinations

IFRS	Dutch GAAP
Business combinations are accounted for under the acquisition method, with limited exceptions.	*General - note that the differences between IFRS and Dutch GAAP on business combinations are numerous and that the possible impact might be significant.* Most transactions within the scope of RJ 216 are accounted for as acquisitions by applying purchase accounting. However, unlike IFRS, the pooling of interests method can still be used in limited situations (such as 'true mergers').
A business combination is a transaction or other event in which an acquirer obtains control of one or more businesses.	Like IFRS, a business combination is a transaction or other event in which an acquirer obtains control of one or more businesses.
The acquirer in a business combination is the combining entity that obtains control of the other combining business or businesses.	Like IFRS, the acquirer in a business combination is the combining entity that obtains control of the other combining business or businesses.
In some cases, the legal acquiree is identified as the acquirer for accounting purposes (reverse acquisition).	Like IFRS, the acquirer may for accounting purposes not be the legal acquirer, in which case the transaction is accounted for as a reverse acquisition.
The acquisition date is the date on which the acquirer obtains control of the acquiree.	Like IFRS, the date of acquisition is the date on which effective control is transferred to the acquirer.
Consideration transferred by the acquirer, which is generally measured at fair value at the acquisition date, may include assets transferred, liabilities incurred by the acquirer to the previous owners of the acquiree and equity interests issued by the acquirer.	Like IFRS, the cost of acquisition, which is determined at the date of exchange, is the amount of cash or cash equivalents paid, plus the fair value of the other purchase consideration given, including equity instruments issued and the fair value of liabilities assumed and, unlike IFRS, any costs directly attributable to the acquisition.
Contingent consideration transferred is initially recognised at fair value. Contingent consideration classified as a liability is generally remeasured to fair value each period until settlement, with changes recognised in profit or loss. Contingent consideration classified as equity is not remeasured.	Unlike IFRS, a liability for contingent consideration is recognised at present value, if payments are likely, and the amount can be measured reliably. Unlike IFRS, subsequent changes in the (estimate of the) contingent consideration changes the goodwill (instead of profit or loss).
Any items that are not part of the business combination transaction are accounted for outside the acquisition accounting.	Like IFRS, any items that are not part of the business combination transaction are accounted for outside the acquisition accounting.
The identifiable assets acquired and liabilities assumed are recognised separately from goodwill at the acquisition date if they meet the definition of assets and liabilities and are exchanged as part of the business combination.	Like IFRS, identifiable assets acquired and liabilities assumed are recognised separately from goodwill at the acquisition date if they meet the definition of assets and liabilities and are exchanged as part of the business combination. However, unlike IFRS, the acquiree's intangible assets are recognised only if they meet the (more strict) general requirements for recognition of intangibles. Also, unlike IFRS, the acquiree's contingent liabilities, which do not meet the recognition criteria for provisions that an outflow of resources will be probable to settle an obligation, are not recognised.

The identifiable assets acquired and liabilities assumed as part of a business combination are generally measured at the acquisition date at their fair values.	Like IFRS, the acquiree's identifiable assets and liabilities are measured at fair value at the date of acquisition.
There are limited exceptions to the recognition and/or measurement principles in respect of contingent liabilities, deferred tax assets and liabilities, indemnification assets, employee benefits, re-acquired rights, share-based payment awards and assets held for sale.	Unlike IFRS, restructuring provisions related to the business combination should be recognised by the acquirer if certain strict criteria are met. Therefore, unlike IFRS, those restructuring provisions could impact goodwill.
Goodwill is measured as a residual and is recognised as an asset. When the residual is a deficit (gain on a bargain purchase), it is recognised in profit or loss after re-assessing the values used in the acquisition accounting.	Like IFRS, goodwill is measured as a residual and is recognised as an asset. Like IFRS, when the fair value of the identifiable asset and liability exceeds the acquisition cost, the fair value should be reassessed. Unlike IFRS, negative goodwill is recorded as a liability on the balance sheet. Negative goodwill in relation to future losses is realised in profit and loss when those losses are incurred. 'Other' negative goodwill is realised in profit and loss in conjunction with the depreciable non-monetary assets it relates to. Any excess negative goodwill is recognised in profit and loss immediately.
Adjustments to the acquisition accounting during the 'measurement period' (till 12 months after acquisition) reflect additional information about facts and circumstances that existed at the acquisition date. Such adjustments are made by retrospective application to the period in which the acquisition occurred and any subsequent periods.	Like IFRS, adjustments to acquisition accounting are made for additional information about facts and circumstances that existed at the acquisition date. However, unlike IFRS, the 'measurement period' for adjustments lasts longer, i.e. until the end of the first financial year following the year of acquisition.
'Ordinary' NCI may be measured at fair value, or at their proportionate interest in the identifiable net assets of the acquiree. 'Other' NCI are generally measured at fair value.	Unlike IFRS, NCI should always be measured at their proportionate interest in the identifiable net assets of the acquiree, at the acquisition date.
If a business combination is achieved in stages (step acquisition), the acquirer's previously held non-controlling equity interest in the acquiree is remeasured to fair value at the acquisition date, with any resulting gain or loss recognised in profit or loss.	Unlike IFRS, if an acquisition is achieved in successive share purchases, then each significant transaction is accounted for separately as an acquisition. Unlike IFRS, it is allowed that the acquirer remeasures its previously held assets and liabilities in the acquiree to fair value at the acquisition date, with any resulting gain or loss recognised directly in equity revaluation reserve.
In general, items recognised in the acquisition accounting are measured and accounted for in accordance with the relevant standards subsequent to the business combination. However, as an exception, there is specific guidance for certain items, for example in respect of contingent liabilities and indemnification assets.	Like IFRS, items recognised in the acquisition accounting are measured and accounted for in accordance with the relevant RJs subsequent to the business combination. Like IFRS, there is specific guidance for certain items, but this guidance can be different from IFRS, for example in respect of contingent liabilities (see above).
'Push down' accounting, whereby fair value adjustments are recognised in the financial statements of the acquiree is not allowed.	Like IFRS, 'push down' accounting is not allowed.

The acquisition of a collection of assets that does not constitute a business is not a business combination. In such cases, the entity allocates the cost of acquisition to the assets acquired and liabilities assumed based on their relative fair values at the acquisition date. No goodwill (or bargain purchase gain) is recognised.	Like IFRS, the acquisition of a collection of assets that does not constitute a business is not a business combination. Like IFRS, the entity allocates the cost of acquisition to the assets acquired and liabilities assumed based on their relative fair values at the date of acquisition, and no goodwill (or bargain purchase gain) is recognised.
A business combination involving entities or businesses under common control is a business combination in which all of the combining entities or businesses are ultimately controlled by the same party or parties ('common control transaction). The accounting for common control transactions is exempt from the scope of the business combinations standard and is not covered explicitly in any of the standards. In our view, the acquirer in a common control transaction should choose an accounting policy in respect of its consolidated financial statements, to be applied consistently to all similar common control transactions, using: • 'book value (carry-over basis) accounting' on the basis that the investment has simply been moved from one part of the group to another; or • 'acquisition accounting' on the basis that the acquirer is a separate entity in its own right and should not be confused with the economic group as a whole.	Unlike IFRS, common control transactions are explicitly covered. The acquirer in a common control transaction should apply either purchase accounting or book value accounting, the latter method with a possibility to restate comparative information if common control was established earlier (pooling of interest method versus carry-over accounting method). Unlike IFRS, the purchase accounting method may only be applied provided that justice is done to the economic substance of the transaction.
References: IFRS 3	**References:** RJ 210, RJ 214, RJ 216

2.9 Foreign currency translation

IFRS	Dutch GAAP
An entity measures its assets, liabilities, income and expenses in its functional currency, which is the currency of the primary economic environment in which it operates.	Like IFRS, an entity measures its assets, liabilities, revenues and expenses in its functional currency, which is the currency of the primary economic environment in which it operates.
All transactions that are not denominated in an entity's functional currency are foreign currency transactions.	Like IFRS, all transactions that are not denominated in an entity's functional currency are foreign currency transactions.
At each reporting date foreign currency items shall be translated for: (i) monetary items using the closing rate (which is the spot exchange rate at the reporting date), (ii) non-monetary items at fair value using the fair value (re) measurement date, (iii) other non-monetary items using the rate at the date of transaction.	Like IFRS, at each reporting date foreign currency items shall be translated for: (i) monetary items using the closing rate, (ii) non-monetary items at fair value using the fair value (re)measurement date, (iii) other non-monetary items using the rate at the date of transaction.

Exchange differences arising on translation generally are recognised in profit or loss.	Like IFRS, exchange differences arising on translation generally are recognised in profit or loss.
Share capital is considered a non-monetary item, on the basis that any future payments are not fixed or determinable.	Unlike IFRS, Dutch prescribes that share capital (when applicable) shall be translated using the closing rate at the reporting date.
When an entity's functional currency is hyperinflationary, its financial statements are adjusted to state all items in the measuring unit that is current at the reporting date. When an entity's functional currency becomes hyperinflationary, it makes price-level adjustments retrospectively as if the economy had always been hyperinflationary. When an economy ceases to be hyperinflationary, an entity stops making price-level adjustments for annual periods ending on or after the date on which the economy ceases to be hyperinflationary.	Like IFRS, when an entity's functional currency is hyperinflationary its financial statements must be adjusted to state all items in the measuring unit that is current at the balance sheet date.
The financial statements of foreign operations are translated for consolidation purposes as follows: assets and liabilities are translated at the closing rate; income and expenses are translated at actual rates or appropriate averages; in our view, equity components (excluding current- year movements, which are translated at the actual rates) should not be retranslated.	Generally. the rules on translating the financial statements of foreign operations are similar to IFRS.
Exchange differences arising on the translation of the financial statements of a foreign operation are recognised in other comprehensive income (OCI) and accumulated in a separate component of equity. The amount attributable to any NCI is allocated to and recognised as part of NCI.	
If the functional currency of a foreign operation is the currency of a hyperinflationary economy, then current purchasing power adjustments are made to its financial statements before translation into a different presentation currency; the adjustments are based on the closing rate at the end of the current period. However, if the presentation currency is not the currency of a hyperinflationary economy, then comparative amounts are not restated.	Like IFRS, if the functional currency of a foreign operation is hyperinflationary, then current purchasing power adjustments are made to its financial statements prior to translation; the financial statements are then translated at the closing rate at the end of the current period
An entity may present its financial statements in a currency other than its functional currency (presentation currency). An entity that translates financial statements into a presentation currency other than its functional currency uses the same method as for translating financial statements of a foreign operation.	Like IFRS, an entity may present its financial statements in a currency other than its functional currency. When financial statements are translated into a presentation currency other than the functional currency, the translation procedures are the same as those for translating foreign operations.
If an entity loses control of a subsidiary that is a foreign operation, then the cumulative exchange differences recognised in OCI are reclassified in their entirety to profit or loss. If control is not lost, then a proportionate amount of the cumulative exchange differences recognised in OCI is reclassified to NCI.	Unlike IFRS, when an investment in a foreign operation is (partially) disposed of, then a proportionate amount of the cumulative exchange differences is recognised in profit or loss.
If an entity retains neither significant influence nor joint control over a foreign operation that was an associate or joint arrangement, then the cumulative exchange differences recognised in OCI are reclassified in their entirety to profit or loss. If either significant influence or joint control is retained, then a proportionate amount of the cumulative exchange differences recognised in OCI is reclassified to profit or loss.	Like IFRS, if an equity-method investee that is a foreign entity is disposed of in its entirety, then the exchange differences recognised in equity are reclassified in their entirety to profit or loss. Unlike IFRS, when an equity method-investment in a foreign operation is (partially) disposed of, then a proportionate amount of the cumulative exchange differences is recognised in profit or loss.
A foreign currency transaction is measured at the spot rate on initial recognition.	Like IFRS, a foreign currency transaction is measured at the spot rate on initial recognition.
Goodwill and any fair value acquisition accounting adjustments related to the acquisition of a foreign operation are treated as assets and liabilities of the foreign operation and are translated at the closing rate at each reporting date.	Unlike IFRS, Dutch GAAP allows goodwill to be treated as non-monetary items of the acquirer, and therefore recognises no translation differences.
An entity may present supplementary financial information in a currency other than its presentation currency if certain disclosures are made.	Like IFRS, an entity may present supplementary financial information in a currency other than its presentation currency if certain disclosures are made.
References: IAS 21, IAS 29, IFRIC 22	**References:** RJ 120, RJ 122

2.10 Accounting policies, errors and estimates

IFRS	Dutch GAAP
Accounting policies are the specific principles, bases, conventions, rules and practices that an entity applies in preparing and presenting financial statements.	Like IFRS, accounting policies are the specific principles, bases, conventions, rules and practices that an entity applies in preparing and presenting financial statements.
A hierarchy of alternative sources is specified for situations when IFRS do not cover a particular issue. In developing and applying an accounting policy must use judgment that results in relevant and reliable information and which does not conflict with the Conceptual Framework.	Unlike IFRS, no hierarchy is specified for situations when Dutch GAAP does not cover a particular issue. Like IFRS, in developing and applying an accounting policy must use judgment that results in relevant and reliable information and which does not conflict with the Conceptual Framework.
Unless otherwise specifically permitted by an IFRS Standard, the accounting policies adopted by an entity are applied consistently to all similar items, and accounting policies within a group are consistent for consolidation purposes.	Like IFRS, the accounting policies adopted by an entity are applied consistently to all similar items and accounting policies within a group are consistent for consolidation purposes.

A change in accounting policy is made when an entity is required to adopt a new or revised standard, or otherwise if a voluntary change will result in reliable and more relevant information.	Like IFRS, a change in accounting policy is made when an entity is required to adopt a new or revised standard, or otherwise if a voluntary change will result in reliable and more relevant information. Unlike IFRS, a change in accounting policy is made when it is required by law or the RJ, or voluntary, based on justified reasons as listed in the law.
When an entity has not applied a new IFRS Standard that has been issued but is not yet effective, it discloses this fact as well as the known or reasonable estimable information relevant to assessing the possible impact of the new IFRS on the entity's financial statements.	Unlike IFRS, it is not required for a new RJ issued but not yet effective (and that has not been adopted) to disclose that it has not yet been adopted and to disclose the expected impact on the financial statements.
Generally, accounting policy changes and corrections of material prior-period errors are made by adjusting opening equity and restating comparatives, unless this is impracticable.	Like IFRS, generally, accounting policy changes and corrections of material prior-period errors are made by adjusting opening equity and restating comparatives, unless this is impracticable.
Changes in accounting estimates are accounted for prospectively.	Like IFRS, changes in accounting estimates are accounted for prospectively.
Changes in accounting policies concerning the initial application of current value regarding intangible fixed assets and tangible fixed assets shall be accounted for and disclosed as a revaluation in accordance with IAS 16 respectively IAS 38. This means that such changes in accounting policies cannot be accounted for retrospectively.	Unlike IFRS, changes in accounting policies concerning the initial application of current value regarding intangible fixed assets and tangible fixed assets must be accounted for according to the principal rule (retrospectively, including restatement of comparative figures).
If it is difficult to determine whether a change is a change in accounting policy or a change in estimate, then it is treated as a change in estimate.	Like IFRS, if it is difficult to determine whether a change is a change in accounting policy or a change in estimate, then it is treated as a change in estimate.
If the classification or presentation of items is changed, then comparatives are restated unless impracticable.	Like IFRS, if the classification or presentation of items is changed, then comparatives are restated unless impracticable.
A statement of financial position as at the beginning of the earliest comparative period is presented when an entity restates comparative information, following a change in accounting policy, the correction of an error, or reclassification of items in the financial statements.	Like IFRS, all material errors shall be recognised retrospectively in the first set of financial statements authorised for issue after their discovery. The cumulative effect of the material error is accounted for in opening equity of the comparative year. Unlike IFRS, there is no requirement to present a 'third' statement of financial position.
References IAS 1, IAS 8	**References:** RJ 140, RJ 145, RJ 150

2.11 Events after the reporting date

IFRS	Dutch GAAP
The financial statements are adjusted to reflect events that occur after the reporting date, but before the financial statements are authorised for issue, if those events provide evidence of conditions that existed at the reporting date.	Like IFRS, the financial statements are adjusted to reflect events that occur after the balance sheet date if those events provide evidence of conditions that existed at the balance sheet date, but before the financial statements are prepared (comparable with: authorised for issue). Unlike IFRS, these events are also adjusted if these occur between the date of preparation and the approval of the financial statements in the annual meeting if they are indispensable ('onontbeerlijk') for the insight that should be given by the financial statements.
Financial statements are not adjusted for events that are a result of conditions that arose after the reporting date, except when the going concern assumption is no longer appropriate.	Like IFRS, the financial statements generally are not adjusted for events that are indicative of conditions that arose after the balance sheet date, except when the going concern assumption is no longer appropriate.
The date on which the financial statements were authorised for issuance and who gave such authorisation are disclosed.	Like IFRS, the date on which the financial statements were prepared (authorised for issue) and who gave the authorisation are disclosed.
The classification of liabilities as current or non-current is based on circumstances at the reporting date.	Unlike IFRS, the classification of liabilities may reflect post-balance sheet agreements. Events after the balance sheet date but before the date that the financial statements are 'authorised for issue', might be taken into consideration, for example continuance of a non-current liability to present as non-current or as current liability.
Dividends declared, proposed or approved after the reporting date are not recognised as a liability in the financial statements.	Unlike IFRS, if a balance sheet is presented after appropriation of profit, there is a choice to present the dividends declared as a separate component of equity or as a liability. If the balance sheet is presented before appropriation of profit, the proposed dividend should not be presented separately in equity (instead the profit for the year should then be presented as a separate component within equity).
Subsequent events are reported as part of the notes to the financial statements.	Like IFRS, subsequent events are reported as part of the notes to the financial statements.
References: IAS 1, IAS 10	**References:** RJ 160, RJ 254

3 Specific Statement of financial position items

3.1 Property, plant and equipment

IFRS	Dutch GAAP
Property, plant and equipment is initially recognised at cost.	Like IFRS property, plant and equipment is recognised initially at cost.
Cost includes all expenditure that is directly attributable to bringing the asset to the location and working condition for its intended use.	Like IFRS, cost includes all expenditure directly attributable to bringing the asset to the location and working condition for its intended use.
Borrowing costs (interest cost) that are directly attributable to the acquisition, construction or production of a qualifying asset form part of the cost of that asset.	Unlike IFRS, interest (borrowing costs) that is directly attributable to the acquisition, construction or production of a qualifying asset may form part of the cost of that asset.
Cost includes the estimated cost of dismantling and removing the asset and restoring the site.	Unlike IFRS, the estimated cost of dismantling and removing the asset and restoring the site may be recognised (a) as part of the carrying amount of the asset or IFRS (b) recognised through a provision over the useful life of the asset, with a corresponding expense recognised in profit or loss.
Changes to an existing decommissioning or restoration obligation are generally adjusted against the cost of the related property, plant and equipment.	Like IFRS, changes to an existing decommissioning or restoration obligation are added to or deducted from the cost of the related asset and depreciated prospectively over the asset's remaining useful life. However, unlike IFRS if such costs are recognised by building up a provision, then any changes are recognised prospectively in the provision over the asset's remaining useful life.
If payment is deferred beyond normal credit terms, then the cost of the asset is the cash price equivalent (i.e. current cash price) at the date of recognition, which may be different from the cash flows discounted using a market rate of interest.	Unlike IFRS, if the cost of a tangible fixed asset is paid based on a payment term longer than usual, the cost of the asset shall be based on the present value of the liability and not on the current cash price.
Property, plant and equipment is depreciated over its expected useful life.	Like IFRS, property, plant and equipment is depreciated over its useful life.
An entity continues to recognise depreciation even when an asset is idle, unless the asset is fully depreciated or is classified as held for sale.	Like IFRS, an item of property, plant and equipment is depreciated even if it is idle. Although, unlike IFRS, Dutch GAAP does not include a special standard for non-current assets held for sale. Retired tangible fixed assets should be valued at cost or lower net realisable value or if it is decided to sell the asset at net realisable value (as under IFRS). In that case depreciation is ceased (see 5.4).
Estimates of the useful life and residual value, and method of depreciation are reviewed as a minimum at each annual reporting date. Any changes are accounted for prospectively as a change in accounting estimate.	Unlike IFRS, the useful lives, residual values or methods of depreciation are reassessed only if there is an indication of change to circumstances or new information concerning the remaining economic life and/or residual value. Like IFRS, any changes are accounted for prospectively as a change in accounting estimate.
If an item of property, plant and equipment comprises individual components for which different depreciation methods or rates are appropriate, then each component is depreciated separately (component accounting).	Like IFRS, when an item of property, plant and equipment comprises individual components for which different depreciation methods or rates are appropriate, each component is depreciated separately.
Routine maintenance costs are expensed as they are incurred. Major inspection or overhaul costs are accounted for as a separate component of the item of property, plant and equipment if that component is used over more than one period. In our view, the cost of a major inspection or overhaul includes internal as well as external costs, and there is no requirement for the costs to be incremental.	However, unlike IFRS, it is also allowed to recognise expenses for periodic major maintenance (a) by accruing a provision or (b), like IFRS, by applying the component approach of property, plant and equipment.
Expenditure incurred subsequent to the initial recognition of property, plant and equipment is capitalised only when it is probable that future economic benefits associated with the item will flow to the entity, or when it replaces a component that is accounted for separately. Expenditure associated with the day-to-day services of assets is expensed as it is incurred.	Like IFRS, subsequent expenditure is capitalised only if it meets the general recognition criteria i.e. when it is probable that future economic benefits will flow to the entity and the cost of the item can be measured reliably. Like IFRS, costs of the day-to-day servicing of property, plant and equipment are recognised in profit or loss as they are incurred.
Property, plant and equipment may be revalued to fair value, as an accounting policy election, if fair value can be measured reliably. All items in the same class are revalued at the same time and the revaluations are kept up to date.	Unlike IFRS, property, plant and equipment may be revalued to current cost (or recoverable amount, when lower). Like IFRS, in substance the same guidance is applicable with respect to the frequency and timing of revaluations.
Compensation for loss or impairment cannot be offset against the carrying amount of the asset lost or impaired.	Like IFRS, compensation for loss or impairment cannot be offset against the carrying amount of the asset lost or impaired.
Non-monetary exchanges with non-customers do not give rise to revenue. If a non-monetary exchange of assets with a non-customer has commercial substance, then the transaction gives rise to a gain or loss. The cost of the asset acquired is generally the fair value of the asset surrendered, adjusted for any cash transferred.	Unlike IFRS, there is no guidance on exchanges of assets other than (in)tangible fixed assets. Unlike IFRS, (in)tangible fixed assets obtained in exchange for other (in)tangible fixed assets are measured initially at the carrying amounts of the assets given up if the assets have a similar nature and use; otherwise, the (in)tangible fixed assets obtained are measured initially at fair value.
If an entity enters into a non-monetary exchange of goods or services with a customer as part of its ordinary activities, then it applies the guidance on non-cash consideration in the revenue standard (see 4.1). Sometimes a customer transfers property, plant and	Like IFRS, barter transactions generally will result in revenue recognition if the goods or services sold in the exchange are part of the entity's main revenue generating activities. Like IFRS, property, plant and equipment contributed from customers that is used to provide

equipment to an entity that will use the contributed assets to connect the customer to a network or provide it with ongoing services. If the entity obtains control of the contributed assets, then the assets are recognised initially following the guidance on non-cash consideration in the revenue standard (see 4.1).	access to a supply of goods or services is recognised as an asset if it meets the definition of an asset and the recognition criteria for property, plant and equipment.
Donated assets may be accounted for in a manner similar to government grants (see 4.2), unless the transfer is, in substance, an equity contribution.	Like IFRS, donated assets may be accounted for in a manner similar to government grants, unless the transfer is, in substance, an equity contribution.
When property, plant and equipment is disposed of or permanently withdrawn from use, a gain or loss is recognised. If the asset is disposed of as a part of a sale-and-leaseback transaction, then the requirements in the leases standard apply (see 5.1).	Like IFRS, the gain or loss on disposal is the difference between the net revenue upon disposal and the carrying amount of the asset.
Compensation for the loss or impairment of property, plant and equipment is recognised in profit or loss when it becomes receivable.	Unlike IFRS, compensation for the loss or impairment of property, plant and equipment is recognised in profit or loss when it is probable that the compensation will be received.
IAS 16 refers to land, buildings and machines ('property, plant and equipment'), but does not impose a mandatory structure. In addition, under IAS 16 the advance payments on property, plant and equipment will not be part of property, plant and equipment, but will in principle be presented under current assets as prepayments.	Unlike IFRS, Dutch law sets out that the item tangible fixed assets must be specified into categories (amongst which the category 'tangible fixed operating assets under construction and advance payments on tangible fixed assets').
References: IAS 16, IAS 23, IFRIC 1	**References:** BAW, DCC, RJ 212, RJ 273

