Disclosure checklist

Guide to annual financial statements

IFRS® Accounting Standards

September 2024

kpmg.com/ifrs

Contents

About this guide

This guide has been produced by the KPMG International Standards Group (part of KPMG IFRG Limited).

It is intended to help entities to prepare and present financial statements in accordance with IFRS® Accounting Standards[a] by identifying the potential disclosures required. In addition, it includes the minimum disclosures required in the financial statements of a first-time adopter of IFRS Accounting Standards.

What's new in 2024?

This guide includes new guidance on presentation and disclosure incorporated in the 21st Edition 2024/25 of our publication Insights into IFRS (see Chapters 1.3, 4.3 and 4.8).

Appendix I provides a comprehensive list of new accounting standards and amendments issued by the International Accounting Standards Board (IASB), distinguishing between those that are effective for an entity with an annual reporting period beginning on 1 January 2024 and those with a later effective date.

This guide has been updated to include transition requirements and new disclosures that are required in annual financial statements in relation to *Classification of Liabilities as Current or Non-current (Amendments to IAS 1), Non-current Liabilities with Covenants (Amendments to IAS 1)* and *Supplier Finance Arrangements (Amendments to IAS 7 and IFRS 7)*, which are effective for annual reporting periods beginning on or after 1 January 2024.

Accounting standards covered

This guide reflects accounting standards, amendments and interpretations (broadly referred to in this guide as Accounting Standards) that have been issued by the IASB as at 31 August 2024. The main text in Chapters 1–5 is based on the accounting standards that are required to be applied by an entity with an annual reporting period beginning on 1 January 2024 ('currently effective requirements').

This guide also covers voluntary early adoption of certain accounting standards (see Chapter 6 'Voluntary early adoption of accounting standards'), identifying disclosure requirements based on accounting standards that are effective for annual reporting periods beginning after 1 January 2024 ('forthcoming requirements') and that are available for early adoption. The guide does not cover the following forthcoming requirements.

- IFRS 18 *Presentation and Disclosure in Financial Statements*. IFRS 18 replaces IAS 1 *Presentation of Financial Statements*. It is effective for annual reporting periods beginning on or after 1 January 2027 and earlier application is permitted. For further information, see our article and read our First Impressions publication.
- IFRS 19 *Subsidiaries without Public Accountability: Disclosures*. IFRS 19 offers eligible subsidiaries the opportunity to reduce their disclosures. It is effective for