3.2 Intangible assets and goodwill

IFRS	Dutch GAAP
An 'intangible asset' is an identifiable non-monetary asset without physical substance.	Like IFRS, an 'intangible asset' is an identifiable non-monetary asset without physical substance.
An intangible asset is 'identifiable' if it is separable or arises from contractual or other legal rights, irrespective if these rights are separable.	Unlike IFRS, an intangible fixed asset is identifiable if it can be separated or can be identified in another way.
For an item to be recognised as an intangible asset, it must have future economic benefits that likely will flow to the company and its cost can be reliably measured.	Like IFRS, for an item to be recognised as an intangible asset, it must have expected economic benefits that likely will flow to the company and its cost can be reliably measured.
If an intangible asset is acquired in a business combination, then these criteria are assumed to be met. If an intangible asset is acquired in a separate acquisition (i.e. outside a business combination), then the probability' criterion is assumed to be met and the 'reliable measurement' criterion is usually met.	Unlike IFRS, the recognition criteria for intangible assets are the same whether they have been acquired separately, acquired as part of a business combination or were generated internally.
In general, intangible assets are recognised initially at cost.	Like IFRS, intangible assets are recognised initially at cost.
Goodwill is measured as the excess of the cost of an acquired entity over the fair value of the identifiable assets acquired and liabilities assumed.	Like IFRS, goodwill is measured as the excess of the cost of an acquired entity over the fair value of the identifiable assets acquired and liabilities assumed.
Goodwill represents future economic benefits arising from assets that are not capable of being identified individually and recognised separately.	Like IFRS, goodwill represents future economic benefits arising from assets that are not capable of being identified individually and recognised separately.
Internal research expenditure is expensed as it is incurred. Internal development expenditure is capitalised if specific criteria are met. These capitalisation criteria are applied to all internally developed intangible assets.	Like IFRS, internal research expenditure is expensed as it is incurred. Like IFRS, internal development expenditure is capitalised if specific criteria are met.
For the measurement after initial recognition, an entity shall choose either the cost model or the revaluation model (fair value).	Unlike IFRS, intangible assets may be subsequently measured at cost or revalued to current cost (or recoverable amount, when lower). The recoverable amount is the highest of the value in use or net realisable value.
Intangible assets may be revalued to fair value only if there is an active market.	Like IFRS, intangible assets may be revalued to current cost (or recoverable amount, when lower) only if there is an active market.
Acquired goodwill, intangible assets that have not yet been taken into use and other intangible assets with indefinite lives are not amortised, but instead are subject to impairment testing at least annually.	Unlike IFRS, all goodwill recognised on the balance sheet and other intangible assets are assumed to have finite useful lives. There is a rebuttable presumption that the useful life is no longer than 20 years. Unlike IFRS, annual impairment testing is required for, intangible assets that have not yet been taken into use and intangible assets with useful lives of longer than 20 years.
The amortisation of intangible assets with finite useful lives begins when the intangible asset is available for use and ceases at the earlier of the date when the asset is classified as held for sale or derecognised.	Like IFRS, the amortisation of intangible assets with finite useful lives begins when the intangible asset is available for use, and ceases at the earlier of the date when the asset is classified as held-for-sale or derecognised.
An intangible asset with a finite life is amortised on a systematic basis over its useful life. If the pattern cannot be determined reliably, the straight-line method is used. Generally, the residual value of an intangible asset is assumed to be zero.	Like IFRS, intangible assets are amortised over their expected useful lives, usually on a straight-line basis. Like IFRS, generally the residual value of an intangible asset is assumed to be zero.
The method of amortisation, useful life and residual value are reviewed each annual reporting period.	Like IFRS, at least once a year, at the end of each financial year, the company must check to what extent the amortisation method and amortisation period are still acceptable.

Subsequent expenditure on an intangible asset is capitalised only if the definition of an intangible asset and the recognition criteria are met.	Like IFRS, subsequent expenditure on an intangible asset is capitalised only if the definition of an intangible asset and the recognition criteria are met.
In-process research and development (R&D) acquired in a business combination is accounted for under specific guidance.	Unlike IFRS, in-process research and development (R&D) acquired in a business combination is recognised (and measured initially at fair value) only when the general criteria for capitalisation of intangible fixed assets are met.
Expenditure related to the following is expensed as it is incurred: internally generated goodwill, research costs, customer lists, start-up costs, training costs, advertising and promotional activities, and relocation or reorganisation.	Like IFRS, internally generated goodwill, research costs, customer lists, start-up costs, and expenditure incurred on training, advertising and promotional activities or on relocation or reorganisation are not allowed to be recognised on the balance sheet.
An intangible fixed asset shall no longer be recognised on the balance sheet if no future economic benefits are expected. Any profits or losses that arise due to decommissioning or disposal of an intangible fixed asset shall be measured as the difference between the net revenue and the book value.	Like IFRS, an intangible fixed asset shall no longer be recognised on the balance sheet if no future economic benefits are expected. Any profits or losses that arise due to decommissioning or disposal of an intangible fixed asset shall be measured as the difference between the net revenue and the book value.
References: IFRS 3, IAS 38, SIC-32	**References:** RJ 210, RJ 216

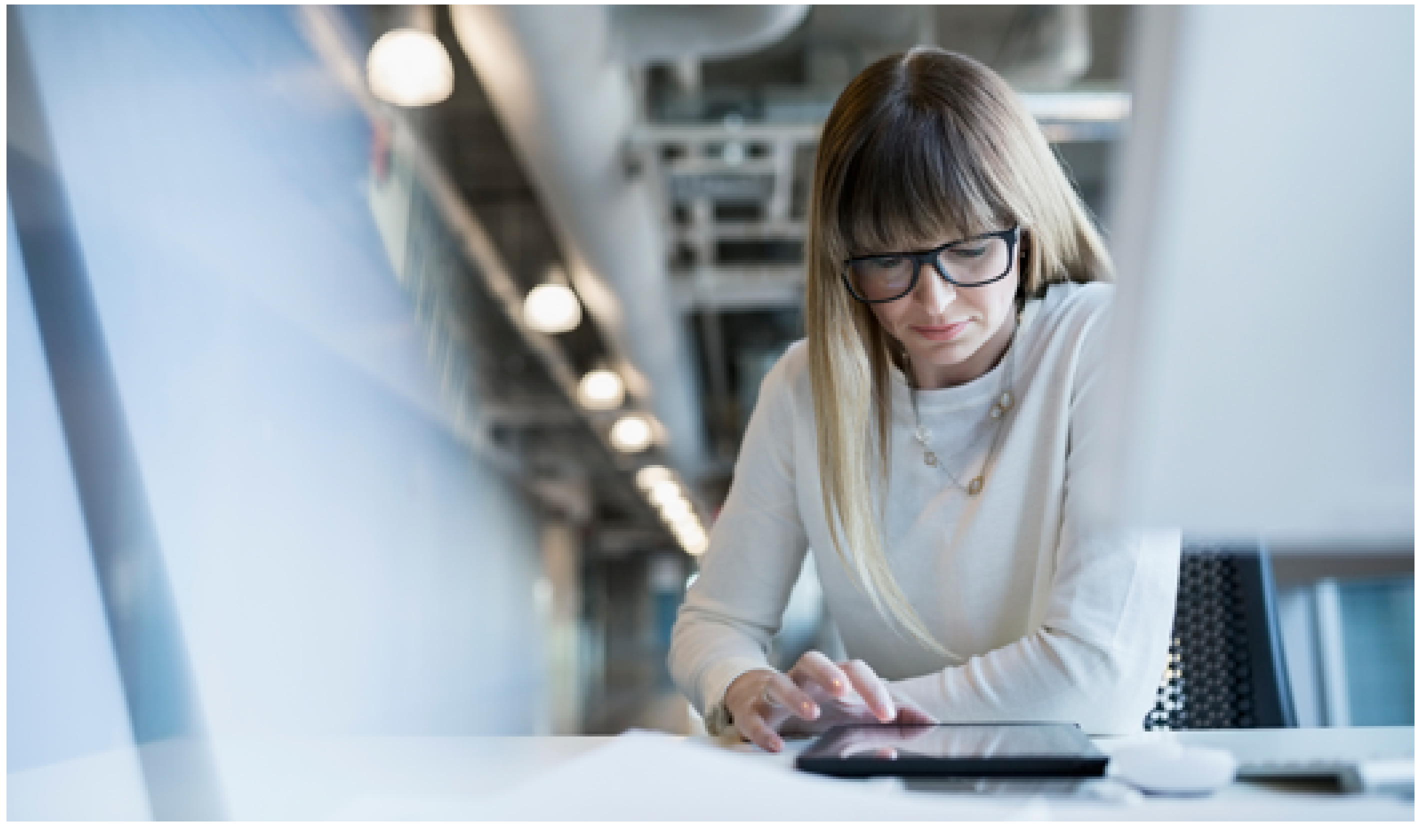
3.3 Investment property

IFRS	Dutch GAAP
Investment property is property (land and building) held to earn rentals or for capital appreciation or both.	Like IFRS, investment property is property held to earn rentals or for capital appreciation or both.
If a lessor provides ancillary services, and such services are a relatively insignificant component of the arrangement as a whole, then the property is classified as investment property.	Like IFRS, If additional services are a relatively insignificant component, the property can be classified as an investment property.
Investment property accounting is required for all investment properties.	While generally investment properties accounting is required for all investment property, unlike IFRS, for certain industries, specific standards prevail over this standard, e.g. RJ 645 Licensed public-sector housing institutions. These specific standards however fall outside the scope of this publication.
A right-of-use asset held by a lessee is classified as an investment property if the underlying asset would otherwise meet the definition of investment property.	Unlike IFRS, a right of use in a property that classifies as operating lease for a lessee (for example land in leasehold) can be recorded by the lessee as an investment property if and insofar this right of use regarding this property fulfils the definition of an investment property and the lessee applies the current value as the measurement basis.
A portion of a dual-use property is classified as investment property only if the portion could be sold or leased out under a finance lease. Otherwise, the entire property is classified as property, plant and equipment, unless the portion of the property used for own use is insignificant.	Like IFRS, a portion of a dual-use property is classified as investment property only if the portion could be sold or leased out under a finance lease. Otherwise, the entire property is classified as property, plant and equipment, unless the portion of the property used for own use is insignificant.
Subsequent expenditure is capitalised only if it is probable that it will give rise to future economic benefits, including when the costs are for replacing a component of the item.	Like IFRS, subsequent expenditure is capitalised only when it is probable that future economic benefits will flow to the entity, including when the costs are for replacing a component of the item.
Investment property is in general initially measured at cost. An investment property held by a lessee as a right-of-use-asset is measured at cost in accordance with the leases standard (IFRS 16).	Like IFRS, investment property is recognised initially at cost. Unlike IFRS, the initial measurement of leases classified as investment property is accounted for as a finance lease in accordance with the leases standard (RJ 292), i.e. the property is measured at the lower of the fair value of the property or the present value of the minimum lease payments.
Subsequent to initial recognition, all investment properties are measured under either the fair value model (subject to limited exceptions) or the cost model in IAS 16 Property, Plant and Equipment.	Like IFRS, subsequent to initial recognition, all investment properties should be measured using either the current (in effect fair) value model (subject to limited exceptions) or the cost model in RJ 212 Tangible fixed assets. Unlike IFRS, for all operating leases that are classified as investment property the fair value model is required.
If the fair value model is chosen, changes in fair value are recognised in profit or loss.	Unlike IFRS, when the fair value model is chosen and changes in fair value are recognised in profit or loss, a revaluation reserve (which is a legal non-distributable reserve) is recognised for unrealised increases in fair value, either as an appropriation of results or directly from other reserves (distributable reserves).
Disclosure of the fair value of all investment properties is required, regardless of the measurement model used.	Like IFRS, disclosure of the fair value of all investment properties is required, regardless of the measurement model used.
Transfers to or from an investment property are made only when there has been a change in use of the property. A change in management's intention alone does not provide such evidence.	Like IFRS, transfers to or from investment property can be made only when there is evidence of change in the use of the property. A change in management's intention alone does not provide such evidence.
The gain or loss on disposal is the difference between the net disposal proceeds and the carrying amount of the property.	Like IFRS, the gain or loss on disposal is the difference between the net disposal proceeds and the carrying amount of the property.
References: IAS 40. IAS 16	**References:** RJ 213, RJ 212, DCC

3.4 Investments in associates and the equity method

IFRS	Dutch GAAP
The definition of an associate is based on 'significant influence', which is the power to participate in the financial and operating policies of an entity but is not control or joint control of those policies.	Unlike IFRS, no equivalent term exists for 'associate'; rather, a participating interest with significant influence' would be equivalent. Like IFRS, significant influence is the power to participate in the financial and operating policies of an entity.
There is a rebuttable presumption of significant influence if an entity holds 20 percent or more of the voting rights of another entity in which it does not have control.	Like IFRS, there is a rebuttable presumption of significant influence if an entity holds 20 percent or more of the voting rights in another entity in which it does not have control.
In determining applicability of the equity method, there are no special requirements for partnerships and similar entities.	Like IFRS, there are no special requirements for partnerships and similar entities.
Potential voting rights that are currently exercisable are considered in assessing significant influence.	Like IFRS, potential voting rights are considered when they are substantive.
Associates are accounted for using the equity method in the consolidated financial statements. The initial recognition is at cost including goodwill.	Like IFRS, participating interests with significant influence are accounted for using the net asset value method (equity method) in the consolidated financial statements. Unlike IFRS, in the net asset value method any goodwill component is presented separately under intangible fixed assets.
Subsequently, the carrying amount is increased or decreased to recognise the investor's share of the profit or loss of the investee after the date of acquisition.	Like IFRS, subsequently, the carrying amount is increased or decreased to recognise the investor's share of the profit or loss of the investee after the date of acquisition.
On the date of acquisition of an equity-accounted investee, fair values are determined for the investee's identifiable assets and liabilities as if the transaction were the acquisition of a subsidiary.	Like IFRS, on the date of acquisition of an equity-accounted investee, fair values are determined for the investee's identifiable assets and liabilities as if the transaction were the acquisition of a subsidiary.
Venture capital organisations, mutual funds, unit trusts and similar entities may elect not to apply the equity method for investments in associates and joint ventures and instead account for these investments as financial instruments at fair value on an investment-by-investment basis. In addition, investment entities measure their investments in associates and joint ventures at fair value.	Unlike IFRS, capital interests (participations) held by venture capital organisations and similar entities are classified as other securities (financial instruments) and measured at cost or current value.
Equity accounting is not applied to investees that are classified as held for sale (see 5.4).	Unlike IFRS, there is no specific guidance on accounting for investees that are held for sale. This means that the general measurement and presentation rules for investments in associates have to be applied.
In applying the equity method, an associate's accounting policies should be consistent with those of the investor.	Like IFRS, in applying the net asset value method, an associate's accounting policies should be consistent with those of the investor. However unlike IFRS, in exceptional circumstances an entity is allowed to account for its interest according to the equity as presented in the financial statements of the participating interest.
The annual reporting date of an equity-accounted investee may not differ from the investor's by more than three months and should be consistent from period to period. Adjustments are made for the effects of significant events and transactions between the two dates.	Like IFRS, the reporting date of an associate may not differ from the investor's by more than three months and should be consistent from period to period.
When an equity-accounted investee incurs losses, the carrying amount of the investor's interest is reduced, but not below zero. A liability for further losses is recognised by the investor only to the extent that the investor has an obligation to fund losses or has made payments on behalf of the investee.	Like IFRS, when a participating interest accounted for under the asset value method incurs losses, the carrying amount of the investor's interest is reduced, but not below zero. At that point, a liability for further losses is recognised by the investor only to the extent that the investor has an obligation to fund losses.
When recognising its share of losses, an investor considers not only equity investments but also other long-term interests that in substance form part of the investor's net investment in the associate. Interests to be considered do not include trade receivables, trade payables or any long-term receivables for which adequate collateral exists (e.g. secured loans).	Like IFRS, when recognising its share of losses, an investor considers not only equity investments but also other long-term interests that form part of the investor's net investment in the participating interest. Interests to be considered do not include trade receivables, trade payables or any long-term receivables for which adequate collateral exists (e.g. secured loans).
An investor applies the financial instruments standards to long-term interests in an associate or joint venture that are not accounted for under the equity method. The investor does so before applying the loss absorption and impairment requirements of the standard on investments in associates and joint ventures.	Like IFRS, an investor applies the financial instruments standard to long-term interests in an associate or joint venture that are not accounted for under the equity method. The investor does so before applying the loss absorption and impairment requirements of the standard on investments in associates and joint ventures.
Unrealised profits and losses on transactions with equity-accounted investees are eliminated to the extent of the investor's interest in the investee.	Like IFRS, unrealised profits and losses on transactions with equity-accounted investees are eliminated to the extent of the investor's interest in the investee.
In our view, if an entity sells or contributes a controlling interest in a subsidiary in exchange for an interest in an equity-accounted investee, then the entity may choose either to recognise the gain or loss in full or to eliminate the gain or loss to the extent of the investor's retained interest in the former subsidiary.	Like IFRS, there is no specific guidance. Generally, on the loss of control of a subsidiary, the retained interest is not remeasured at fair value. The gain or loss on disposal to be recognised in profit or loss is determined on the basis of a proportion of the carrying amount that is sold.
The carrying amount of an equity-accounted investee is written down if it is impaired.	Like IFRS, the carrying amount of a participating interest is written down if it is impaired.
On the loss of significant influence or joint control, the fair value of any retained investment is taken into account to calculate the gain or loss on the transaction, as if the investment were fully disposed of; this gain or loss is recognised in profit or loss. Amounts recognised in other comprehensive income (OCI) are reclassified or transferred as required by other IFRS.	Unlike IFRS, on the loss of significant influence, the most recent net asset value of any retained investment is the basis for the subsequent measurement of that retained investment at cost or fair value. The cost price or fair value is increased with a proportionate part of the goodwill relating to the remaining interest in the participating interest. Like IFRS, amounts recognised in other comprehensive income (OCI) are reclassified or transferred as required by other standards.

When an investment becomes an equity-accounted investee from no significant influence to significant influence, in our view the investor may either remeasure the previously held interest to FVTPL, or add the newly incurred additional cost to the cost of the previously held investment.	Unlike IFRS, when an investment becomes an equity-accounted investee from no significant influence to significant influence, in our view the newly incurred additional cost is required to be added to the carrying amount of the previously held interest, and the equity method is applied from that date.
In our view, an increase in holding should be accounted for using an allocation approach, whereby only the incremental investment is measured at fair value.	An increase in holding is accounted for using the 'step-by-step' method, whereby existing equity method interest remains at its existing carrying amount, like IFRS.
In our view, a decrease in holding (while continuing to apply equity accounting) results in the recognition of a gain or loss in profit or loss. The retained interest should not be remeasured.	Like IFRS, a decrease in holding (while continuing to apply equity accounting) results in the recognition of a gain or loss in profit and loss. loss in profit and loss. The retained interest should not be remeasured.
References: IAS27, IAS 28, IFRS 5, IFRS 9, IFRS 11	**References:** RJ 214, RJ 216, RJ 260, RJ 290, DCC



3.5 Joint arrangements

IFRS	Dutch GAAP
A joint arrangement is an arrangement over which two or more parties have joint control. There are two types of joint arrangements: a joint operation and a joint venture.	Unlike IFRS, Dutch GAAP uses the term 'joint venture' which in substance is the same as a joint arrangement under IFRS. A joint venture is defined as an entity, asset or operation that is subject to contractually established joint control.
In a joint operation, the parties to the arrangement have rights to the assets and obligations for the liabilities, related to the arrangement. A joint arrangement not structured through a separate vehicle is a joint operation.	
In a joint venture, the parties to the arrangement have rights to the net assets of the arrangement.	Unlike IFRS, joint ventures should be classified in one of the following categories: • Jointly controlled operations • Jointly controlled assets • Jointly controlled entities
A joint arrangement structured through a separate vehicle may be either a joint operation or a joint venture. Classification depends on the legal form of the vehicle, contractual arrangements and other facts and circumstances.	Unlike IFRS, classification as a joint venture is independent if the arrangement is structured through a separate vehicle or not.
Generally, a joint venturer accounts for its interest in a joint venture under the equity method.	Unlike IFRS, the structure of the joint venture ('joint arrangement') – whether or not in the form of a separate vehicle/entity – is the main factor in determining the accounting under Dutch GAAP. Unlike IFRS, separate vehicles at which the separation is overcome by form, contract or other facts and circumstances, fall in the category jointly controlled entities. Therefore, unlike IFRS, these vehicles/entities may be accounted for either using the net equity method or by proportionate consolidation. Jointly controlled entities may be accounted for either by proportionate consolidation or by using the net asset value method.
In relation to its involvement in a joint operation, a joint operator recognises its assets, liabilities and transactions, including its share in those arising jointly ('line-by-line' accounting). The joint operator accounts for each item in accordance with the relevant IFRS Standard.	Like IFRS, jointly controlled operations and assets are line-by-line accounted for its share in the assets, liabilities and transactions, including its share in those arising jointly.
References: IFRS 11, IFRS, 12, IAS 28	**References:** RJ 214, RJ 215, RJ 217

3.6 Inventories

IFRS	Dutch GAAP
Inventories generally are measured at the lower of cost and net realisable value.	Like IFRS, inventory is measured at the lower of cost and net realisable value.
Cost includes all direct expenditure to get inventory ready to its present location and condition for sale, including attributable overheads. Borrowing cost are capitalised on inventory that is a qualifying asset.	Like IFRS, cost includes all direct expenditure to get inventory ready for sale. However, unlike IFRS, it is permitted but not mandatory to include attributable overhead, borrowing costs and other indirect costs in the cost of inventories.
Decommissioning and restoration costs incurred through the production of inventory are included in the cost of that inventory.	Like IFRS, decommissioning and restoration costs incurred through the production of inventory are included in the cost of that inventory.
The cost of inventory is recognised as an expense when the inventory is sold.	Like IFRS, the cost of inventory is recognised as an expense when the inventory is sold.
The amount to recognise as an expense is generally determined using the specific identification, FIFO (first in, first out) or weighted average cost method. The use of the LIFO (last in, first out) method is prohibited.	Unlike IFRS, the LIFO method is permitted, but FIFO and weighted average methods are recommended, as an alternative to the specific identification. If the LIFO method is used, additional information about the current value of inventory should be disclosed in the notes.
Other cost formulas, such as the standard cost or retail method, may be used when the results approximate actual cost.	Like IFRS, other cost formulas, such as the standard cost or retail method, may be used when the results approximate actual cost.
The same cost formula is applied to all inventories having a similar nature and use to the entity.	Like IFRS, the same cost formula is applied to all inventories having a similar nature and use to the entity.
Inventory is written down to net realisable value when net realisable value is less than cost. Net realisable value is the estimated selling price less the estimated costs of completion and sale.	Like IFRS, inventory is written down to net realisable value when net realisable value is less than cost. Also, |net realisable value is the estimated selling price less the estimated costs of completion and sale.
If the net realisable value of an item that has been previously written down subsequently increases, then the write-down is reversed.	Like IFRS, if the net realisable value of item that has been previously written down subsequently increases, then the write-down is reversed.
References: IAS 2	**References:** RJ 220 *(For biological assets (including agricultural inventory) see 3.7).*

3.7 Biological assets

IFRS	Dutch GAAP
Biological assets are measured at fair value less costs to sell unless it is not possible to measure fair value reliably, in which case they are measured at cost. Gains and losses from changes in fair value less costs to sell are recognised in profit or loss.	Unlike IFRS, there is no specific guidance for biological assets other than for agricultural produce. In general, the requirements for property, plant and equipment or inventories would apply (see 3.1 and 3.6).
Agricultural produce harvested from a biological asset is measured at fair value less costs to sell at the point of harvest. After harvest, the inventories standard generally applies (see 3.6), even if the harvested produce requires additional biological transformation or harvest. All gains and losses from changes in fair value or net realisable value are recognised in profit or loss.	Like IFRS, the inventories standard applies for agricultural produce. Unlike IFRS, agricultural produce can be recognised at cost or net realisable value or at their current value (net realisable value). Unlike IFRS, unrealised changes in fair value can be recognised directly in equity (revaluation reserve) or in the profit and loss account (only allowed when frequent market quotations are available). Realised revaluation reserve should be recognised in the profit and loss account as a separate item, when the related inventories are sold. If the decrease of the net realisable value exceeds the revaluation reserve, the excess is recognised in profit or loss.
References: IAS 2, IAS 41	**References:** CC, RJ 220, BAW

3.8 Impairment of non-financial assets

IFRS	Dutch GAAP
The impairment standard IAS 36 covers impairment of property, plant and equipment, goodwill, intangible assets, right-of-use assets, investment property and biological assets measured at cost less accumulated depreciation, and investments in subsidiaries and equity-accounted investees (joint ventures and associates).	Like IFRS, RJ 121 covers the impairment of property, plant and equipment, goodwill, intangible assets, right-of-use assets (if entity applies IFRS 16) and investments in subsidiaries, joint ventures and participating interests (associates).
Impairment testing generally is required only when there is an indication of impairment.	Like IFRS, impairment testing generally is required only when there is an indication of impairment.
Annual impairment testing is required for goodwill and intangible assets that either are not yet available for use or that have an indefinite useful life. This impairment test may be performed at any time during an annual reporting period, provided it is performed at the same time each year.	Unlike IFRS, annual impairment testing is required only for intangible assets (including goodwill) that either are not yet available for use or are amortised over more than 20 years. Unlike IFRS, the impairment test must be performed at the balance sheet date.
Depending on the specific asset and circumstances, assets are tested for impairment as an individual asset, as part of a cash generating unit (CGU) or as part of a group of CGUs. A CGU is the smallest group of assets that generates cash inflows that are largely independent of the cash inflows of other assets or groups of assets.	Like IFRS, depending on the specific asset and circumstances, assets are tested for impairment as an individual asset, as part of a cash generating unit (CGU) or as part of a group of CGUs. A CGU is the smallest group of assets that generates cash inflows that are largely independent of the cash inflows of other assets or groups of assets.
Whenever possible, an impairment test is performed for an individual asset. Otherwise, assets are tested for impairment at the CGU level.	Like IFRS, whenever possible, an impairment test is performed for an individual asset. Otherwise, assets are tested for impairment at the CGU level.
Goodwill is allocated to CGUs or group of CGUs that are expected to benefit from synergies of the business combination from which it arose. The allocation is based on the level at which goodwill is monitored internally, restricted by the size of the entity's operating segments before aggregation.	Like IFRS, goodwill is allocated to CGUs or group of CGUs that are expected to benefit from synergies of the business combination from which it arose. The allocation is based on the level at which goodwill is monitored internally, restricted by the size of the entity's operating segments before aggregation.
The carrying amount of goodwill is grossed up for impairment testing if it arose in a transaction in which NCI were measured initially based on their proportionate share of identifiable net assets.	Unlike IFRS, no specific rules are given regarding impairment testing for NCI.
An impairment loss is recognised if an asset's or cash generating unit's (CGU) carrying amount exceeds the higher of its fair value less costs to sell and value-in-use, which is always based on the net present value of future cash flows. The impairment loss is measured as the difference between the carrying amount of the asset, or CGU, and its recoverable amount.	Like IFRS, an impairment loss is recognised if an asset's or cash generating unit's (CGU) carrying amount exceeds the higher of its fair value less costs to sell and value-in-use, which is based on the net present value of future cash flows.
Estimates of future cash flows used in the value-in-use calculation are specific to the entity and need not be the same as those of a market participant. Conversely, estimates of future cash flows used to estimate fair value less costs of disposal are consistent with those of a market participant. All cash flows used to estimate the recoverable amount are discounted to a present value.	Like IFRS, estimates of future cash flows used in the value-in-use calculation are specific to the entity, and may not be the same as the market's assessment. Additionally, the determination of fair value less cost of disposal determination is similar to IFRS requirement.
The pre-tax discount rate used in the value-in-use calculation reflects the market's assessment of the risks specific to the asset or CGU.	Like IFRS, the discount rate used in the value-in-use calculation is a pre-tax rate that reflects the risks specific to the asset or CGU.
An impairment loss for a CGU is allocated first to any goodwill and then pro rata to other assets in the CGU that are in scope of the impairment standard.	Like IFRS, an impairment loss for a CGU is allocated first by writing down goodwill, then pro rata to other assets in the CGU.
An impairment loss is generally recognised in profit or loss. An exception relates to assets revalued through OCI. An impairment loss on a revalued asset is charged directly to the revaluation reserve to the extent that it reverses a previous revaluation surplus relating to the same asset. Any excess is recognised in profit or loss.	Like IFRS, an impairment loss on a revalued asset is charged directly to the revaluation reserve to the extent that it reverses a previous revaluation surplus relating to the same asset. Any excess is recognised in profit or loss.
If there is an indication of reversal of impairment for an asset other than goodwill and the recoverable amount of the impaired asset of CGU increases subsequently, then the impairment loss is generally reversed. A reversal of an impairment loss is recognised in profit or loss. An exception relates to assets revalued through OCI.	Like IFRS, reversals of impairment are recognised in profit or loss. Unlike IFRS, when the nature of expense model is applied, (reversals of) impairment losses must be presented as 'other changes in the value of intangible and tangible fixed assets' in the profit and loss account.
An impairment loss for goodwill is never reversed.	Like IFRS, reversals of impairment in respect of goodwill are not allowed.
References: IAS 36, IAS 38, IFRS 13, IFRIC 10	**References:** RJ 121, RJ 210, RJ 212

3.9 Impairment of financial assets

IFRS	Dutch GAAP
The impairment model in the IFRS 9 Financial Instruments standard (expected credit loss/ECL model) covers financial assets measured at amortised cost, investments in debt instruments measured at FVOCI, certain loan commitments and financial guarantee contracts issued, lease receivables and contract assets. Investments in equity instruments are outside the scope of the ECL requirements. Impairment is recognised using an expected loss model, which mean that it is not necessary for a loss event to occur before an impairment loss is recognised. The general approach of the ECL model uses two measurement bases: 12-months ECLs and lifetime ECLs, depending on whether the credit risk on a financial instrument has increased significantly since initial recognition. ECLs on trade receivables and contract assets that do not have a significant financing component are always measured at lifetime ECLs. There is an accounting policy election to measure ECLs on trade receivables that have a significant financing component and on lease receivables either using the general approach or at lifetime ECLs. For financial assets that are credit-impaired on initial recognition, ECLs are measured as the change in lifetime ECLs since initial recognition. Accordingly, the amount recognised as a loss allowance for these assets is not the total amounts of lifetime ECLs, but instead the changes in lifetime ECLs since initial recognition of the asset. ECLs are measured in a way that reflects: • a probability-weighted amount determined by evaluating a range of possible outcomes; • the time value of money; and • reasonable and supportable information about past events, current conditions and forecasts of future economic conditions	Unlike IFRS, expected credit loss (ECL model) has not (yet) been incorporated in the standards of the RJ. Entities are allowed to account for impairments on financial instruments based on the expected credit loss model (ECL) in accordance with IFRS 9 Financial Instruments and IFRS 7 Financial Instruments: Disclosures. Unlike IFRS, impairments are determined and recognised on the basis of the 'incurred loss model'. This means that the recoverable amount is determined if objective indicators for an impairment exist on balance sheet date. As an alternative, Dutch GAAP provides the possibility to measure at 'cost or lower market value', and for derivatives (which are measured at cost) this measurement method is even obligatory. In addition, Dutch GAAP permits the application of the so-called 'expected credit loss model' from IFRS 9. A change in accounting policies as a result of the first-time adoption of the ECL model has to be accounted for as an accounting change in accordance with RJ 140 Change in accounting policies, whereas although the comparatives do not have to be restated. The following guidance only applies if an entity does not adopt the IFRS 9 ECL model. A financial asset or a group of financial assets are impaired and impairment losses are incurred if, and only if, there is objective evidence of impairment as a result of one or more events that occurred after the asset's initial recognition (a 'loss event'). The following are examples of objective indicators of impairment (step 1): • Significant financial difficulty of the issuer • Breach of contract, such as default or delinquency in interest or principal payments • A concession from the lender to the borrower for economic or legal reasons relating to financial difficulties of the borrower, which the lender would not otherwise take into consideration • Probability of bankruptcy or other financial reorganisation • Disappearance of an active market for an asset due to financial difficulties • Observable data indicating that there is a measurable decrease in the estimated future cash flows from a group of financial assets since their initial recognition, although the decrease cannot be identified with the individual assets in the group • Observable data indicating that there is a measurable decrease in the estimated future cash flows from a group of financial assets since their initial recognition, although the decrease cannot be identified with the individual assets in the group. An assessment for indicators of objective evidence that a financial asset measured at amortised cost is impaired is required at least at every balance sheet date. An impairment loss for financial assets measured at amortised cost is the difference between the asset's carrying amount and the present value of the estimated future cash flows discounted at the asset's original effective interest rate (step 2). For assets carried at amortised cost, impairment is measured based on incurred credit losses using the instrument's original effective interest rate. Unlike IFRS, for primary financial instruments valued at amortised cost and derivative financial assets valued at cost (see 6.0), RJ 290 allows an alternative for the 'two step approach' under IFRS, that is, to value the instrument at 'cost-or-lower-market (fair) value'.
References: IFRS 9	**References:** RJ 212, RJ 252, RJ 290

3.10 Provisions

IFRS	Dutch GAAP
A provision is recognised for a legal or constructive obligation arising from a past event, if there is a probable outflow of resources and the amount can be estimated reliably. 'Probable' in this context means more likely than not.	Like IFRS, a provision is recognised on the basis of a legal or constructive obligation, if there is a probable outflow of resources and the amount can be estimated reliably. 'Probable' in this context means more likely than not.
A 'constructive obligation' arises when an entity's actions create valid expectations of third parties that the entity will accept and discharge certain responsibilities.	Like IFRS, a 'constructive obligation' arises when an entity's actions create valid expectations of third parties that the entity will accept and discharge certain responsibilities.
No provision may be recognised for future operating losses.	Like IFRS, no provision may be recognised for future operating losses.
A provision is measured at the 'best estimate' of the expenditure to be incurred.	Like IFRS, a provision is measured at the best estimate of the anticipated outflow of resources.

If there is a large population of items, then the obligation is generally measured at its expected value.	Like IFRS, if there is a large population of items, then the obligation is generally measured at its expected value.
If there is a continuous range of equally possible outcomes for a single event, then the obligation is measured at the mid-point in the range.	Like IFRS, if there is a continuous range of equally possible outcomes for a single event, then the obligation is measured at the mid-point in the range.
If the possible outcomes of a single obligation are mostly higher (lower) than the single most likely outcome, then the obligation is measured at an amount higher (lower) than the single most likely outcome.	Like IFRS, if the possible outcomes of a single obligation are mostly higher (lower) than the single most likely outcome, then the obligation is measured at an amount higher (lower) than the single most likely outcome.
Provisions are discounted if the effect of discounting is material. Provisions are discounted using a pre-tax rate that reflects the time value of money and the risks specific to the liability.	Like IFRS, the discounting of provisions is required if the effect of time value of money is material. Provisions are discounted using a pre-tax rate that reflects the time value of money and the risks specific to the liability. Unlike IFRS, RJ 252 indicates that the market interest rate of high-quality corporate bonds best reflects the current market rate of interest.
A reimbursement right is recognised as a separate asset when recovery is virtually certain, capped at the amount of the related provision.	Like IFRS, a reimbursement right is recognised as a separate asset. Unlike IFRS, the recognition threshold is 'more likely than not' instead of 'virtually certain'. Like IFRS, this is capped at the amount of the related provision.
A provision for restructuring is not recognised until there is a formal plan and details of the restructuring have been communicated to those affected by the plan before or on the balance sheet date.	Like IFRS, a provision for restructuring costs is not recognised until there is a formal plan and details of the restructuring have been communicated to those affected by the plan. Unlike IFRS, the communication criterion may be met after the balance sheet date but before the financial statements are prepared (authorised for issue).
Provisions are not recognised for repairs or maintenance of own assets or for self-insurance before an obligation is incurred.	Like IFRS, provisions for self-insurance are prohibited. Unlike IFRS, provisions for periodic maintenance and major overhauls are allowed (see 3.1).
A provision is recognised for a contract that is onerous.	Like IFRS, a provision is recognised for a contract that is onerous.
The amendment in IAS 37 clarifies that the 'cost of fulfilling a contract' for the purposes of the onerous contract assessment comprises the costs that relate directly to the contract, including both the incremental costs and an allocation of other direct costs to fulfil the contract.	Like IFRS, the direct cost approach is followed to identify the cost of fulfilling a contract.
The expected period of outflow of resources shall be disclosed for every provision category.	Unlike IFRS, it is recommended to disclose which amount from the total of the provisions is expected to be settled within a year and which amount after five years.

IFRIC 21 prescribes that a liability in relation to a government levy shall be recognised at the time that it has met all of the conditions from the relevant legislation and/or regulations.	Unlike IFRS, as an alternative, the recognition of such a liability may happen during the period to which the government levy relates.
References: IAS 37, IFRS 15, IFRIC 1, IFRIC 5, IFRIC 6, IFRIC 21	**References:** RJ 212, RJ 252

3.11 Contingent assets and liabilities

IFRS	Dutch GAAP
Contingent liabilities are present obligations with uncertainties about either the probability of outflow of resources or the amount of the outflows, and possible obligations whose existence is uncertain.	Like IFRS, contingent liabilities are obligations that generally are not recognised in the balance sheet due to uncertainties about either the probability of outflows of resources or about the amount of the outflows or possible obligations when the existence of an obligation is uncertain. However, unlike IFRS, long-term obligations that are equally undelivered (e.g. executory contracts) are also contingent liabilities.
Contingent liabilities are not recognised except for those that represent present obligations in a business combination.	Unlike IFRS, contingent liabilities are not recognised in a business combination, as such contingencies do not meet the general criteria for recognition as a liability.
Contingent liabilities assumed in a business combination are recognised if there is a present obligation arising from past events and their fair value is reliably measurable.	Unlike IFRS, there are specific provisions derived from legislation for off-balance sheet arrangements.
Details of contingent liabilities are disclosed in the notes to the financial statements, unless the probability of an outflow is remote or in rare cases when disclosure could seriously prejudice the entity's position in a dispute with another party.	Like IFRS, details of contingent liabilities are disclosed in the notes to the financial statements, unless the probability of an outflow is remote or in rare cases when disclosure could seriously prejudice the entity's position in a dispute with another party. Unlike IFRS, there is a term 'tax group' and relevant disclosure requirements.
Contingent assets are possible assets whose existence is uncertain.	Like IFRS, contingent assets are defined as possible assets arising from past events whose existence is uncertain. However, unlike IFRS, the definition also includes assets that cannot be estimated reliably, or those where it is not probable that the related future economic benefits will flow to the entity.

Contingent assets are not recognised in the statement of financial position. If an inflow of economic benefits is probable (more likely than not), then details are disclosed in the notes. When the realisation of a contingent asset is virtually certain, it is no longer considered contingent and is recognised as an asset.	Like IFRS, contingent assets are not recognised in the balance sheet unless their realisation is virtually certain. Unlike IFRS, disclosure may be omitted if it is impracticable to make an estimate even if existence is probable.
References: IAS 20, IFRS 3, IAS 37, IFRIC 1, IFRIC 5, IFRIC 6, IFRIC 21	**References:** RJ 216, RJ 252, RJ 274

3.12 Income tax

IFRS	Dutch GAAP
'Income taxes' are taxes based on taxable profits, and taxes that are payable by a subsidiary, associate or joint arrangement on distribution to the reporting entity (e.g. withholding taxes).	Like IFRS, 'Income taxes' are taxes based on taxable profits, and taxes that are payable by a subsidiary, associate or joint venture on distribution to the reporting entity (e.g. withholding taxes).
The total income tax expense (income) recognised in a period is the sum of current tax expense (or recovery) plus the change in deferred tax liabilities and assets during the period, net of tax amounts recognised outside profit or loss – i.e. in OCI or directly in equity or arising from a business combination.	Like IFRS, the total income tax expense recognised in profit or loss is the sum of current tax expense (or recovery) plus the change in deferred tax liabilities and assets during the period, net of tax amounts recognised directly in equity or arising from a business combination.
Income tax relating to items recognised outside profit or loss, in the current or a previous period, is itself recognised outside profit or loss.	Like IFRS, income tax relating to items recognised outside profit or loss, in the current or previous periods, is recognised outside profit or loss.
Current tax is the amount of income taxes payable (recoverable) in respect of the taxable profit (loss) for a period.	Like IFRS, current tax represents the amount of income taxes payable (recoverable) in respect of the taxable profit (tax loss) for a period.
Taxes payable on distributions are recognised at the same time as the distribution.	Like IFRS, taxes payable on distributions are recognised at the same time as the distribution.
The measurement of current tax is based on rates and tax laws that are enacted or substantively enacted at the reporting date.	Like IFRS, the measurement of current tax is based on rates and tax laws that are enacted or substantively enacted at the balance sheet date.
Current tax assets and liabilities are offset only if there is a legally enforceable right to set off and the entity intends to offset or to settle simultaneously.	Like IFRS, current tax assets and liabilities are offset only if there is a legally enforceable right to set off and the entity intends to offset or to settle simultaneously.
In the case of uncertainty about an income tax treatment, an entity considers whether it is probable that a tax authority will accept the treatment used in its tax filing.	Like IFRS, if the tax authority is likely to accept the entity's tax treatment, then the current and deferred taxes are measured consistently with the tax treatment
If the tax authority is likely to accept the entity's tax treatment, then the current and deferred taxes are measured consistently with the tax treatment in the income tax filing. However, if the tax authority is unlikely to accept the entity's tax treatment, then the effect of the tax uncertainty is reflected in measuring current or deferred tax by using either the most likely amount or the expected value method. The entity presumes that the tax authorities possess all relevant information and detection risk is not considered.	in the income tax filing. Otherwise, the effect of the tax uncertainty is reflected in measuring current or deferred tax by using either the most likely amount or the expected value method., using the best estimate. Like IFRS, the entity presumes that the tax authorities possess all relevant information and detection risk is not considered.
IFRS do not contain specific guidance on allocating taxes to the financial statements of members within a consolidated tax group that file a consolidated tax return, and practice may vary.	Unlike IFRS, RJ 272 has provisions for the allocation of taxes within a tax group (fiscal unity). With regard to liabilities relating to group companies, it shall be disclosed separately in the notes that the legal entity has been included in a tax group and, as a result of that, is jointly and severally liable for tax debts of the tax group as a whole.
Deferred tax is recognised for the estimated future tax effects of temporary differences, unused tax losses carry-forward and unused tax credits carried forward.	Like IFRS, deferred tax is recognised for the estimated future tax effects of temporary differences, tax loss carry-forwards and unused tax credit carried forward.
A temporary difference is the difference between the tax base of an asset or liability and its carrying amount in the financial statements that will result in taxable or deductible amounts in future periods when the carrying amount is recovered or settled. This approach focuses on the statement of financial position carrying amounts, rather than on the differences between the profit and loss and taxable profits.	Like IFRS, a temporary difference is the difference between the tax base of an asset or liability and its carrying amount in the financial statements.
A deferred tax liability (asset) is recognised unless it arises from: • the initial recognition of an asset or liability in a transaction that is not a business combination, and at the time of the transaction, affects neither accounting profit nor taxable profit; • the initial recognition of goodwill; or • post-acquisition adjustments of goodwill for which amortisation is not tax deductible. A deferred tax liability is recognised for post-acquisition adjustments of goodwill for which amortisation is tax deductible.	The recognition criteria and exemptions of deferred tax liabilities (assets) are in line with those of IFRS. However, unlike IFRS, there is no initial recognition exemption for goodwill. Furthermore, unlike IFRS, when a non-monetary asset is revalued, it is only highly recommended to recognise a deferred tax liability.
Deferred tax assets and liabilities are not recognised in respect of investments in subsidiaries, associates and joint ventures/arrangements if certain conditions are met.	Like IFRS, deferred tax assets and liabilities are not recognised in respect of investments in subsidiaries, participating interests (associates) and joint ventures if certain conditions are met.

A deferred tax asset is recognised to the extent that it is probable that it will be realised – i.e. a net approach.	Like IFRS, a deferred tax asset is recognised to the extent that it is probable that it will be realised – i.e. a net approach.
It is probable that taxable profit will be available against which a deductible temporary difference can be utilised when there are sufficient taxable temporary differences relating to the same taxation authority and the same taxable entity which are expected to reverse.	Like IFRS, it is probable that taxable profit will be available against which a deductible temporary difference can be utilised when there are sufficient taxable temporary differences relating to the same taxation authority and the same taxable entity which are expected to reverse. Unlike IFRS, when assessing whether there are sufficient taxable temporary differences, taxable temporary differences resulting from revaluation are disregarded.
The measurement of deferred tax is based on the expected manner of settlement (liability) or recovery (asset).	Like IFRS, the measurement of deferred tax is based on the expected manner of settlement (liability) or recovery (asset).
Deferred tax assets recognised in relation to share-based payment arrangements are adjusted each period to reflect the amount of tax deduction that the entity would receive if the award were tax deductible in the current period based on the current market price of the shares.	Unlike IFRS, Dutch GAAP has no specific guidance related to this matter; the general provisions of the income taxes standard apply.
As a result of a business combination, the probability of realising a pre-acquisition deferred tax asset of the acquirer could change. Such changes are recognised separately from the acquisition accounting and therefore, the acquirer does not take it into account in measuring the goodwill or bargain purchase gain it recognises in the business combination.	Unlike IFRS, changes in the acquirer's deferred tax assets resulting from a business combination are taken into account in determining the goodwill; the deferred tax asset recognised by the acquirer is deducted from the goodwill arising on the acquisition.
In a business combination acquired deferred tax benefits are recognised, within 12 months of the acquisition date, that result from new information about facts and circumstances that existed at the acquisition date. In this case the carrying amount of any goodwill related to that acquisition is reduced.	Unlike IFRS, subsequent adjustments to deferred tax assets arising on the acquisition are recognised through profit and loss, and simultaneously the carrying amount of goodwill is also adjusted through profit and loss.
All other adjustments to deferred tax assets arising on the acquisition are recognised in profit or loss (or outside profit or loss).	
Deferred tax is measured on an undiscounted basis (nominal value).	Unlike IFRS, deferred tax assets and liabilities shall be measured at either nominal or present value. If measurement at present value is applied, this shall be disclosed clearly in the notes.
A deferred tax liability (asset) is recognised for the step up in tax bases as a result of an intragroup transfer of assets between jurisdictions. Additionally, the current tax effects for the seller are recognised in the current tax provision.	Unlike IFRS, there is no specific guidance regarding the tax rate at which deferred taxes arising from intragroup transactions should be recognised. However, as the main principle is to be applied, this will not result in differences with IFRS.
A deferred tax liability (asset) is recognised for exchange gains and losses related to foreign non-monetary assets and liabilities that are remeasured into the functional currency, using historical exchange rates or indexing for tax purposes.	Like IFRS, when a non-monetary asset is revalued, it is highly recommended to recognise a deferred tax liability.
Deferred tax assets and liabilities are classified as non-current in a classified statement of financial position.	Unlike IFRS, the general classification rules for current / non-current assets apply to deferred tax assets; therefore, a portion of a deferred tax asset may be classified as current. Unlike IFRS, deferred tax liabilities are classified as a separate class of provisions within liabilities, for which the current/non-current distinction is not applicable.
Deferred tax relating to items charged or credited directly to equity is itself charged or credited directly to equity.	Like IFRS, deferred tax relating to items charged or credited directly to equity is itself charged or credited directly to equity.
Deferred tax is measured based on enacted or substantively enacted tax rates and tax laws at the reporting date.	Like IFRS, deferred tax is measured based on enacted or substantively enacted tax rates.
Deferred tax liabilities and assets are offset if the entity has a legally enforceable right to set off current tax liabilities and assets, and the deferred tax liabilities and assets relate to income taxes levied by the same tax authority on either the same taxable entity or different taxable entities that intend to settle current taxes on a net basis or their tax assets and liabilities will be realised simultaneously.	Like IFRS, deferred tax liabilities and assets are offset if the entity has a legally enforceable right to set off current tax liabilities and assets to the extent that they relate to the same financial year and taxes are levied by the same tax authority on the same taxable legal entity or fiscal unit.
References: IAS 12, IFRIC 23, SIC 25	**References:** RJ 272

4 Specific Income statement items

4.1 Revenue from contracts with customers

IFRS	Dutch GAAP
IFRS 15 (Revenue from Contracts with Customers) IFRS 15 applies to contracts to deliver goods or services to a customer. A 'customer' is a party that has contracted with an entity to obtain goods or services that are an output of the entity's ordinary activities. IFRS 15 does not apply to: • lease contracts in the scope of IFRS 16; • insurance contracts in the scope of IFRS 4; • financial instruments and other contractual rights or obligations in the scope of IFRS 9, IFRS 10, IFRS 11, IAS 27 and IAS 28; and • non-monetary exchanges between entities in the same line of business to facilitate sales to customers or potential customers. A contract with a customer may be partially in the scope of IFRS 15 and partially in the scope of another accounting standard or interpretation. If the other accounting standard or interpretation specifies how to separate and/or initially measure one or more parts of a contract, then an entity first applies those requirements. Otherwise, the entity applies the guidance in IFRS 15 to separate and/or initially measure the separately identified parts of the contract.	The accounting guidance for revenue recognition and related cost (RJ 221 Construction contracts and RJ 270 Income statement) was based until 2021 on the former IFRS Standards IAS 11 and IAS 18. As from financial years starting at 1 January 2022 or later the revised RJ 221 and RJ 270 are more aligned with IFRS 15 'Revenue from contracts with customers'. RJ 270 details the recognition of revenue in the income statement in the case of the sale of manufactured or purchased goods, the provision of services and also the revenue from licences. RJ 221 is in fact a specific interpretation for construction contracts of the five-step model in RJ 270. In addition, RJ 221 has specific definitions and accounting rules that are characteristic of project organisations, such as variations in contract work, claims and the recognition of contract revenues and costs by reference to the stage of completion of the contract. Excluded from RJ 270 and RJ 221 are: • leases (RJ 292 Leasing); • dividends from capital interests which are accounted for under one of the variants of the equity method; • insurance contracts, insurance companies; changes in the fair value of financial assets and financial liabilities or the disposal of such assets and liabilities (RJ 290 Financial Instruments); • changes in the value of other current assets; and natural increases in livestock, agricultural or forestry products, or the extraction of mineral ores; • goods or services that are exchanged or swapped for goods or services that are approximately equal in nature and fair value. Companies are permitted to apply IFRS 15 as adopted by the European Union for revenue and related costs for sale of goods and the provision of services instead of section 1 of RJ 270 and RJ 221 section 1 to 4, provided there is a full and consistent application of IFRS 15. Accordingly, the following differences are still relevant, if the option to apply IFRS 15 has not been opted under Dutch GAAP.
	The main differences between the revised Standards and IFRS 15 are: • not adopting the control-based model of IFRS 15; • maintaining comprehensive guidance regarding sales transactions with buy-back or sell-back agreements in RJ 270; • limitation of the variable consideration • the loss provision; • maintaining a principle-based approach rather than the more rule-based approach in IFRS 15; and less extensive disclosures in the new Standards.
A five-step model is used to implement the core principle that is used to determine when to recognise revenue, and at what amount.	Like IFRS, the basis comprises a framework of five steps for the determination of when revenue must be recognised and for which amount. The framework applies to all types of contracts with customers (and types of transactions). In the revised RJ 270 and RJ 221, these five steps are implicitly expressed.
Under Step 1 (identify the contract), an entity accounts for a contract under the model when it is legally enforceable and specific criteria are met. These criteria include that collection of consideration is 'probable', which means 'more likely than not'.	Like IFRS, under Step 1 (identify the contract), an entity accounts for a contract under the model when it is legally enforceable and specific criteria are met. These criteria include that collection of consideration is 'probable', which means 'more likely than not'.
Under Step 2 (identify the performance obligations in the contract), an entity breaks down the contract into one or more distinct performance obligations.	Like IFRS, under Step 2 (identify the performance obligations in the contract), an entity breaks down the contract into one or more distinct performance obligations.
Under Step 3 (determine the transaction price), an entity determines the amount of consideration to which it expects to be entitled in exchange for transferring goods or services to a customer. In determining the transaction price, the company considers, among other things, the effects of: • variable consideration; • significant financing components; • non-cash consideration; and • consideration payable to customers	Like IFRS, under Step 3 (determine the transaction price), an entity determines the amount of consideration to which it expects to be entitled in exchange for transferring goods or services to a customer. In determining the transaction price, the company considers, among other things, the effects of: • variable consideration; • significant financing components; • non-cash consideration; and • consideration payable to customers
Under Step 4 (allocate the transaction price to the performance obligations in the contract) an entity generally allocates the transaction price to each performance obligation in proportion of its stand-alone selling price.	Like IFRS, under Step 4 (allocate the transaction price to the performance obligations in the contract) an entity generally allocates the transaction price to each performance obligation in proportion of its stand-alone selling price.
Under Step 5 (recognise revenue) an entity recognises revenue when or as it satisfies the performance obligation by transferring a good or service to a customer, either at a point in time or over time. A good or service is transferred when or as the customer obtains control of it. The IFRS include guidance on separating a license of IP	Unlike IFRS, Dutch GAAP couples the criteria for revenue recognition (including the time) to the type of transactions, namely the sale of goods (transfer of significant risk and rewards, at a point in time), rendering of services including construction contracts (with reference to the stage of completion, over a period of time). In certain situations, these differences in starting points can lead to a different timing and/or a different pace of revenue recognition.

(i.e. software) from other components of an arrangement in order to determine whether it is distinct or not. If a license of IP is distinct from other goods or services in the contract a separate performance obligation exists for which revenue can be recognised at a point or over time.

Like IFRS, specific provisions exist for revenue recognition concerning licences of intellectual property, such as software, patents and copyrights. Like IFRS, a distinction is made between providing the right to access (then: revenue recognition over a period of time) and providing a right to use (then: revenue recognition at a point in time).

As an exception to the general requirements, for sales- or usage-based royalties that are attributable to a licence of intellectual property, revenue is recognised at the later of:

- when the subsequent sale or usage occurs; and
- the satisfaction or partial satisfaction of the performance obligation to which some or all of the sales- or usage-based royalty has been allocated.

Like IFRS, as an exception to the general requirements, for sales- or usage-based royalties that are attributable to a licence of intellectual property, revenue is recognised at the later of:

- when the subsequent sale or usage occurs; and
- the satisfaction or partial satisfaction of the performance obligation to which some or all of the sales- or usage-based royalty has been allocated.

A non-cash consideration received from a customer is measured at fair value. If an entity cannot make a reasonable estimate of the fair value, then it refers to the estimated selling price of the promised goods or services

Like IFRS, non-cash consideration is measured at fair value.

An entity assesses whether a non-refundable up-front fee relates to the transfer of a promised good or service to the customer. If the related activity does not result in the transfer of a promised good or service to the customer, then the up-front fee is an advance payment for performance obligations to be satisfied in the future and is recognised as revenue when those future goods or services are provided.

Like IFRS, an entity assesses whether a non-refundable up-front fee relates to the transfer of a promised good or service to the customer. If the related activity does not result in the transfer of a promised good or service to the customer, then the up-front fee is an advance payment for performance obligations to be satisfied in the future and is recognised as revenue when those future goods or services are provided.

The transaction price includes an estimate of variable consideration to the extent that it is 'highly probable' that a significant revenue reversal in the amount of cumulative revenue recognised will not occur when the uncertainty associated with the variable consideration is subsequently resolved.

In addition, on the determination of the transaction price IFRS 15 makes use of the concept of the 'limitation of the variable consideration'. This means that only a part of the estimated variable consideration can be recognised in the transaction price, of which it is highly probable that no significant reversal will be required at a later time ('highly probable that a significant reversal in the amount of cumulative revenue recognised will not occur').

Like IFRS, Dutch GAAP also includes specific provisions for the accounting of variable consideration, but these are not entirely the same as the provisions in IFRS 15. For example, in the context of the prudence to be applied, RJ 270 refers to a 'low probability of subsequent reversal', whereas IFRS 15 uses the criterion 'highly probable that no subsequent reversal will occur'. Furthermore, IFRS 15 has a threshold, namely that the limitation only applies to significant reversals. RJ 270 does not mention such a threshold.

At the end of each reporting period, an entity shall update the estimated transaction price (including updating its assessment of whether an estimate of variable consideration is constrained).

Like IFRS, at the end of each reporting period, an entity shall update the estimated amount of any variable consideration.

An entity evaluates any consideration payable to a customer (e.g. cash, a coupon or voucher) to determine whether the amount represents a reduction of the transaction price, a payment for distinct goods or services, or a combination of the two.

Like IFRS, an entity evaluates any consideration payable to a customer (e.g. cash, a coupon or voucher) to determine whether the amount represents a reduction of the transaction price, a payment for distinct goods or services, or a combination of the two.

Discounts are allocated pro rata to all separate performance obligations unless there is evidence that a discount applies to only one or more (but not all) performance obligations.

Unlike IFRS, Dutch GAAP contains no such provision and discounts are allocated to all separate performance obligations.

A warranty is considered a performance obligation if the customer has an option to purchase the good or service with or without the warranty. In that case, the entity allocates a portion of the transaction price to the performance obligation for the service.

Like IFRS Standards, a warranty is considered a performance obligation if the customer has an option to purchase the good or service with or without the warranty. In that case, like IFRS Standards, the entity allocates a portion of the transaction price to the performance obligation for the service.

When a warranty is not sold separately, the warranty (or part thereof) may still be a performance obligation, if the warranty (or part thereof) provides the customer with a service in addition to the assurance that the product complies with agreed-upon specifications. A warranty that only covers the compliance of a product with specifications (an 'assurance warranty') is accounted for under the provisions standard.

Like IFRS Standards, when a warranty is not sold separately, the warranty (or part thereof) may still be a performance obligation, if the warranty (or part thereof) provides the customer with a service in addition to the assurance that the product complies with agreed-upon specifications. A warranty that only covers the compliance of a product with agreed-upon specifications (an 'assurance warranty') is accounted for under the provisions standard.

An entity generally capitalises incremental costs to obtain a contract with a customer if it expects to recover those costs. An entity capitalises costs of fulfilling a contract if certain criteria are met. An impairment loss recognised in respect of capitalised costs is reversed if the carrying amount is no longer impaired.

Unlike IFRS, costs directly related to the contract and incurred in obtaining the contract may be capitalised if it is probable that the contract will be obtained, those costs can be separately identified and reliably determined.

A modification to an existing contract is recognised in accordance with the economic substance of that modification. Depending on the nature of a modification to an existing contract, the modification is accounted for as:

- a separate contract in addition to the existing contract;
- a termination of the existing contract and the concluding of a new contract (in which the unsatisfied performance obligations of the terminated contract are included); or
- a modification of the existing contract, as if the additional goods or services were part of the existing contract, i.e. a cumulative catch-up adjustment of revenue.

Like IFRS, a modification to an existing contract is recognised in accordance with the economic substance of that modification. Depending on the nature of a modification to an existing contract, the modification is accounted for as:

- a separate contract in addition to the existing contract;
- a termination of the existing contract and the concluding of a new contract (in which the unsatisfied performance obligations of the terminated contract is included); or
- a modification of the existing contract, as if the additional goods or services were part of the existing contract i.e. a cumulative catch-up adjustment of revenue.

When an entity makes a sale with a right of return, it initially recognises: • revenue: measured at the gross transaction price, less the expected level of returns calculated using the guidance on estimating variable consideration and the constraint; • refund liability: measured at the expected level of returns – i.e. the difference between the cash or receivable amount and the revenue as measured above; • return asset: measured with reference to the carrying amount of the products expected to be returned, less the expected recovery costs (including potential decreases in the value to the entity of returned products); and • adjustment to cost of sales: measured as the carrying amount of the products sold less the asset as measured above.	Like IFRS, when an entity makes a sale with a right of return, it initially recognises: • revenue: measured at the gross transaction price, less the expected level of returns calculated using the guidance on estimating variable consideration and the constraint; • refund liability: measured at the expected level of returns – i.e. the difference between the cash or receivable amount and the revenue as measured above; • return asset: measured with reference to the carrying amount of the products expected to be returned, less the expected recovery costs (including potential decreases in the value to the entity of returned products);and • adjustment to cost of sales: measured as the carrying amount of the products sold, less the asset as measured above.
If the entity is a principal, then revenue is recognised on a gross basis – corresponding to the consideration to which the entity expects to be entitled. If the entity is an agent, then revenue is recognised on a net basis– corresponding to any fee or commission to which the entity expects to be entitled.	Like IFRS, if the entity is a principal, then revenue is recognised on a gross basis – corresponding to the consideration to which the entity expects to be entitled. If the entity is an agent, then revenue is recognised on a net basis– corresponding to any fee or commission to which the entity expects to be entitled.
Onerous contracts are accounted for under the provisions standard.	Like IFRS, onerous contracts are accounted for under the provisions standard.
An entity presents a contract liability or contract asset in its statement of financial position when either party to the contract has performed. Any unconditional rights to consideration are presented separately as a receivable.	Like IFRS, contract liabilities and assets are presented in the financial statements.
The IFRS Standard contains extensive disclosure requirements designed to enable users of the financial statements to understand the nature, amount, timing and uncertainty of revenue and cash flows arising from contracts with customers. There are no exemptions from these disclosure requirements.	Unlike IFRS, disclosure requirements are less extensive and include a split of type of revenue (sale of goods, rendering of services, interest, royalties and dividends). The nature of significant performance obligations and the method of allocating revenue to reporting periods, including the method of determining the stage of completion of service contracts, must be disclosed for each significant type of performance obligation. In addition, the total capitalised costs of obtaining a contract shall be disclosed.
References: IFRS 15	**References:** RJ 221 (2022), RJ 270 (2022)

4.2 Government grants

IFRS	Dutch GAAP
Government grants are transfers of resources to an entity by a government entity in return for compliance with certain past or future conditions related to the entity's operating activities.	Like IFRS, government grants are transfers of resources to an entity by a government entity in return for compliance with certain past or future conditions related to the entity's operating activities.
Government grants are recognised when there is reasonable assurance that the entity will comply with the relevant conditions and the grant will be received.	Like IFRS, government grants are recognised when there is a reasonable certainty that the entity will comply with the relevant conditions and the grant will be received.
A forgivable loan is treated as a government grant only when there is reasonable assurance that the entity will meet the terms for forgiveness of the loan. Otherwise, the loan is recognised as a liability in accordance with IFRS 9 Financial Instruments.	Unlike IFRS, the term financing facilities is used which encompasses a forgivable loan. Like IFRS, financing facilities shall in principle be ignored upon the recognition of the related credits. Like IFRS, a financing facility is treated as a government grant only when there is reasonable assurance that the entity will meet the terms for forgiveness of the loan. Otherwise, the loan is recognised as a liability in accordance with RJ 290 Financial Instruments.
Government grants shall be recognised in profit or loss on a systematic basis over the periods in which the entity recognises as expenses the related costs for which the grants are intended to compensate.	Like IFRS, government grants shall be recognised in profit or loss on a systematic basis over the periods in which the entity recognises as expenses the related costs for which the grants are intended to compensate.
Government grants that relate to the acquisition of an asset, other than a biological asset measured at fair value less costs to sell, are recognised in profit or loss as the related asset is depreciated or amortised.	Unlike IFRS, government grants that relate to the acquisition of an asset may be recognised either as a reduction in the cost of the asset or as deferred income that is amortised as the related asset is depreciated or amortised.
Government grants related to assets, including non-monetary grants at fair value, shall be presented in the statement of financial position either by setting up the grant as deferred income or by deducting the grant in arriving at the carrying amount of the asset.	Like IFRS, government grants related to assets, including non-monetary grants at fair value, shall be presented in the statement of financial position either by setting up the grant as deferred income or by deducting the grant in arriving at the carrying amount of the asset.
If a government grant is in the form of a non-monetary asset, then both the asset and the grant are recognised either at the fair value of the non-monetary asset or at a nominal amount.	Unlike IFRS, there is no specific guidance for government grants in the form of a non-monetary asset. However, transactions shall be reflected in accordance with the economic reality (economic substance).
Unconditional government grants relating to biological assets measured at fair value less cost to sell are recognised in profit or loss when they are receivable. Conditional grants for such assets are recognised in profit or loss when the required conditions are met.	Unlike IFRS, no specific guidance is available for government grants relating to biological assets. They are accounted for under the general requirements for government grants.
For government loans with a below market or interest-free, interest is imputed on these loans.	Like IFRS, interest is imputed on low-interest or interest-free loans from a government.
References: IAS 20, IAS 41, SIC-10	**References:** RJ 274

4.3 Employee benefits

IFRS	Dutch GAAP
IFRS specify accounting requirements for all types of employee benefits, and not just pensions. Liabilities for employee benefits are recognised on the basis of a legal or constructive obligation.	Like IFRS, accounting requirements are specified for all types of employee benefits, and not just pensions. Like IFRS, liabilities for employee benefits are recognised on the basis of a legal or constructive obligation.
Employee benefits are all forms of consideration given by an entity in exchange for service rendered by employees or for the termination of employment.	Like IFRS, employee benefits are all forms of consideration given by an entity in exchange for service rendered by employees or for the termination of employment.
Share based payments are dealt with in a separate standard (see 4.4).	Like IFRS, share based payments are dealt with in a separate standard (see 4.4).
Short-term employee benefits are employee benefits that are *expected* to be settled wholly within 12 months of the end of the period in which the services have been rendered and are accounted for using normal accrual accounting.	Unlike IFRS, for remunerations payable during the employment there is no distinction made between short-term employee benefits and (other) long-term employee benefits. As such, more types of employee benefits may fall under short-term employee benefits (remunerations during the employment), i.e. the liability relating to holidays not taken. Like IFRS, liabilities and expenses for employee benefits during the employment are generally recognised as an expense in the period in which the employee renders the service.
Other long-term employee benefits are all employee benefits other than short-term benefits, post-employment benefits and termination benefits.	Unlike IFRS, for remunerations payable during the employment there is no distinction made between short-term employee benefits and (other) long-term employee benefits.
The expense for other long-term employee benefits, calculated on a discounted basis, is usually accrued over the service period. The computation is similar to defined benefit plans.	Unlike IFRS, for specific types of accrued conditional rights, such as long-service awards, a liability is recognised based on a best estimate of the amounts which are necessary in order to settle the liability on the balance sheet date.
There are no provisions with respect to insured disability risks. A provision for insured disability risks would generally not be allowed.	Unlike IFRS, a provision may be recognised, insofar as the risk of disability is insured, for the part of the insurance premiums to be paid in the future that can be directly allocated to the individual claim history of the legal entity. As an alternative recognition method it is permitted only to account for such premiums in the period(s) during which they are payable.
Post-employment benefits are employee benefits that are payable after the completion of employment (before or during retirement).	Like IFRS, post-employment benefits are employee benefits that are payable after the completion of employment (before or during retirement).
A defined contribution plan is a post-employment benefit plan under which the employer pays fixed contributions into a separate entity and has no further obligations. All other post-employment plans are defined benefit plans. Contributions to a defined contribution plan are accounted for on an accrual basis. Accounting for defined benefit plans involves the following steps: • Determining the present value of the defined benefit obligation by applying an actuarial valuation method • Deducting the fair value of any plan assets • Adjusting the amount of the deficit or surplus for any effect of limiting a net defined benefit asset to the asset ceiling • Determining service costs, net interest and remeasurements of the net defined benefit liability (asset) The projected unit credit method is used to determine the present value of the defined benefit obligation and the related current service cost and, if applicable, any past service cost. There is no specific guidance on the application of defined benefit accounting to plans that would be defined contribution plans except that they contain minimum benefit guarantees. In our view, a minimum benefit guarantee causes a plan to be a defined benefit plan. Multi-employer plans are post-employment plans that pool the assets contributed by various entities that are not under common control to provide benefits to employees of more than one entity. Such plans are classified as defined contribution or defined benefit plans following the above definitions. However, if insufficient information is available to permit defined benefit accounting, then the plan is treated as a defined contribution plan and additional disclosures are required. If defined contribution plan accounting is applied to a multi-employer defined benefit plan and there is an agreement that determines how a surplus in the plan would be distributed or a deficit in the plan funded, then an asset or liability that arises from the contractual agreement is recognised. If insufficient information is available for a multi-employer defined benefit plan to be accounted for as a defined benefit plan then it is treated as a defined contribution plan except that:	Unlike IFRS, (which incorporates the actuarial risk-based approach), Dutch GAAP is based on a liability approach. Under Dutch GAAP contributions are expensed as the obligation to make the payments is incurred. However, if an employer has an additional (legal or constructive) obligation to pay further contributions, for example, to fund deficits or to pay for unconditional indexation, a liability for that obligation should be recognised on the balance sheet. This liability is measured at the best estimate of the outflow of resources to settle the obligation and all changes are recognised in the income statement. Consequently, unlike IFRS, Dutch GAAP does not distinct between defined contribution plans and defined benefit plans. However, if there is no additional obligation, accounting for the pension plan is similar to the IFRS accounting of defined contribution plans. Dutch GAAP, however, alternatively provides the option to consistently apply the full requirements of IFRS or US GAAP for the accounting of pension plans to: • all pension plans of the company; or • (only) the foreign pension plans that are not comparable with Dutch pension plans. Unlike IFRS, there are no specific rules for employer plans, multi-employer plans and insured benefit plans, although the occurrence of an additional liability differs between those plans.

• An asset or liability for any surplus or deficit is recognised if there is a contractile agreement that determines how a surplus in the plan would be distributed or a deficit in the plan funded; and • additional disclosures are required.	
To qualify as plan assets, assets need to meet specific criteria, including a requirement that they be unavailable to the entity's creditors (even in bankruptcy).	
Assets that meet the definition of plan assets, including qualifying insurance policies, and the related liabilities are presented on a net basis in the statement of financial position.	
If a defined benefit plan is in surplus, then the amount of any net asset is recognised is limited to the present value of any available economic benefits in the form of refunds from the plan or the reductions in future contributions to the plan (the 'asset ceiling').	
Minimum funding requirements to cover existing shortfalls give a rise to a liability if payments under the requirement would create a surplus in excess of the asset ceiling.	
Actuarial gains or losses which arise from changes in the present value of obligation of the defined benefit plans are recognised immediately in other comprehensive income (OCI) in the period during which they arise. 'Corridor approach' is not allowed under IFRS.	
All past service costs of defined benefit plans, including unvested amounts, are recognised immediately in profit or loss.	
Benefits are attributed to periods of service in accordance with the plan's benefit formula unless that formula is back-end loaded, in which case straight-line attribution is used instead.	
Curtailments and other plan amendments are recognised at the same time as a related restructuring or related termination benefits, when those occur before the curtailments or other plan amendments, occur.	
Termination benefits are employee benefits provided as a result of either an entity's decision to terminate an employee's employment before the normal retirement date or an employee's decision to accept an offer of benefits in exchange for the termination of employment.	Unlike IFRS, termination benefits are only benefits that are granted to an employee in exchange for the termination of the employment. Like IFRS, a termination benefit is recognised at the earlier on the date of which the entity recognises costs for a restructuring that includes the payment of termination benefits and the date on which the entity can no longer withdraw the offer of the termination benefits.

A termination benefit is recognised at the earlier on the date of which the entity recognises costs for a restructuring that includes the payment of termination benefits and the date on which the entity can no longer withdraw the offer of the termination benefits.	
A restructuring provision (including termination benefits) is recognised once the restructuring plan and details of the restructuring have been communicated to those affected and a valid expectation by those affected has arisen (see 3.10).	Like IFRS, restructuring costs (including termination benefits) are not recognised until the restructuring plan has been communicated to the affected employees. However, unlike IFRS, a liability may be recognised (accounting policy choice) if the communication occurs after the balance sheet date but before the financial statements are prepared (authorised for issue), (see 3.10).
References: IAS 19, IFRIC 14, IAS 37	**References:** RJ 271, RJ 252

4.4 Share-based payments

IFRS	Dutch GAAP
	General – note that Dutch GAAP (RJ 275) is to a large extent in line with IFRS 2 but provides less detailed guidance and contains an additional measurement alternative
Goods or services received in a share-based payment transaction are measured using a fair value-based measure. An intrinsic value approach is permitted only in the rare circumstance that the fair value of the equity instruments cannot be estimated reliably.	Unlike IFRS, Dutch GAAP provides an accounting policy choice for the measurement of the services received in employee share-based plans: (a) fair value of the award or (b) intrinsic value of the reward.
Goods are recognised when they are obtained and services are recognised over the period they are received.	Like IFRS, goods should be recognised when they are obtained and services recognised over the period they are received.
Equity-settled transactions with employees are generally measured based on the fair value on the grant date of the equity instruments granted.	Like IFRS, equity-settled grants to employees generally are measured based on the value of the instruments issued at grant date. However, as stated, unlike IFRS, this value could be intrinsic value or fair value. Like IFRS, equity-settled share option grants to employees are not remeasured for subsequent changes in value. However, unlike IFRS, equity-settled share option grants to employees are remeasured at each reporting date and the date of settlement, when measured at intrinsic value.

'Grant date' is the date on which the entity and the employee have a shared understanding of the terms and conditions of the arrangement.	The grant date is interpreted similarly to IFRS.
Equity-settled transactions with non-employees are generally measured based on the fair value of the goods or services obtained. The measurement date is the date on which the goods or services are received, which means that there may be multiple measurement dates.	Like IFRS, share-based payments to non-employees are measured based on the fair value of the goods and services received, unless the fair value cannot be measured reliably.
For equity-settled transactions an entity recognises a cost and a corresponding increase in equity. The cost is recognised as an expense unless it qualifies for recognition as an asset.	Like IFRS, for equity-settled transactions an entity recognises a corresponding increase in equity. The cost is recognised as an expense unless it qualifies for recognition as an asset.
For cash-settled transactions, an entity recognises a cost and a corresponding liability. The cost is recognised as an expense unless it qualifies for recognition as an asset.	Like IFRS, for cash-settled transactions, an entity recognises a cost and a corresponding liability. The cost is recognised as an expense unless it qualifies for recognition as an asset. However, unlike IFRS, the value of the liability depends on the measurement option chosen (fair value versus intrinsic value).
The liability for cash-settled transactions is remeasured until settlement date for subsequent changes in the fair value of liability. The remeasurements are recognised in profit or loss and are not eligible for capitalisation.	Like IFRS, cash-settled transactions are remeasured at each balance sheet date and at the settlement date for subsequent changes in the fair value of liability. The remeasurements are recognised in profit or loss.
IFRS 2 makes a distinction in the conditions associated with share-based payments between 'vesting conditions' and 'non-vesting conditions'. Vesting conditions are related to services provided by the employee, non-vesting conditions are not. Vesting conditions comprise 'service conditions' and 'performance conditions', the latter of which shall be subdivided into 'market conditions' (price-related conditions) and 'non-market conditions' (performance-related conditions). The distinguished categories of conditions have an impact on the measurement of share-based payments.	Unlike IFRS, RJ 275 only has the categories of performance-related conditions and price-related conditions. Service conditions are considered part of performance-related conditions. This means that 'non-vesting conditions' must be classified in one of the two categories. Like IFRS, the distinguished categories of conditions have an impact on the measurement of share-based payments.
Market conditions are reflected in the measurement of the fair value of share-based payment transactions. There is no true-up if the expected and actual outcomes differ because of market conditions.	Like IFRS, market conditions for equity-settled transactions are reflected in the initial measurement of fair value. There is no true-up if the expected and actual outcomes differ because of market conditions.
Like market conditions, non-vesting conditions are reflected in the measurement of fair value and there is no subsequent true up for differences between the expected and the actual outcome.	Unlike IFRS, non-vesting conditions are not separately distinguished and might be accounted for in the same manner as a market condition i.e. reflected in the measurement of fair value or treated similar to a performance-related condition.

Service and non-market performance conditions are not reflected in the measurement of the fair value of share-based payment transactions but are considered in estimating the number of instruments that are expected to vest. Initial estimates of the number of instruments that are expected to vest are adjusted to current estimates and on vesting date to the actual number of instruments that ultimately vest.	Like IFRS, changes in non-market based conditions ('performance-related') are not taken into account in the value at grant date, but instead lead to changes in the estimate of the number of options that will vest (forfeitures). Like IFRS, estimates of the number of equity-settled instruments that vest are adjusted to the actual numbers that vest.
Modification of an equity-settled share-based payment results in the recognition of any incremental fair value but not in any reduction in fair value. Replacements are accounted for as modifications. When an entity modifies a cash-settled share-based payment transaction such that it becomes equity-settled, it measures the equity-settled award at its fair value and recognises any gain or loss in profit or loss.	Like IFRS, modification of an equity-settled share-based payment results in the recognition of any incremental fair value but not in any reduction in fair value. Replacements are accounted for as modifications.
Cancellation of a share-based payment results in accelerated recognition of any unrecognised cost.	Like IFRS, cancellation of a share-based payment results in accelerated recognition of any unrecognised cost.
Classification of grants in which the entity has the choice of equity or cash settlement depends on whether the entity has the ability and intent to settle in shares.	Like IFRS, classification of grants in which the entity has the choice of equity or cash settlement depends on whether it involves a constructive obligation for settlement in cash and cash equivalents.
Grants in which the employee has the choice of equity or cash settlement are accounted for as compound instruments. Therefore, the entity accounts for a liability component and an equity component separately.	Unlike IFRS, grants in which the employee has the choice of equity or cash settlement can be treated as a compound instrument or a cash-settled transaction.
Awards with graded vesting, for which the only vesting condition is service, are accounted for as separate share-based payment arrangements.	Like IFRS, Dutch GAAP does not contain stipulations about the accounting for awards with graded vesting for which the only condition is service. In our view, treatment comparable to IFRS 2 seems acceptable.
There is specific guidance on group share-based payment arrangements, which are accounted for in each group entity's financial statements based on their own perspectives.	Unlike IFRS, there is no specific guidance on group share-based payments. It is permitted not to apply RJ 275. In our view, treatment comparable to IFRS 2 would be also acceptable.
References: IFRS 2	**References:** RJ 275

5 Special topics

5.1 Leases

IFRS	Dutch GAAP
	Dutch GAAP allows the application of IFRS 16 instead of RJ 292, when it is applied integrally and consistently. Accordingly, no difference is expected.
The standard applies to leases of property, plant and equipment and other assets, with limited exclusions.	Like IFRS, the RJ 292 standard applies to leases of property, plant and equipment and other assets, with limited exclusions.
If an underlying asset of a lease would meet the definition of investment property, the right-of-use asset is accounted for in accordance with IAS 40. The lease liability is accounted for in accordance with IFRS 16.	Like IFRS, an entity applies the investment property standard RJ 213 to account for a right-of-use asset if the underlying asset would otherwise meet the definition of investment property.
	However, unlike IFRS, a right of use in a property that classifies as operating lease for a lessee (for example land in leasehold) can be recorded by the lessee as an investment property if and insofar this right of use regarding this property fulfils the definition of an investment property and the lessee applies the current value as the measurement basis. Accordingly, RJ 213 Investment property will apply.
A contract is or contains a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration.	Like IFRS, a contract is or contains a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration.
Lessees apply a single on-balance sheet lease accounting model, except for leases to which they elect to apply the recognition exemptions for short-term leases or leases of low-value assets.	Unlike IFRS, a lessee classifies a lease as either a finance lease or operating lease. The lease classification depends on whether substantially all of the risks and rewards incidental to ownership of a leased asset have been transferred from the lessor to the lessee.
Short-term leases and leases of a low-value asset are not required to be recognised on-balance by the lessee. The related lease-payments are recognised on a straight-line basis.	Unlike IFRS, there are no exemptions for short-term leases or leases of low-value assets.
In determining what lease payments should be included in the lease liability any renewal and termination options in the contract should be considered.	
A lessee recognises a right-of-use asset representing its right to use the underlying asset and a lease liability at the present value of the lease payments made during the lease term.	Unlike IFRS, a lessee recognises a lease asset and a lease liability under a finance lease at the lower of the underlying asset's fair-value or the present value of the lease payments made during the lease term.
	Unlike IFRS, any lease-payments under an operating lease are recognised as an expense on a straight-line basis over the lease term.
After initial recognition, a lessee measures the lease liability at amortised cost using the effective interest method. The lease liability is also remeasured to reflect lease modifications and changes in the lease payments, including changes caused by a change in an index or rate.	Like IFRS, after initial recognition, a lessee under a finance lease measures the lease liability at amortised cost using the effective interest method. Unlike IFRS, there is no specific guidance on lease modifications and remeasurement.
A lessee measures the right-of-use asset at cost less accumulated depreciation and accumulated impairment losses, except when it applies the alternative measurement models for revalued assets and investment property.	Like IFRS, a lessee measures the leased asset under a finance lease at cost less accumulated depreciation and accumulated impairment losses, except when it applies the alternative measurement models for revalued assets and investment property.
Lessors classify leases as either finance or operating leases.	Like IFRS, lessors classify leases as either a finance lease or operating lease.
Lease classification is made at inception of the lease and is reassessed only if there is a lease modification. The classification depends on whether substantially all of the risks and rewards incidental to ownership of the underlying asset have been transferred, based on the substance of the arrangement.	Like IFRS, the lease classification is made at inception of the lease and is not revised unless the lease agreement is modified. The lease classification depends on whether substantially all of the risks and rewards incidental to ownership of a leased asset have been transferred from the lessor to the lessee.
Under a finance lease, a lessor derecognises the underlying asset and recognises a finance lease receivable. A manufacturer or dealer lessor recognises the selling margin in a finance lease by applying its normal accounting policy for outright sales.	Like IFRS, under a finance lease, a lessor derecognises the underlying asset and recognises a finance lease receivable. A manufacturer or dealer lessor recognises the selling margin in a finance lease by applying its normal accounting policy for outright sales.
Under an operating lease, the lessor recognises the lease payments as income over the lease term, generally on a straight-line basis. The lessor recognises the underlying asset in its statement of financial position.	Like IFRS, under an operating lease, the lessor recognises the lease payments as income over the lease term, generally on a straight-line basis. The lessor recognises the underlying asset in its statement of financial position.
A 'lease modification' is a change in the scope of a lease, or the consideration for a lease, that was not part of the original terms and conditions of the lease – e.g. adding or terminating the right to use one or more underlying assets.	Unlike IFRS, there is no specific guidance under Dutch GAAP. From the general guidance it can be derived that if there is no change in lease classification the existing lease (accounting) will be continued. In our view, any modified cash flows would be accounted for as a change in accounting estimate and, therefore, recognised prospectively.

IFRS	Dutch GAAP
COVID -19 For annual period beginning on or after 1 June 2020, IFRS 16 is amended to provide an optional practical expedient to the lessees. It allows the lessees not to assess whether a rent concession that meets the following criteria is a lease modification if: • it is a direct consequence of COVID-19; • the revised lease consideration is substantially the same as, or less than, the original lease consideration; • any reduction in the lease payments applies to payments originally due on or before June 30, 2022; and • there is no substantive change to the other terms and conditions of the lease.	**COVID -19** Like IFRS, for annual period beginning on or after 1 January 2020, DASB issued a RJ statement that provides guidance on how to account for temporary reductions in lease payments agreed between the lessor and lessee as a consequence of COVID-19. The RJ statement allows: • lessees to account for the reduction in all operating and finance leases in the period to which it relates; • lessors with operating leases to account for the reduction in the period to which it relates; • lessors with finance leases to account for the reduction of the lease receivable either immediately or over the period it relates in the income statement.
A lessee accounts for rent concessions that meet all of the (above) conditions in the same way as it would apply IFRS 16 if the change were not a lease modification.	These options are only available for lease payments due until 30 June 2022.
In a sale-and-leaseback transaction, the seller-lessee first determines if the buyer-lessor obtains control of the asset based on the revenue standard (see 4.1). Then the analysis on the recognition of the immediate gain can be made. If not, then the transaction is accounted for as a financing arrangement.	Unlike IFRS, immediate gain recognition from the sale and leaseback of an asset is dependent upon whether the leaseback is classified as finance or an operating lease and, if the leaseback is an operating lease, whether the sale takes place at fair value ('true sale').
If the transaction qualifies for sale accounting then: • the buyer-lessor recognises the underlying asset and applies the lessor accounting model to the leaseback; and • the seller-lessee derecognises the underlying assets and applies the lessee accounting model to the leaseback.	
The seller-lessee measures the right-of-use asset at the related portion of the previous carrying amount (i.e. at cost). It recognises only the amount of any gain or loss related to the rights transferred to the lessor-buyer.	
In a sub-lease, the original lessee / intermediate lessor accounts for the head lease and the sub-lease as two separate contracts. An intermediate lessor classifies a sub-lease as a finance or as an operating lease with reference to the right-of-use asset arising from the head lease.	Like IFRS, in a sub-lease, the original lessee / intermediate lessor accounts for the head and the sub-lease as two separate contracts. Unlike IFRS, there is no specific guidance whether the sub-lessor should assess the lease classification by reference to the underlying asset or the lease-asset.
References: IFRS 16	**References:** RJ 115, RJ 292, RJ-Uiting 2020-12, 2021-9

5.2 Operating segments

IFRS	Dutch GAAP
Segment disclosures are required by entities whose debt or equity instruments are traded in a public market or that file, or are in the process of filing, their financial statements with a securities commission or other regulatory organisation for the purpose of issuing any class of instruments in a public market.	The legal provisions in Title 9 concerning segment information are limited to (a) the net turnover and (b) the (average) number of employees. The legal requirements under (b) shall apply to all companies. The requirements under (a) shall exclusively apply to large, non-listed companies and shall be provided by line of business and individual geographical area as numerical information. The amounts shall reconcile with the revenue in the income statement. Companies may choose to exclusively provide the legally required segment information. RJ 350 has further provisions relating to additional segment information (in comparison with the law) that are recommended if the company (on a voluntary basis) discloses additional segment information in its financial statements.
Segment disclosures are provided about the components of the entity that management monitors in making decisions about operating matters (the 'management approach'). An 'operating segment' is a component of an entity: • that engages in business activities from which it may earn revenues and incur expenses; • whose operating results are reviewed regularly by the CODM; and • for which discrete information is available. Such components (operating segments) are identified on the basis of internal reports that the entity's chief operating decision maker (CODM) regularly reviews in allocating resources to segments and in assessing their performance. The aggregation of operating segments is permitted only when the segments have 'similar' economic characteristics and meet a number of other specified criteria. Reportable segments are identified based on quantitative thresholds of revenue, profit or loss, or total assets. The amounts disclosed for each reportable segment are the measures reported to the CODM, which are not necessarily based on the same accounting policies as the amounts recognised in the financial statements. As part of the disclosure, an entity reports a measure of profit or loss for each reportable segment and, if reported to the CODM, a measure of the total assets and liabilities for each reportable segment.	The RJ 350 provisions concerning additional segment information are derived from IFRS 8 Operating Segments. Additional segment information disclosed in the financial statements shall be derived from the internal information regarding 'operating segments' presented to the management board.

Disclosures are required for additions to non-current assets, with certain exceptions. Reconciliations between total amounts for all reportable segments and financial statement amounts are disclosed with a description of reconciling items. General and entity-wide disclosures include information about products and services, geographical areas, major customers and factors used to identify an entity's reportable segments and the judgments made by management in applying the aggregation criteria. Such disclosures are required even if an entity has only one segment. Comparative information is normally revised for changes in reportable segments.	
References: IFRS 8	**References:** CC, RJ 350

5.3 Earnings per share

IFRS	Dutch GAAP
Basic and diluted earnings per share (EPS) are presented by entities whose ordinary shares or potential ordinary shares are traded in a public market or that file, or are in the process of filing, their financial statements for the purpose of issuing any class of ordinary shares in a public market.	Unlike IFRS, presentation of basic and diluted earnings per share (EPS) is not required for entities applying Dutch GAAP. The following EPS disclosures apply to entities that present EPS information on a voluntary basis.
Basic and diluted EPS for both continuing operations and profit or loss are presented in the statement of profit or loss and OCI, with equal prominence for each class of ordinary shares that has a differing right to share in the profit or loss for the period.	Like IFRS, basic and diluted EPS are presented on the face of the income statement with equal prominence. However, unlike IFRS, there is no requirement to present EPS for continuing and discontinuing operations separately, or to disclose EPS for each class of ordinary share.
Separate EPS information is disclosed for discontinued operations, either in the statement of comprehensive income or in the notes to the financial statements.	Unlike IFRS, there is no requirement to present EPS for discontinued operations.
Basic EPS is calculated by dividing the profit or loss attributable to holders of ordinary equity of the parent by the weighted average number of ordinary shares outstanding during the period.	Like IFRS, basic EPS is calculated by dividing the earnings attributable to holders of ordinary equity of the parent by the weighted average number of ordinary shares outstanding during the period.
To calculate diluted EPS, profit or loss attributable to ordinary equity holders and the weighted-average number of shares outstanding are adjusted for the effects of all dilutive potential ordinary shares.	Like IFRS, to calculate diluted EPS, profit or loss attributable to ordinary equity holders and the weighted number of shares outstanding are adjusted for the effects of all dilutive potential ordinary shares.
Potential ordinary shares are considered dilutive only if they decrease EPS or increase loss per share from continuing operations. In determining whether potential ordinary shares are dilutive or anti-dilutive, each issue or series of potential ordinary shares is considered separately, rather than in aggregate.	Unlike IFRS, potential ordinary shares are considered dilutive only if they decrease EPS or increase loss per share from ordinary activities (including discontinued operations). Like IFRS, in determining whether potential ordinary shares are dilutive or anti-dilutive, each issue or series of potential ordinary shares is considered separately, rather than in aggregate.
Contingently issuable ordinary shares are included in basic EPS from the date on which all necessary conditions are satisfied. When they are not yet satisfied, such shares are included in diluted EPS based on the number of shares that would be issuable if the reporting date were the end of the contingency period.	Like IFRS, contingently issuable ordinary shares are included in basic EPS from the date when all necessary conditions are satisfied, and, when not yet satisfied, in diluted EPS to the extent that the conditions are met at the reporting date.
If a contract may be settled in either cash or shares at the entity's option, then the presumption is that it will be settled in ordinary shares and the resulting potential ordinary shares are used to calculate diluted EPS.	Like IFRS, when a contract may be settled in either cash or shares at the entity's option it is treated as a potential ordinary share.
If a contract may be settled in either cash or shares at the holder's option, then the more dilutive of cash and share settlement is used to calculate diluted EPS.	Unlike IFRS, if a contract may be settled in either shares or another form at the holder's option, then, regardless of the option, the maximum number of shares to be issued is regarded as potential ordinary shares to calculate diluted EPS.
For diluted EPS, diluted potential ordinary shares are determined independently for each period presented.	Unlike IFRS, no guidance is provided on the determination of the number of dilutive potential ordinary shares for each period presented.

IFRS has provisions on how to treat potentially dilutive effects on rights issued by a group company, joint venture or associate that can be converted into shares of the parent. Furthermore, there are provisions regarding the way the calculation of diluted earnings per share shall treat employee options.	Unlike IFRS, there are no such provisions for a group company, joint venture or associate or for treatment of employee options.
When the number of ordinary shares outstanding changes, without a corresponding change in resources, the weighted average number of ordinary shares outstanding during all periods presented is adjusted retrospectively for both basic and diluted EPS.	Like IFRS, when the number of ordinary shares outstanding changes, without a corresponding change in resources, the weighted average number of ordinary shares outstanding during all periods presented is adjusted.
Adjusted basic and diluted EPS based on alternative earnings measures may be disclosed and explained in the notes to the financial statements.	Like IFRS, adjusted basic and diluted EPS based on alternative earnings measures may be disclosed and explained in the notes to the financial statements.
References: IAS 33	**References:** CC, RJ 340

5.4 Non-current assets held for sale and discontinuing operations

IFRS	Dutch GAAP
Non-current assets and some groups of assets and liabilities ('disposal groups') are classified as held for sale when their carrying amounts will be recovered principally through sale and specific criteria are met.	Unlike IFRS, there is no accounting concept of non-current assets or disposal groups held for sale or held for distribution.
Non-current assets and some groups of assets and liabilities ('disposal groups') are classified as held for distribution when the entity is committed to distributing the asset or disposal group to its owners.	Such assets, and related liabilities, are accounted for under the regular measurement requirements for those items, as Dutch GAAP has no specific rules for 'held for sale' criteria like IFRS.
Non-current assets and disposal groups held for sale are measured at the lower of their carrying amount and fair value less costs to sell and are presented separately in the statement of financial position. Assets held for sale or distribution are not amortised or depreciated.	Unlike IFRS, assets held for sale or distribution continue to be amortised or depreciated. Only intangible fixed assets that are retired from active use and are held for disposal do not need to be amortised any further. Instead, these assets should be tested for impairment, at least, at each balance sheet date.
The classification, presentation and measurement requirements that apply to items that are classified as held for sale are also applicable to a non-current asset or disposal group that is classified as held-for distribution. The comparative statement of financial position is not re-presented when a non-current asset or disposal group is classified as held-for-sale.	Unlike IFRS, there is no accounting concept of non-current assets or disposal groups held for sale or held for distribution. Such assets, and related liabilities, are presented in accordance with the regular presentation requirements for assets and liabilities.
The presentation of an operation as a discontinued operation is limited to a component of an entity that either has been disposed of, or is classified as held-for-sale, and: a. represents a separate major line of business or geographic area of operations; b. is part of a coordinated single plan to dispose of a separate major line of business or geographic area of operations; or c. is a subsidiary acquired exclusively with a view to resale.	Unlike IFRS, a discontinued operation is an operation not being continued in the long term and this is defined as a component of an entity that: a. as a result of a set plan, the entity will: - dispose of in full or virtually in full, for example as a result of a single sales transaction, a demerger or transfer of ownership, or - dispose of in sections, for example, by the sale of individual assets or the settlement of individual liabilities of the component, or - wind up or close; b. represents a separate major line of business or that supplies goods or services in a separate major geographical area or to a separate major group of customers; and c. can be clearly distinguished operationally and for financial reporting purposes.
There is a 'discontinued operation' at the moment on which the business operation is divested or meets all 'held for sale' criteria. These criteria are: • The business operation shall be available for immediate sale in its present condition, taking into account the 'normal' conditions for such sales. • The sale shall have a high degree of probability. This means that there must be a sale plan that the management is committed to, that a buyer shall be actively sought, and that the sale price shall be reasonable in comparison to the current fair value of the business operation to be divested. • Based on the actions to be carried out, it is unlikely that significant changes will be made to the sale plan. • The sale shall be expected to be completed within one year.	Unlike IFRS, an operation is discontinued when the earlier of the following events occurs: (i) the entity has entered into a binding sale agreement; or (ii) the entity's governing body has both approved a detailed, formal plan for discontinuance and has made an announcement of that plan.
Discontinued operations are presented separately in the statement of profit or loss and OCI, and related cash flow information is disclosed.	Like IFRS, the results of discontinued operations are presented separately on the face of the income statement, and related cash flow information is disclosed. However, unlike IFRS, an analysis of the results and cash flows is presented either on the face of the income statement and the cash flow statement or in the notes to the financial statements.
Group companies that were exclusively acquired with a view to subsequent disposal or held for sale in the near future, will be consolidated. They are classified as held for sale if they meet the relevant criteria.	Like IFRS, a subsidiary acquired exclusively with a view to resale is only classified as held for sale if they meet the relevant criteria. Article 407.1 of DCC, offers a consolidation exemption when certain additional criteria are met.
The comparative statement of profit or loss and OCI and cash flow information is re-presented for discontinued operations.	Like IFRS, comparative information is re-presented for discontinued operations.
References: IFRS 5, IFRIC 17	**References:** RJ 121, RJ 210, RJ 212, RJ 345

5.5 Related party disclosures

IFRS	Dutch GAAP
Related party relationships are those involving control (direct or indirect), joint control or significant influence. Investments involving joint control or significant influence also create related party relationships.	Like IFRS, related party relationships include those between entities when direct or indirect control exists, for example, subsidiaries, parents and entities under common control. Investments involving joint control or significant influence also create related party relationships.
Key management personnel and their close family members are parties related to an entity.	Like IFRS, key management, including directors and their close family members, also are related parties.
Key management personnel are those persons who have the authority and responsibility for planning, directing and controlling the activities of the entity (directly or indirectly). The definition of key management personnel includes directors (both executive and non-executive).	Unlike IFRS, key management personnel are limited to 'bestuurders en commissarissen' (statutory management board members and supervisory board members).
There are no special recognition or measurement requirements for related party transactions.	Like IFRS, there are no special recognition or measurement requirements for related party transactions.
Comprehensive disclosures of related party transactions are required for each category of related party relationship.	Unlike IFRS, comprehensive disclosures of related party transactions are (only) required for significant (material) related party transactions that have not taken place under normal market conditions; for other related party transactions the disclosures are recommended.
The disclosure of related party relationships between parent and its subsidiaries is required, even if there have been no transactions between them. No disclosure is required in the consolidated financial statements of intragroup transactions eliminated in preparing those statements.	Unlike IFRS, disclosure of related party relationships between parents and subsidiaries is only required if there have been (material) transactions between them that have not been executed under normal market conditions. Like IFRS, no disclosure is required in the consolidated financial statements of intragroup transactions eliminated in preparing those statements.
Key management personnel compensation is disclosed in total and is analysed by component.	Like IFRS, key management personnel compensation is disclosed in total and analysed by component. However, unlike IFRS, such disclosure is only required if the compensation is not set under normal market conditions. Unlike IFRS, in addition to the disclosure on key management personnel, a separate disclosure is required on the remuneration of members of the statutory board of directors and the statutory supervisory board. The detailed disclosure requirements differ for open public limited liability companies ('open NVs') and other companies: (i) Open public limited liability companies must disclose total compensation for each individual board member (both directors and supervisors), split into four components (only for directors). (ii) Other companies must disclose the total amount of compensation (not per component and not per individual board member), unless it can be traced back to one single natural person. Unlike IFRS, the compensation should be disclosed separately for directors and supervisory directors, whereby it is preferred to make a distinction between current and former (supervisory) directors.
In certain cases, government-related entities are allowed to provide less detailed disclosures of related party transactions.	Unlike IFRS, there is no partial disclosure exemption for government-related entities.
References: IAS 24	**References:** CC, RJ 330, RJ 260, RJ 271

5.6 Accompanying financial and other information

IFRS	Dutch GAAP
IFRS do not require supplementary financial and operational information to be presented. An entity considers its particular legal or regulatory requirements in assessing what information is disclosed in addition to that required by IFRS. IFRS do not contain any requirements for a management discussion and analysis (MD&A), either as part of the financial statements or outside the financial statements. IFRS practice statement *Management Commentary* provides a broad, no-binding framework for the presentation of management commentary.	Unlike IFRS, under Dutch GAAP several legal rules require the disclosure of information in addition to the financial statements, such as a management report, containing as a minimum, amongst other things, information about: • the objective of the company, whether or not set out in a 'mission statement'; • a description of the (core) activities of the company, with information concerning the main products, services, geographical areas and any categories of customers and suppliers; • the legal structure, including the group structure and the applicability of the two-tier regime; • the internal organisational structure and staffing; • the significant elements of the policies carried out; • the financial position at balance sheet date; • the developments during the past year; • the main risks and uncertainties the company has faced during past year; • measures management has taken in relation to the risks and uncertainties and the potential impact of these risks and uncertainties; • financial and non-financial performance indicators. • research and development activities; • business outlook; • the effect on the projections of unusual events, which need not be reflected in the annual accounts; • the objectives and policy of the legal person concerning risk management (e.g. hedging); • price, credit, liquidity and cash flow risks incurred; • diversity policy with regard to composition of management board and supervisory board; • information about the applicable code of conducts.

	Further, the law requires the inclusion of 'Overige gegevens' ('Other information') in the annual report. This paragraph should contain: • the auditor's report, or a statement as to the reason for its absence; • a list of names of the persons having special rights of control in relation to the legal person under the articles of association, particulars of the nature of such rights, unless such information is provided in the directors' report; • a list of existing branch establishments, the countries where there are branch establishments and the names under which they trade if different from that of the legal person. Entities may (voluntary) provide an overview of key figures, ratios and multiple year figures. If provided, these figures should be derived from the financial statements and should be consistent from year to year. Companies shall include information on environmental issues in the management report that is meaningful and comparable for users. This concerns information on the consequences of environmental risks and obligations for the financial position of the company, about the company's attitude towards the environment and the company's environmental performance to the extent that they have consequences for the financial position of the company.
An entity considers its particular legal or securities exchange listing requirements in assessing what information is included in addition to that required under IFRS.	The law contains special rules for listed entities, containing requirements on the frequency of providing financial information and the content of such information. For example, in addition to the financial statements and directors' report, compliance statements should be disclosed. In addition, a supervisory report is required for entities within scope of the Dutch Corporate governance code.
The presentation of alternative earnings measures is not prohibited, either in the statement of profit or loss and OCI or in the notes to the financial statements.	Like IFRS, non-GAAP measure is not prohibited but they must be clearly described and disclosed and, as far as possible, a numerical reconciliation must be provided, so that such measure is understandable. However, unlike IFRS, it is explicitly stated that non-GAAP measure must not be presented with more prominence than GAAP measure.
References: IAS 1, IFRS Practice Statement Management Commentary	**References:** CC, RJ 400, RJ 405, RJ 410, RJ 420, RJ 430, RJ 2017-15

5.7 Interim financial reporting

IFRS	Dutch GAAP
Generally, listed entities are advised to prepare interim reports. If a company prepares an interim report in accordance with IAS 34, IFRS requires that disclosure of compliance with IAS 34 or IFRS must be included.	Among other things, the Wft requires that the half-year financial statements shall be prepared in compliance with the provisions of IAS 34, Interim Financial Reporting, if the listed company is required to prepare consolidated financial statements and, therefore, falls within the scope of the IAS regulation. Specific provisions for listed companies that are not required to prepare consolidated financial statements are set out in the Wft and the Decree Transparency of Issuing Institutions Wft ('transparency decree'). These provisions are of a fairly general nature. Therefore, when preparing the half year financial statements, RJ 394 can be used as a reference. For non-listed companies, there is no legal obligation to prepare and publish interim financial information. However, if non-listed companies choose to prepare an interim report on a voluntary basis in accordance with the RJ, they shall apply RJ 394 Interim reports.
Interim financial statements contain either a complete or a condensed set of financial statements for a period shorter than a financial year.	Like IFRS, interim financial statements contain either a complete or a condensed set of financial statements for a period shorter than a financial year.
Condensed interim financial statements contain, as a minimum, a condensed statement of financial position, a condensed statement of profit or loss and other comprehensive income (presented either as a condensed single statement, or a condensed statement of profit or loss and a separate condensed statement of other comprehensive income), a condensed statement of changes in equity, a condensed statement of cash flows and selected explanatory notes.	Like IFRS, condensed interim financial statements contain, as a minimum, condensed balance sheets, condensed income statements, condensed cash flow statements, condensed statements of changes in equity and selected explanatory notes.
Items, other than income tax, generally are recognised and measured as if the interim period were a discrete stand-alone period.	Like IFRS, items, other than income tax, generally are recognised and measured as if the interim period were a discrete stand-alone period.
Income tax expense for an interim period is based on an estimated average annual effective income tax rate.	Like IFRS, income tax expense for an interim period is based on an estimated average annual effective income tax rate.
Generally, the accounting policies applied in the interim financial statements are those that will be applied in the next annual financial statements.	Like IFRS, normally the accounting policies applied in the interim financial statements are those that will be applied in the next annual financial statements.

An entity discloses in its interim financial statements the following information about revenue from contracts with customers: • A disaggregation into categories that depicts how the nature, amount, timing and uncertainty of revenue and cash flows are affected by economic factors. • Sufficient information about the relationship between the disclosure of disaggregated revenue and revenue information that is disclosed for each reportable segment (if the entity applies the standard on operating segments). Other annual disclosures about revenue are typically not required for interim financial reporting.	Unlike IFRS, there is no such specific requirement.
An entity is prohibited from reversing an impairment loss recognised in a previous interim period in respect of goodwill.	Unlike IFRS, there is no specific guidance on the reversal of an impairment loss recognised in a previous interim period in respect of goodwill.
References: IAS 34, IFRIC 10	**References:** RJ 394

5.8 Insurance contracts

IFRS	Dutch GAAP
This chapter includes only current effective requirements. IFRS 4 will be replaced by IFRS 17, which introduces a new measurement model for insurance contracts and becomes effective in 2023.	Unlike IFRS, currently no such forthcoming requirement.
The insurance contract standard applies to all insurance contracts that an entity issues and reinsurance contracts that it holds, regardless of the type of entity that issued the contract. An 'insurance contract' is a contract that transfers significant insurance risk. IFRS specify some accounting requirements for most insurance contract liabilities, but do not establish a special accounting regime for insurance entities.	Unlike IFRS, there is a special accounting regime for insurance and reinsurance entities, rather than only for insurance contracts. Consequently, there are specific recognition, measurement, presentation and disclosure requirements for the financial statements of insurance entities as a whole.
Generally, entities that issue insurance contracts are required to continue their existing accounting policies with respect to insurance contracts, except when the standard requires or permits changes in accounting policies.	Unlike IFRS, the definition of an insurance contract is based on its legal form. The transfer of significant insurance risk is also under Dutch GAAP a relevant aspect in this respect.
A financial instrument that does not meet the definition of an insurance contract (including investments held to back insurance liabilities) is accounted for under the general recognition and measurement requirements for financial instruments.	Unlike IFRS, a financial instrument is accounted for as an insurance contract, including investments held to back insurance liabilities, if it is part of an insurance contract at law. If a contract meets the legal requirements of an insurance contract, but the contract is linked with financial instruments, then there is a specific treatment of such investments (that can be separately accounted for as 'for risk of policyholder'). This requires a separate presentation in the statement of the finance position.
Changes in existing accounting policies for insurance contracts are permitted only if the new policy, or a combination of new policies, results in information that is more relevant or reliable or both, without reducing either relevance or reliability.	Under Dutch GAAP, the general rules for changes in accounting policies apply. No specific guidance is available for insurance companies.
Financial instruments that include 'discretionary participation features' may be accounted for as insurance contracts.	Unlike IFRS, financial instruments that include discretionary participation features are treated as insurance contracts only if the definition of an insurance contract is met.
In some cases, a deposit element is 'unbundled' (separated) from an insurance contract and accounted for as a financial instrument.	Unlike IFRS, a deposit element is not required to be unbundled from an insurance contract.
Some derivatives that are embedded in insurance contracts should be separated from their host insurance contract and accounted for as if they were stand-alone derivatives.	Unlike IFRS, derivatives embedded in insurance contracts are not required to be separated from their host insurance contract and accounted for as if they were stand-alone derivatives.
The recognition of catastrophe and equalisation provisions is prohibited for contracts not in existence at the reporting date.	Unlike IFRS, equalisation provisions must be recognised by credit insurance entities. Catastrophe provisions are allowed for existing contracts.
A liability adequacy test is required to ensure that the measurement of an entity's insurance liabilities considers all contractual cash flows, using current estimates.	Like IFRS, a liability adequacy test is required for insurance companies.
The application of 'shadow accounting' for insurance liabilities is permitted for consistency with the treatment of unrealised gains or losses on assets.	Like IFRS, there is guidance in respect of 'shadow accounting' (RJ605.512).
An expanded presentation of the fair value of insurance contracts acquired in a business combination or portfolio transfer is obliged.	
References: IFRS 4	**References:** RJ 605

5.9 Extractive activities

IFRS	Dutch GAAP
IFRS provide specialised extractive industry guidance only in respect of expenditures incurred on exploration for and evaluation of (E&E) mineral resources after obtaining a legal right to explore and before achieving technical and feasibility and commercial viability.	Unlike IFRS, no specific guidance is provided for exploration and evaluation expenditure (E&E), and the general standards apply.
There is no industry-specific guidance on the recognition or measurement of pre-exploration expenditure or development expenditure. Pre-E&E expenditure is generally expensed as it is incurred.	Like IFRS, there is no industry-specific guidance on the recognition or measurement of pre-exploration expenditure or development expenditure. Pre-E&E expenditure is generally expensed as it is incurred.
Entities identify and account for pre-exploration expenditure, E&E expenditure and development expenditure separately.	Like IFRS, different kinds of expenditures may be identified and accounted for differently.
Each type of E&E costs can be expensed as incurred or capitalised, in accordance with the entity's selected accounting policy.	Unlike IFRS, E&E costs can be capitalised only if they meet the criteria for development costs.
Capitalised E&E costs must be segregated and classified as either tangible or intangible assets, according to their nature.	Like IFRS, capitalised E&E costs must be segregated and classified as either tangible or intangible assets, according to their nature.
The test for recoverability of E&E assets can combine several cash generating units, as long as the combination is not larger than an operating segment.	Unlike IFRS, the general requirements for determining a cash generating unit (CGU) apply and CGUs cannot be combined.
Stripping costs incurred during the production phase of surface mining are included in the cost of inventory extracted during the period, if appropriate, or are capitalised as a non-current asset if they improve access to the ore body.	Unlike IFRS, there is no specific guidance on stripping costs for surface mining. General standards need to be applied.
References: IFRS 6, IFRIC 20	**References:** RJ 210, RJ 212, RJ 121

5.10 Service concession arrangements

IFRS	Dutch GAAP
The interpretation on service concession arrangements provides guidance on the accounting by private sector entities (operators) for public-to-private service concession arrangements. The guidance applies only to service concession arrangements in which the public sector (the grantor) controls or regulates: • the services provided with the infrastructure; • to whom the operator should provide the services; • the price charged of end users; and • any significant residual interest in the infrastructure.	Like IFRS, the interpretation on service concession arrangements provides guidance on the accounting by private sector entities (operators) for public-to-private service concession arrangements. The guidance applies only to service concessions arrangements in which the public sector (the grantor) controls or regulates: • the services provided with the infrastructure; • to whom the operator should provide the services; • the price charged of end users; and • any significant residual interest in the infrastructure.
Legal ownership of the infrastructure during the term of the arrangement is not relevant in determining whether an arrangement is in the scope of the interpretation on service concession arrangements.	Like IFRS, legal ownership of the infrastructure during the term of the arrangement is not relevant in determining whether an arrangement is in the scope of the interpretation on service concession arrangements.
For service concession arrangements in the scope of the guidance, the operator does not recognise public service infrastructure as its property, plant and equipment if the infrastructure is existing infrastructure of the grantor, or if the infrastructure is built or acquired by the operator as part of the service concession arrangement.	Like IFRS, the infrastructure as part of the service concession arrangements is not recognised as property, plant and equipment.
If the grantor provides other items to the operator that the operator may retain or sell at its discretion and those items form part of the consideration for the services provided, then the operator accounts for the items as part of the transaction price as defined in the revenue standard (see 4.1).	Like IFRS, If the grantor provides other items to the operator that the operator may retain or sell at its discretion and those items form part of the consideration for the services provided, then the operator accounts for the items as part of the transaction price as defined in the revenue standard (see 4.1).
The operator recognises and measures revenue for providing construction or upgrade services, and revenue for other services, in accordance with the revenue standard (see 4.1).	Like IFRS, the operator recognises and measures revenue for providing construction or upgrade services, and revenue for other services, in accordance with applicable revenue recognition standard.
The operator recognises a contract asset from the grantor for construction or upgrade services, including upgrades of existing infrastructure, as a financial asset and/or an intangible asset.	Like IFRS, the operator recognises consideration receivable (contract asset) from the grantor for construction or upgrade services, including upgrades of existing infrastructure, as a financial asset and/or an intangible asset.
The operator recognises a financial asset to the extent that it has an unconditional right to receive cash (or another financial asset), irrespective of the use of the infrastructure.	Like IFRS, the operator recognises a financial asset to the extent that it has an unconditional right to receive cash (or another financial asset), irrespective of the use of the infrastructure.
The operator recognises an intangible asset to the extent that it has a right to charge for use of the infrastructure.	Like IFRS, the operator recognises an intangible asset to the extent that it has a right to charge for use of the infrastructure.

Any financial asset recognised is accounted for in accordance with the financial instruments standard (see 6), and any intangible asset in accordance with the intangible assets standard (see 3.2). There are no exemptions for these standards for operators.	Like IFRS, any financial asset recognised is accounted for in accordance with the relevant financial instruments standards, and any intangible asset in accordance with the intangible assets standard. There are no exemptions for these standards for operators.
The operator recognises and measures obligations to maintain or restore infrastructure, except for any construction or upgrade element, in accordance with the provisions standard.	Like IFRS, the operator recognises and measures obligations to maintain or restore infrastructure, except for any construction or upgrade element, in accordance with the provisions standard.
The operator generally capitalises attributable borrowing costs incurred during the construction or upgrade periods to the extent that it has a right to receive an intangible asset. Otherwise, the operator expenses borrowing costs as they are incurred.	Like IFRS, the operator generally capitalises attributable borrowing costs incurred during the construction or upgrade periods to the extent that it has a right to receive an intangible asset. Otherwise, the operator expenses borrowing costs as they are incurred.
References: IFRIC 12, SIC 29, IFRS 15s	**References:** RJ 221, RJ 390

5.11 Borrowing costs

IFRS	Dutch GAAP
Borrowing costs that are directly attributable to the acquisition, construction or production of a qualifying asset generally form part of the cost of that asset. Other borrowing costs are recognised as an expense.	Unlike IFRS, borrowing costs that are directly attributable to the acquisition, construction or production of a qualifying asset as part of the cost of that asset could be capitalised, but it is not required (i.e., an accounting policy choice). Borrowing costs that are not capitalised are expensed.
A 'qualifying asset' is one that necessarily takes a substantial period of time to be made ready for its intended use or sale. Financial assets, inventories that are manufactured or otherwise produced over a short period of time and contract assets that represent a conditional right to a financial asset, as well as investments (including in our view, investments in subsidiaries and equity-accounted investees), are not qualifying assets. Property, plant and equipment, internally developed intangible assets and investment property can be qualifying assets.	The concept of a 'qualifying asset' is similar to IFRS.
Borrowing costs may include interest calculated using the effective interest method, certain finance charges and certain foreign exchange differences.	Like IFRS, borrowing costs may include interest calculated using the effective interest method, certain finance charges and certain foreign exchange differences.
References: IAS 23	**References:** RJ 273

6 Financial Instruments

6.0 IFRS 9 - Introduction

Requirements of IFRS 9 Financial Instruments and the related version of IFRS 7 Financial Instruments: Disclosures, which are effective should be applied by all entities. However, an option to apply IAS 39 rather than IFRS 9 is available to an insurer for annual periods beginning before 1 January 2023 as long as IFRS 17 Insurance Contracts has not been early adopted.

In addition, an entity on adopting IFRS 9 can choose to continue to apply the hedge accounting requirements in IAS 39 either:

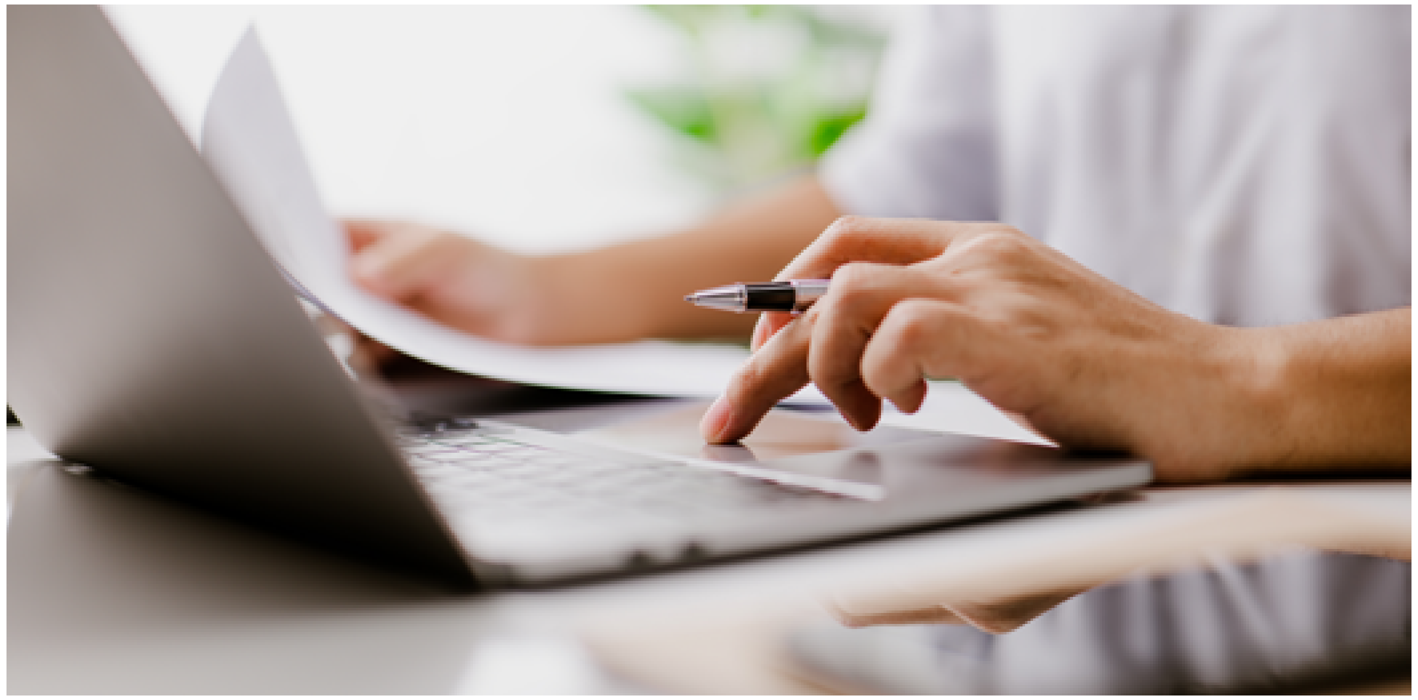
- in their entirety instead of those in IFRS 9 until a new standard resulting from the IASB's ongoing project on accounting for dynamic risk management becomes effective; or
- for a fair value hedge of the interest rate exposure of a portfolio of financial assets or financial liabilities.

Note: An entity that chooses to continue to apply the hedge accounting requirements in IAS 39 is subject to the hedge accounting disclosure requirements in IFRS 7, as updated by IFRS 9.

6.1 Financial Instrument - Scope and definitions

IFRS	Dutch GAAP
A 'financial instrument' is any contract that gives rise to both a financial asset of one entity and a financial liability or equity instrument of another entity.	Like IFRS, Dutch GAAP defines a financial instrument as any contract that gives rise to both a financial asset of one entity and a financial liability of another entity.
Financial instruments include a broad range of financial assets and financial liabilities. They include both primary financial instruments (such as cash, receivables, debt, shares in another entity) and derivative financial instruments (e.g. options, forwards, futures, interest rate swaps, currency swaps).	Like IFRS, Dutch GAAP includes a similar range of financial assets and financial liabilities.
The standards of financial instruments apply to all financial instruments, except for those specifically excluded from their scope. Financial instruments subject to scope exclusions include certain loan commitments and financial guarantee contracts, as well as financial instruments in the scope of other specific standards – e.g. investments in subsidiaries and associates, leases, insurance contracts and employee benefits. However, certain investments in subsidiaries, associates and joint ventures are in the scope of the financial instruments standards.	Dutch GAAP, while similar to IFRS, also explicitly scopes out the following: • Financial guarantees, except for financial guarantee contracts that may result in payments based on changes of an underlying like commodity price interest index or currency • Contracts with payments based on climatic, geological or other physical variables • Contingent assets or liabilities related to a business combination • Certain commodity contracts (own use/executory contracts).

Certain items are specifically included in (partial) scope: • Loan commitments for derecognition and impairment • Contract assets resulting from revenue contracts for impairment • Certain financial guarantees for impairment • Lease receivables for impairment	Like IFRS, Dutch GAAP requires a bad debt provision for: • lease receivables • debit balances under construction projects or agreements for the sale of goods or delivery of services Unlike IFRS, Dutch GAAP specifically includes rights and obligations arising from insurance contracts, which primarily transfer financial risks instead of insurance risks and these contracts meet the definition of a financial asset, a financial liability or a derivative.
A financial guarantee contract is a contract that requires the issuer to make specified payments to reimburse the holder for a loss that it incurs because a specified debtor fails to make payment when it is due. Certain financial guarantee contracts are in the scope of IFRS 9, the financial instruments standard.	Unlike IFRS, financial guarantee contracts where the issuer is obliged to make specific payments to reimburse the holder for a loss it incurs because a specific debtor does not fulfil its payment obligation, are not in scope of the financial instruments standard.
A loan commitment is a firm commitment to provide credit under pre-specified terms and conditions. Loan commitments are fully or partially in the scope of the financial instruments standard.	Unlike IFRS, commitments to provide loans if and insofar as those commitments cannot be settled on a net basis or measured at fair value are not in scope. The disclosure requirements of RJ 290 do, however, apply to these commitments.
A contract to buy or sell a non-financial item may be required to be accounted for as a derivative, even though the contract itself is not a financial instrument.	Like IFRS, a contract to buy or sell a non-financial item may be required to be accounted for as a derivative, even though the contract itself is not a financial instrument.
References: IAS 32, IFRS 7, IFRS 9, IFRS 3	**References:** DCC, RJ 290



6.2 Derivatives and embedded derivatives

IFRS	Dutch GAAP
A 'derivative' is a financial instrument or other contract within the scope of the financial instruments standards that has all of the following features: • Its value changes in response to some underlying variable (e.g. an interest rate), provided that in the case of a non-financial variable it is not specific to a party to the contract. • It has an initial net investment smaller than would be required for other instruments that have a similar response to changes in market factors. • It will be settled at a future date.	The definition of a 'derivative' is similar to IFRS.
An 'embedded derivative' is a component of a hybrid contract that affects the cash flows of the hybrid contract in a manner similar to a stand-alone derivative instrument.	The definition of an 'embedded derivative' is similar to IFRS.
A hybrid instrument also includes a non-derivative host contract that may be a financial or a non-financial contract. The requirements on separation of embedded derivatives do not apply when the host contract is a financial asset in the scope of IFRS 9, the financial instruments standard. Instead, the hybrid financial instrument is assessed as a whole for classification under IFRS 9. An embedded derivative is accounted for separately from the host contract if it is not closely related to the host contract if a separate instrument with the same terms as the embedded derivative would meet the definition of a derivative and if the entire contract is not measured at FVTPL. In other cases, an embedded derivative is not accounted for separately as a derivative.	Like IFRS, an embedded derivative is accounted for separately from the host contract if it is not closely related to the host contract, if a separate instrument with the same terms as the embedded derivative would meet the definition of a derivative and if the entire contract is not measured at FVTPL. Unlike IFRS, an embedded derivative is always accounted from the host contract as a separate derivative if the separation criteria are met. This also thus applies for host contracts that are financial assets.
References: IAS 32, IFRS 9, IFRIC 9	**References:** RJ 290

6.3 Equity and financial liabilities

IFRS	Dutch GAAP
An instrument, or its components, is classified on initial recognition as a financial liability, a financial asset or an equity instrument in accordance with the substance of the contractual arrangement and the definitions of a financial liability, a financial asset and an equity instrument.	Like IFRS, financial instruments are classified in the consolidated financial statements as equity or liabilities in accordance with their economic substance. Unlike IFRS, for the separate financial statements, an accounting policy choice exists to classify financial instruments based on its legal form or on its economic substance. If the legal form is followed, the total of the financial instruments that would be classified as debt on the basis of the economic substance shall be presented separately within equity and the relevant conditions shall be disclosed. The text, hereafter, describes the accounting requirements in the consolidated financial statements.
A financial instrument is a financial liability if it contains a contractual obligation to transfer cash or another financial asset.	Like IFRS, in the consolidated financial statements, an instrument is a liability if the issuer is obliged to settle it in cash or other financial instrument.
A financial instrument is also classified as a financial liability if it is a derivative that will or may be settled in a variable number of the entity's own equity instruments or a non-derivative that comprises an obligation to deliver a variable number of the entity's own equity instruments.	Like IFRS, an instrument is a liability if it is or may be settled in a variable number of the entity's own equity instruments (e.g., equal to a specified value).
Equity is the residual interest in the assets of the entity after deducting all of its liabilities.	Like IFRS, equity is the residual interest in the assets of the entity after deducting all of its liabilities.
An obligation for an entity to acquire its own equity instruments gives rise to a financial liability, unless certain conditions are met.	Like IFRS, an obligation for an entity to acquire its own equity instruments gives rise to a financial liability, unless certain conditions are met.
As an exception to the general principle, certain puttable instruments and instruments, or components of instruments, that impose on the entity an obligation to deliver to another party a pro-rata share of the net assets of the entity only on liquidation are classified as equity instruments if certain conditions are met.	Like IFRS, as an exception to the general principle, certain puttable instruments and instruments, or components of instruments, that impose on the entity an obligation to deliver to another party a pro-rata share of the net assets of the entity only on liquidation are classified as equity instruments if certain conditions are met.
The contractual terms of preference shares and similar instruments are evaluated to determine whether they have the characteristics of a financial liability.	Like IFRS, preference shares and similar instruments must be evaluated to determine whether they have the characteristics of a liability. Such characteristics may lead to classification of these instruments as a liability. Unlike IFRS, preference shares that bear dividends contingent solely on the basis of the entity's profit may as an accounting policy choice be recognised as equity or financial liability.
The components of compound financial instruments, which have both liability and equity characteristics, are accounted for separately.	Like IFRS, compound instruments that have both liability and equity characteristics are required to be split into these components in the consolidated financial statements.
A non-derivative contract that will be settled by an entity delivering its own equity instruments is an equity instrument if, and only if, it is settleable by delivering a fixed number of its own equity instruments. A derivative contract that will be settled by the entity delivering a fixed number of its own equity instruments for a fixed amount of cash is an equity instrument. If such a derivative contains settlement options, then it is an equity instrument only if all settlement alternatives lead to equity classification.	Like IFRS, instruments may have to be classified as liabilities, even if they are issued in the form of shares. Like IFRS, the stipulations on non-derivative contracts and derivative contracts are similar.
Incremental costs that are directly attributable to issuing or buying back own equity instruments are recognised directly in equity.	Like IFRS, incremental costs that are attributable directly to issuing own equity instruments are recognised directly in equity, net of the related tax. Unlike IFRS, no specific guidance is provided on incremental costs that are attributable directly to buying back own equity instruments.
Treasury shares are presented as a deduction from equity.	Like IFRS, treasury shares must be reported as a deduction from equity.
Gains and losses on transactions in an entity's own equity instruments are reported directly in equity.	Like IFRS, gains and losses on transactions in own equity instruments are reported directly in equity, not in profit or loss.
Dividends and other distributions to the holders of equity instruments, in their capacity as owners, are recognised directly in equity.	Like IFRS, dividends and other distributions to the holders of instruments classified as equity, in their capacity as owners, are recognised directly in equity.
Non-redeemable NCI are classified within equity, but separately from equity attributable to shareholders of the parent.	Unlike IFRS, minority interests (NCI) are classified within group equity but separate from parent shareholders' equity.
IFRS generally contain little guidance on the recognition and measurement of equity. IFRS 2 specifies recognition and measurement requirements for share-based payments.	Unlike IFRS, more guidance is provided on the recognition and measurement of equity and the classification of the required captions within equity. Like IFRS, Dutch GAAP provides special recognition and measurement requirements for share-based payments.
References: IAS 1, IAS 32, IFRS 9, IFRIC 17	**References:** CC, RJ 240, RJ 290

6.4 Classification of financial assets and financial liabilities

IFRS	Dutch GAAP
Financial assets are classified into one of three measurement categories: amortised cost, FVOCI and FVTPL. A financial asset is classified as measured at amortised cost if it is held within a held-to-collect business model and its contractual cash flows are solely payments of principal and interest on the principal amount outstanding (SPPI). A financial asset is classified as measured at FVOCI if it is held within a held-to-collect-and-sell business model and the contractual cash flows meet the SPPI criterion. On initial recognition, an entity may choose to irrevocably designate a financial asset that would otherwise qualify for amortised cost or FVOCI as measured at FVTPL if this designation eliminates or significantly reduces a measurement or recognition inconsistency. Investments in equity instruments fail the SPPI criterion and are, therefore, generally measured at FVTPL. On initial recognition, an entity may elect to present in OCI changes in the fair value of an investment in an equity instrument if it is not held for trading. Financial liabilities are classified and, subsequently, measured at amortised cost except for financial liabilities held for trading that are measured at FVTPL and financial liabilities that are designated as at fair value on initial recognition. The amount of change in fair value that is attributable to changes in the credit risk of the liability is presented in OCI and the remaining amount of change in fair value is presented in profit and loss. Amounts presented in OCI are never reclassified in profit and loss.	Unlike IFRS, Dutch GAAP provides more options to measure financial assets and liabilities and more options to recognise fair value changes. However, Dutch GAAP does not allow to account for loans granted and financial liabilities at fair value through profit and loss. In accordance with RJ 290, financial assets and liabilities are classified into the following categories: • Held-for-trading financial assets and financial liabilities are measured at fair value through profit or loss. • Hedging derivatives financial assets and financial liabilities are measured at cost or fair value. • Non-hedging derivatives (financial assets and financial liabilities) on listed shares are measured at fair value through profit or loss. • Other non-hedging derivatives (financial assets and financial liabilities) are measured at cost or lower fair value, or fair value through profit or loss. • Acquired loans and bonds that are held to maturity (financial assets) are measured at amortised cost, applying the effective interest rate method. • Other acquired loans and bonds (financial assets) are measured at amortised cost or fair value. If the latter option is applied, the entity may choose to recognise the fair value changes in profit or loss or in equity (revaluation reserve). • Loans and receivables (financial assets) are measured at amortised cost applying the effective interest rate method. • Investments in listed equity instruments not held for trading (financial assets) are measured at fair value, with a choice of recognising the fair value changes in profit or loss or in equity (revaluation reserve) • Investments in non-listed equity instruments not held for trading (financial assets) are measured at cost or fair value. If the latter option is applied, the entity may choose to recognise the fair value changes in profit or loss or in equity (revaluation reserve). • Other financial liabilities (not included in the aforementioned financial liability categories) are measured at amortised cost applying the effective interest rate method.
Reclassification of financial assets is required if, and only if, the objective of the entity's business model for managing those financial assets changes. Such changes are expected to be very infrequent and are determined by the entity's senior management as a result of external or internal changes. These changes should be significant to the entity's operations and demonstrable to external parties. A reclassification is recognised prospectively. Reclassification from FVTPL to FVOCI: the fair value on reclassification date is the new carrying amount. Based on this carrying amount a new effective interest rate is calculated. Subsequent changes in fair value are recognised in OCI. Reclassification from FVTPL to amortised cost: the fair value on reclassification date is the new carrying amount. Based on this carrying amount a new effective interest rate is calculated. Reclassification from FVOCI to FVTPL: the fair value accumulated in OCI on reclassification date is reclassified to profit and loss. Reclassification from FVOCI to amortised cost: reclassify the financial asset at fair value to the amortised cost category and remove the fair value accumulated in OCI to adjust the reclassified fair value. The effective interest rate determined at initial recognition and the carrying amount are not adjusted as a result of reclassification. Reclassification from amortised cost to FVTPL: the fair value on reclassification date is the new carrying amount. The difference between amortised cost and fair value is recognised in profit and loss. Reclassification from amortised cost to FVOCI: remeasure the financial asset at fair value with any difference recognised in OCI.	Unlike IFRS, on the basis of well-founded reasons, it is permitted to reclassify, for example in case of a financial crisis. Unlike IFRS, upon reclassification of financial instruments from one (sub)category to another (sub)category any income and expenses at the time are: a. in case of a reclassification of a cost (sub)category to a fair value (sub)category, only recognised in the profit and loss account at the time that the financial instrument will be derecognised in the balance sheet; b. in case of a reclassification in a fair value (sub)category to a cost (sub)category, recognised as part of the initial measurement in the new (sub)category (the fair value at the time of reclassification is equal to the deemed cost). For the value difference between the measurement on the basis of the 'original' historical cost and the measurement based on the 'deemed cost', a revaluation reserve shall be held based on Article 390 paragraph 1.
Reclassification of financial liabilities is not permitted.	Unlike IFRS, reclassification of financial liabilities is not explicitly prohibited.
References: IAS 32, IFRS 9	**References:** CC, RJ 290

6.5 Recognition and derecognition

IFRS	Dutch GAAP
Financial assets and financial liabilities, including derivative instruments, are recognised in the statement of financial position when the entity becomes a party to the instrument. However, 'regular-way' purchases and sales of financial assets are recognised and derecognised using either trade date or settlement date accounting.	Like IFRS, financial assets and financial liabilities, including derivative instruments, are recognised in the statement of financial position at trade date.
A financial asset is derecognised only when the contractual rights to the cash flows from the financial asset expire or when the financial asset is transferred, and the transfer meets certain conditions.	Like IFRS, a financial asset is derecognised upon the transfer of risks and rewards to a third party. Like IFRS, a financial asset is transferred if the risks and rewards of ownership of the transferred financial asset are passed onto a third party.
A financial asset is transferred if an entity transfers the contractual rights to receive the cash flows from the financial asset or enters into a qualifying 'pass-through' arrangement. If a financial asset is transferred, then an entity evaluates whether it has retained the risks and rewards of ownership of the transferred financial asset.	Unlike IFRS, for derecognition of financial assets, there is no mixed approach of risk/rewards and control under Dutch GAAP. The comprehensive derecognition rules of IFRS are not implemented in Dutch GAAP.
An entity derecognises a transferred financial asset if it has: • transferred substantially all the risks and rewards of ownership; or • neither retained nor transferred substantially all of the risks and rewards of ownership and has not retained control of the financial asset.	Like IFRS, an entity derecognises a transferred financial asset if it has transferred substantially all the risks and rewards of ownership; or if it has neither retained substantially all the risks and rewards of ownership nor the control of the financial asset.
An entity continues to recognise a financial asset to the extent of its continuing involvement if it has neither retained nor transferred substantially all of the risks and rewards of ownership and it has retained control of the financial asset.	
IFRS requires that a financial asset is derecognised when the contractual rights to its cash flows expire. However, there is no comprehensive guidance on how this criterion should be applied to contractual modifications of financial assets. IFRS states that in some circumstances the renegotiation or modification of the contractual cash flows of a financial asset can lead to its derecognition. This is the case when the modification is either based on quantitative or qualitative criteria deemed to be substantial. Substantial modifications result in the derecognition of the financial asset and the recognition of a new financial asset, while the difference is recorded in profit and loss.	Like IFRS, quantitative determination of substantial and non -substantial modification and accounting in such scenario is similar. However, no separate qualitative assessment in case of non-substantial modification is warranted separately.
A financial liability is derecognised when it is extinguished or when its terms are substantially modified and the obligation specified in the contract is discharged, cancelled or has expired.	Like IFRS, a financial liability is derecognised when it is extinguished or when its terms are substantially modified and the obligation specified in the contract is discharged, cancelled or has expired.
References: IAS 32, IFRS 9, IFRIC 19	**References:** RJ 115, RJ 290

6.6 Financial income and expense

IFRS	Dutch GAAP
Interest income and expense is calculated using the effective interest method.	Like IFRS, interest income and expense should be calculated using the effective interest method.
Incremental transaction costs directly related to raising finance or acquiring a financial asset are included in the initial measurement of the instrument unless the instrument is categorised as a financial asset or liability at FVTPL. Interest is generally expensed as incurred.	Like IFRS, incremental transaction costs directly related to raising finance or acquiring a financial asset are included in the initial measurement of the instrument.
Transactions costs on financial instruments subsequently measured at fair value through profit or loss are charged immediately to profit or loss.	Like IFRS, transactions costs related to financial instruments that are measured at fair value through profit or loss should be recognised directly in profit or loss.
Interest related to qualifying assets shall be capitalised if certain conditions are met.	Unlike IFRS, interest related to qualifying assets may be capitalised if certain conditions are met, but such capitalisation is not required.
Interest on both general borrowings and specific borrowings is eligible for capitalisation. The amount capitalised is net of investment income on the temporary investment of specific borrowings.	Like IFRS, interest on both general borrowings and on specific borrowings is eligible for capitalisation. The amount capitalised is net of investment income on the temporary investment of specific borrowings.
References: IAS 18, IAS 23, IAS 32, IFRS 9	**References:** RJ 270, RJ 273, RJ 290

6.7 Measurement and gains and losses

IFRS	Dutch GAAP
	General: legal entities under Dutch GAAP can opt to apply IFRS 9 (Financial Instruments) for the impairment losses based on the expected credit loss (ECL) model. Differences related to impairments may arise in case the option to adopt the ECL model is not applied for Dutch GAAP purposes. These differences are described later in this paragraph.
On initial recognition, financial assets and financial liabilities are measured at fair value plus directly attributable transaction costs, except for: • financial instruments classified as at FVTPL, which are initially measured at fair value; and • trade receivables that are initially measured at the transaction price as defined in the revenue standard.	Upon initial recognition, like IFRS, financial instruments are measured at fair value and in the case of a financial instrument other than at fair value through profit or loss and transaction costs. The fair value, on initial recognition, is normally the transaction price, unless part of the consideration is for something other than a financial instrument or the instrument that bears an off-market interest rate.
After initial recognition a financial asset is subsequently measured at amortised cost, FVOCI or FVTPL. Amortised cost category: recognition in profit or loss of interest revenue using the effective interest method, expected credit losses and reversals and foreign exchange gains and losses. When the financial asset is derecognised the gain or loss is recognised in profit or loss. FVOCI category (debt instruments): recognition of gains and losses in OCI except for interest revenue using the effective interest method, expected credit losses and reversals and foreign exchange gains and losses that are recognised in profit or loss. When the financial asset is derecognised the cumulative gain or loss is reclassified from OCI to profit or loss. Equity instruments: recognition of gains and losses in OCI. Dividends are recognised in profit or loss unless they clearly represent a repayment of part of the cost of the investment. The amounts recognised in OCI are never reclassified to profit or loss. FVTPL category: gains and losses, realised and unrealised, both on subsequent measurement and derecognition are recognised in profit or loss. Financial liabilities, other than those measured at FVTPL, are generally measured at amortised cost subsequent to initial recognition. If a financial liability is mandatorily measured at FVTPL, then all changes in fair value are recognised in profit or loss.	**Financial assets:** • Held-for-trading financial assets are measured at fair value through profit or loss. • Hedging derivatives are measured at cost or fair value. • Non-hedging derivatives on listed shares are measured at fair value through profit or loss. • Other non-hedging derivatives are measured at cost or lower fair value, or fair value through profit or loss. • Acquired loans and bonds that are held to maturity are measured at amortised cost, applying the effective interest rate method. • Other acquired loans and bonds are measured at amortised cost or fair value. If the latter option is applied, the entity may choose to recognise the fair value changes in profit or loss or in equity (revaluation reserve). • Loans and receivables are measured at amortised cost applying the effective interest rate method. • Investments in listed equity instruments not held for trading are measured at fair value, with a choice of recognising the fair value changes in profit or loss or in equity (revaluation reserve). • Investments in non-listed equity instruments not held for trading are measured at cost or fair value. If the latter option is applied, the entity may choose to recognise the fair value changes changes in profit or loss or in equity (revaluation reserve).
Gains and losses of financial liabilities measured at FVTPL should be split. Fair value changes that are attributable to changes in credit risk of the liability should be presented in OCI. The amount presented in OCI is never reclassified to profit or loss. All derivatives (including separated embedded derivatives) are measured at fair value, with changes in fair value generally recognised in profit or loss.	**Financial liabilities** • Held-for-trading financial liabilities are measured at fair value through profit or loss. financial liabilities are measured at fair value through profit or loss. • Hedging derivatives are measured at cost or fair value through profit or loss. • Non-hedging derivatives on listed shares are measured at fair value through profit or loss. • Other non-hedging derivatives are measured at cost or lower fair value, or fair value. • Other financial liabilities (not taken into account in the aforementioned financial liability categories) are measured at amortised cost applying the effective interest rate method. Under Dutch GAAP, decreases below amortised cost should be recognised in profit or loss (not allowed to recognise a negative revaluation reserve). As is clear from the list above, unlike IFRS, Dutch GAAP provides more financial instruments to be subsequently measured at cost (amortised cost, or lower fair value). For example, unlike IFRS, derivatives (including separated embedded derivatives) may be valued at cost or lower fair value. Like IFRS, changes in the fair value of financial assets and financial liabilities at fair value through profit or loss are recognised in profit or loss.
Interest income and interest expense are calculated under the effective interest method, based on estimated cash flows that consider all contractual terms of the financial instrument at the date on which the instrument is initially recognised or at the date of any modification.	Like IFRS, interest income and interest expense are calculated under the effective interest method, based on estimated cash flows that consider all contractual terms of the financial instrument at the date on which the instrument is initially recognised or at the date of any modification. Unlike IFRS, amortisation on a straight-line basis is allowed if this does not lead to material differences with the EIR method.
The impairment model in the financial instruments standard (expected credit loss / ECL model) covers financial assets measured at amortised cost, investments in debt instruments measured at fair value through OCI, certain loan commitments and financial guarantee contracts issued, lease receivables and contract assets. Investments in equity instruments are outside the scope of the ECL requirements.	Unlike IFRS, an entity assesses whether there is objective evidence of impairment of financial assets not measured at fair value through profit or loss. When there is objective evidence of impairment, any impairment loss is recognised in profit or loss. However, as stated, unlike IFRS, under Dutch GAAP, some financial assets can be measured at cost or lower fair value. If this option is chosen, the aforementioned impairment rules do not apply.

Impairment is recognised using an expected loss model, which means that it is not necessary for a loss event to occur before an impairment loss is recognised. The general approach of the ECL model uses two measurement bases: 12-month ECLs and lifetime ECLs, depending on whether the credit risk on a financial asset has increased significantly since initial recognition. ECLs on trade receivables and contract assets that do not have a significant financing component are always measured at lifetime ECLs. There is an accounting policy election to measure ECLs on trade receivables that have a significant financing component and on lease receivables either using the general approach or at lifetime ECLs. For financial assets that are credit-impaired on initial recognition, ECLs are measured as the change in lifetime ECLs since initial recognition. Accordingly, the amount recognised as a loss allowance for these assets is not the total amount of lifetime ECLs, but instead the changes in lifetime ECLs since initial recognition of the asset. ECLs are measured in a way that reflects: • a probability-weighted amount determined by evaluating a range of possible outcomes; • the time value of money; and • reasonable and supportable information about past events, current conditions and forecasts of future economic conditions.	
Specific line items in profit or loss are required with respect to interest revenue calculated using the effective interest rate; gains and losses arising from the derecognition of financial assets measured at amortised cost; impairment losses; gains and losses arising on reclassification of financial assets out of the amortised cost category into the FVTPL category and cumulative gains and losses reclassified from OCI to profit or loss of financial assets reclassified out of the FVOCI category into FVTPL category.	When applying combination 3, the accounting policies applied in the IFRS consolidated financial statements are applied in the parent company financial statements as well. Thus, expected credit losses would have to be calculated on intercompany loans granted by the parent company. As these loans are eliminated on consolidation, no such ECL exists in the consolidated financial statements, potentially giving rise to a difference between consolidated and parent company equity and profit or loss. This has been solved by the DASB by issuing RJ 100.107a. RJ 100.107a requires the elimination of the ECL in the parent company accounts against the net asset value of the relevant subsidiary / associate/ joint venture; or against the carrying amount of the intercompany loans.
References: IAS 21, IAS 32, IFRS 9, IFRS 13	**References:** CC, RJ 290, RJ 273

6.8 Hedge accounting

IFRS	Dutch GAAP
Hedge accounting is voluntary and if selected, allows an entity to selectively measure assets, liabilities and firm commitments on a basis different from that otherwise stipulated in IFRS, or to defer the recognition in profit or loss of gains or losses on derivatives.	Like IFRS, hedge accounting allows an entity to selectively measure assets, liabilities and firm commitments on a basis different from that otherwise stipulated in Dutch GAAP, or to defer the recognition in profit or loss of gains or losses on derivatives.
Hedge accounting is required to be closely aligned with its actual risk management objectives. Hedge accounting is permitted only when specific requirements related to documentation and effectiveness are met. An entity can designate an item in its entirety or a component of an item as the hedged item. However, only certain components may be designated as the hedged item.	Hedge accounting is voluntary. However, it is permitted only when strict documentation and effectiveness requirements are met.
There are three hedge accounting models: fair value hedges of fair value exposures; cash flow hedges of cash flow exposures; and net investment hedges of currency exposures on net investments in foreign operations. Qualifying hedged items can be recognised assets or liabilities, unrecognised firm commitments, highly probable forecast transactions or net investments in foreign operations, net exposures or an aggregated exposure (a combination of non-derivative exposure and a derivative exposure).	Like IFRS, the three IFRS hedge accounting models are implemented under Dutch GAAP. However, unlike IFRS, Dutch GAAP permits a fourth model: cost price hedge accounting. Cost price hedge accounting is accounted for (to the extent the hedge relationship is effective) as follows: • If the hedged item is recognised at cost, the derivative is also recognised at cost. • long as the hedged item is not yet recognised in the balance sheet, the hedging instrument is not remeasured in the balance sheet either.
The following contracts with a party external to the reporting entity qualify as hedging instruments: derivative instruments (with some exceptions), non-derivative financial instruments measured at FVTPL (with some exceptions) and for hedges of foreign exchange risk only, the foreign currency risk component of a non-derivative financial instrument.	Unlike IFRS, the following contracts with a party external to the reporting entity qualify as hedging instruments: derivative instruments (except net written options), non-derivative financial asset or liabilities used as a hedge of foreign currency risk.
Effectiveness testing is performed on a prospective basis only. An entity may exclude the time value of a purchased option, forward element of a forward contract and foreign currency basis spread from the designation of a hedging instrument.	Unlike IFRS, effectiveness testing is conducted on both prospective and retrospective bases.
For a hedge to meet the hedge effectiveness requirement, there has to be an economic relationship between the hedged item and hedging instrument. Also, the value changes should not be dominated by the effect of credit risk and a specific requirements relation to the hedge ratio should be met.	The effectiveness test described under IFRS column is one of the allowed methods under Dutch GAAP. Dutch GAAP states that the level of (in)effectiveness may be determined by comparing the critical terms of the hedge instrument and hedge item. If these critical terms are not equal, then the level of (in)effectiveness should be determined by comparing the fair value changes of the hedge instrument and those of the hedge item (see above).

Having an economic relationship means that the hedging instrument and the hedged item have values that generally move in the opposite direction because of the same (hedged) risk. The assessment relates to expectations about hedge effectiveness; therefore, the test is only forward-looking or prospective.	If the cost price hedge accounting model is used, RJ 290 states that only a cumulative loss (loss as from the date of initial recognition of the financial instrument) is recognised in profit or loss.
For assessing whether a hedging relationship meets the hedge effectiveness requirements prospectively a qualitative methodology (e.g. critical terms test) or a quantitative test (e.g. regression analysis) is permitted.	
Rebalancing of the hedge ratio in a hedging relationship is a mandatory requirement if certain conditions are met.	
For a cash flow hedge and a net investment hedge, the ineffective portion of the gain or loss on the hedging instrument is recognised in profit or loss, even if the hedge has been highly effective.	
A hedging relationship is discontinued in its entirety when as a whole it ceases to meet the qualifying criteria after considering any rebalancing of the hedging relationship (if applicable). Voluntary discontinuation when the qualifying criteria are met is prohibited.	Like IFRS, hedge accounting is discontinued prospectively if the hedged transaction is no longer highly probable; the hedging instrument expires, is sold, terminated or exercised; the hedged item is sold, settled or otherwise disposed of; or the hedge is no longer highly effective.
Hedge documentation should be prepared for each individual hedge relation.	Two options for hedge documentation can be used: • Individual hedge documentation. • Generic hedge documentation for groups of hedging instruments.
If certain conditions are met, net positions of hedged items are allowed.	Net positions are not allowed under Dutch GAAP. Similar outcome can be achieved by allocating the net position to the largest gross position as hedged item.
If an entity uses a credit derivative that is measured at FVTPL to manage the credit risk of all, or a part of credit exposure, and other criteria are met, then it can designate the exposure as at FVTPL as an alternative to hedge accounting.	
IFRS 9 allows an entity to choose as its accounting policy to defer application of the new general hedge accounting model and continue to apply the hedge accounting requirements of IAS 39 in their entirety until the standard resulting from the IASB's project on macro hedge accounting is effective.	
Some key differences between IFRS 9 and IAS 39 are: Under IAS 39: • Retrospective ineffectiveness testing • Effectiveness requirement between 80%-125%	

Under IFRS 9: • Netting of positions allowed • Rebalancing allowed • Cost of hedging concept	
Costs of hedging concept	
From the hedging relationships an entity may exclude the time value of purchased options, the forward element of forward contracts and foreign currency basis spreads. These excluded elements will be recognised in OCI and, subsequently, be deferred in case of transaction-related hedged items and amortised in case of time period-related hedged items.	The costs of hedging concept does not exist under Dutch GAAP. Excluded elements (which may be time value of purchased options or the forward elements of a forward contract) of derivatives in a hedge relation will be measured at the basic measurement policies.
Aggregated exposures (a combination of a non-derivative exposure and a derivative) are allowed to be used as hedged item.	Dutch GAAP does not explicitly forbid aggregated exposures.
IFRS 9 forbids credit risk to be designated as a hedged risk. Certain credit exposures that are managed for credit risk with credit derivatives may be designated at fair value through profit or loss (FVTPL).	Unlike IFRS, credit risk can be designated as a hedged risk, provided that all hedge accounting requirements can be met.
References: IAS 1, IAS 32, IFRS 7, IFRS 9 and IFRS 13	**References:** CC, RJ 290

6.9 Presentation and disclosures

IFRS	Dutch GAAP
	General – there are less disclosure requirements under Dutch GAAP as it is currently not in line with IFRS 7 and IFRS 13.
IFRS mandate separate presentation of certain amounts in the statement of financial position and in the statement of profit or loss and OCI.	Like IFRS, a financial asset and a financial liability are offset only when there is both a legally enforceable right to offset and an intention to settle net or both amounts simultaneously.
A financial asset and a financial liability are offset only when there is both a legally enforceable right to offset and an intention to settle net or to settle both amounts simultaneously.	
Disclosure is required in respect of the significance of financial instruments for the entity's financial position and performance, the nature and extent of risk arising from financial instruments and how the entity manages those risks.	Like IFRS, disclosure is required in respect of the significance of financial instruments for the entity's financial position and performance, the nature and extent of risk arising from financial instruments and how the entity manages those risks. However, Dutch GAAP provides less detailed disclosure rules as required under IFRS.
Risk disclosures require both qualitative and quantitative information.	
For disclosure of the significance of the financial instruments, the overriding principle is to disclose sufficient information to enable users of financial statements to evaluate the significance of the financial instruments for an entity's financial position and performance.	Like IFRS, for disclosure of the significance of the financial instruments, the overriding principle is to disclose sufficient information to enable users of financial statements to evaluate the significance of the financial instruments for an entity's financial position and performance. However, Dutch GAAP provides less detailed disclosure rules as required under IFRS.
Qualitative disclosures describe management's objectives, policies and processes for managing risks arising from financial instruments.	Like IFRS, qualitative disclosures are required in respect of financial risks and management's approach to managing these risks.
	Unlike IFRS, only significant contractual terms and conditions of, and accounting policies applied to, all financial instruments must be disclosed.
Quantitative data about the exposure to risks arising from financial instruments is based on information provided internally to key management. However, certain disclosures about the entity's exposures to credit risk, liquidity risk and market risk arising from financial instruments are required, irrespective of whether this information is provided to management.	Like IFRS, the fair value of instruments not carried at fair value in the financial statements must be disclosed. In addition, disclosure is required for methods used and significant assumptions made for determining fair value.
References: IAS 1, IAS 32, IFRS 7, IFRS 9 and IFRS 13	**References:** CC, RJ 290, RJ 400

7 Appendices

7.1 List of abbreviations used

Abridged name for specific terms, persons, organisations or items.

Abbreviations	Standard / Interpretation
AFM	Autoriteit Financiële Markten - Financial Markets Authority
BAW	Besluit actuele waarde - Current Value Decree
BMJ	Besluit modellen jaarrekening - Annual Accounts Formats Decree
BV	Besloten vennootschap - Private limited liability company (similar to Ltd)
BW (CC)	Burgerlijk Wetboek - The Dutch Civil Code
CV	Commanditaire Vennootschap - (Dutch version of a) Limited Partnership
DNB	De Nederlandsche Bank - The Central Bank of the Netherlands
DCC	Dutch Civil Code
EC	European Commission
ESMA	European Securities and Markets Authority
EU	European Union
FAS	Financial Accounting Standards
FASB	Financial Accounting Standards Board
IAS	International Accounting Standards
IASB	International Accounting Standards Board
IASC	International Accounting Standards Committee
IOSCO	International Organization of Securities Commissions
IFRIC	International Financial Reporting Interpretations Committee
IFRS	International Financial Reporting Standards
NV	Naamloze vennootschap - Public limited liability company (similar to plc)
OOB (PIE)	Organisatie van openbaar belang - Public interest entity
RJ (DASB)	Raad voor de Jaarverslaggeving - Dutch Accounting Standards Board
RJ	Richtlijnen voor de Jaarverslaggeving - Dutch accounting standards (for large and medium-sized legal entities)
RJk	Richtlijnen voor de Jaarverslaggeving - Dutch accounting standards (for micro and small legal entities)
RvC (SB)	Raad van Commissarissen - Supervisory Board
SIC	Standing Interpretations Committee
US GAAP	United States Generally Accepted Accounting Principles
VOF	Vennootschap Onder Firma - (Dutch version of a) General Partnership
WED	Wet op de economische delicten - Economic Offences Act
Wft	Wet op het financieel toezicht - Financial Supervision Act

7.2 List of IFRS in issue at 1 January 2022

Reference	Standard / Interpretation
IFRS 1	First-time Adoption of International Financial Standards
IFRS 2	Share-based Payment
IFRS 3	Business Combinations
IFRS 4	Insurance Contracts
IFRS 5	Non-current Assets Held for Sale and Discontinued Operations
IFRS 6	Exploration for and Evaluation of Mineral Assets
IFRS 7	Financial Instruments: Disclosures
IFRS 8	Operating Segments
IFRS 9	Financial Instruments
IFRS 10	Consolidated Financial Statements
IFRS 11	Joint Arrangements
IFRS 12	Disclosure of Interests in Other Entities
IFRS 13	Fair Value Measurement
IFRS 14	Regulatory Deferral Accounts
IFRS 15	Revenue from Contracts with Customers
IFRS 16	Leases
IFRS 17	Insurance contracts (as of 1 January 2023)
IAS 1	Presentation of Financial Statements
IAS 2	Inventories
IAS 7	Statement of Cash Flows
IAS 8	Accounting Policies, Changes in Accounting Estimates and Errors
IAS 10	Events After the Reporting Period
IAS 12	Income Taxes
IAS 16	Property, Plant and Equipment
IAS 19	Employee Benefits
IAS 20	Accounting for Government Grants and Disclosure of Government Assistance
IAS 21	The Effects of Changes in Foreign Exchange Rates
IAS 23	Borrowing Costs
IAS 24	Related Party Disclosures
IAS 26	Accounting and Reporting by Retirement Benefit Plans
IAS 27	Separate Financial Statements

Reference	Standard / Interpretation
IAS 28	Investments in Associates and Joint Ventures
IAS 29	Financial Reporting in Hyperinflationary Economies
IAS 32	Financial Instruments: Presentation
IAS 33	Earnings Per Share
IAS 34	Interim Financial Reporting
IAS 36	Impairment of Assets
IAS 37	Provisions, Contingent Liabilities and Contingent Assets
IAS 38	Intangible Assets
IAS 39	Financial Instruments: Recognition and Measurement
IAS 40	Investment Property
IAS 41	Agriculture
IFRIC 1	Changes in Existing Decommissioning, Restoration and Similar Liabilities
IFRIC 2	Members' Shares in Co-operative Entities and Similar Instruments
IFRIC 5	Rights to Interests arising from Decommissioning, Restoration and Environmental Rehabilitation Funds
IFRIC 6	Liabilities arising from Participating in a Specific Market - Waste Electrical and Electronic Equipment
IFRIC 7	Applying the Restatement Approach under IAS 29 Financial Reporting in Hyperinflationary Economies
IFRIC 10	Interim Financial Reporting and Impairment
IFRIC 12	Service Concession Arrangements
IFRIC 14	IAS 19 - Limit on a Defined Benefit Asset, Minimum Funding Requirements and their Interaction
IFRIC 16	Hedges of a Net Investment in a Foreign Operation
IFRIC 17	Distributions of Non-cash Assets to Owners
IFRIC 19	Extinguishing Financial Liabilities with Equity Instruments
IFRIC 20	Stripping Costs in the Production Phase of a Surface Mine
IFRIC 21	Levies
IFRIC 22	Foreign Currency Translations and Advance Consideration
IFRIC 23	Uncertainty over Income Tax Treatments
SIC-7	Introduction of the Euro
SIC-10	Government Assistance - No Specific Relation to Operating Activities
SIC-25	Income Taxes - Changes in the Tax Status of an Entity or its Shareholders
SIC-29	Service Concession Arrangements: Disclosures
SIC-32	Intangible Assets - Web Site Costs

7.3 List of RJs in issue at 1 January 2022

Reference	Standard
RJ 100	Introduction
RJ 110	Objectives and basic assumptions
RJ 115	Criteria for recognition and disclosure of information
RJ 120	Valuation principles
RJ 121	Impairments of fixed assets
RJ 122	Valuation principles for foreign currencies
RJ 135	General principles for the determination of the result
RJ 140	Changes in accounting policies
RJ 145	Changes in accounting estimates
RJ 150	Correction of errors
RJ 160	Events after the balance sheet date
RJ 170	Discontinuity and significant doubts on going concern
RJ 190	Other general matters
RJ 210	Intangible fixed assets
RJ 212	Tangible fixed assets
RJ 213	Investment property
RJ 214	Financial fixed assets
RJ 215	Joint ventures
RJ 216	Mergers and acquisitions
RJ 217	Consolidation
RJ 220	Inventories
RJ 221	Construction contracts
RJ 222	(Non-current) receivables
RJ 224	Prepayments and accrued income
RJ 226	Securities
RJ 228	Cash and cash equivalents
RJ 240	Equity
RJ 252	Provisions, contingent liabilities and contingent assets
RJ 254	(Non-)current liabilities
RJ 258	Accruals and deferred income
RJ 260	Revenue recognition on intercompany transactions
RJ 265	Comprehensive income statement
RJ 270	Income statement
RJ 271	Employee benefits
RJ 272	Income taxes
RJ 273	Borrowing costs

Reference	Standard
RJ 274	Government grants and other forms of state aid
RJ 275	Share-based payment
RJ 290	Financial instruments
RJ 292	Leases
RJ 305	Exemptions for group companies
RJ 315	Exemptions for medium-sized legal entities
RJ 330	Related parties
RJ 340	Earnings per share
RJ 345	Discontinued operations
RJ 350	Segmented information
RJ 360	Cash flow statement
RJ 390	Other information to be disclosed in the notes
RJ 394	Interim reports
RJ 400	Management board report
RJ 404	Pay and benefits report and remuneration report
RJ 405	Report of the Supervisory Board
RJ 430	Key figures, key ratios and multi-annual review
RJ 500	Country-by-country reporting
RJ 600	Banks
RJ 605	Insurance companies
RJ 610	Pension funds
RJ 611	Pension institutions
RJ 615	Investment entities
RJ 620	Cooperatives
RJ 630	Commercial foundations and associations
RJ 640	Not-for-profit organizations
RJ 645	Licensed public sector housing institutions
RJ 650	Fundraising institutions
RJ 655	Healthcare institutions
RJ 660	Educational institutions
RJ 645	Officially recognised social housing institutions
RJ 650	Fund-raising institutions
RJ 655	Health institutions
RJ 660	Education institutions
RJ 655	Health institutions
RJ 660	Education institutions

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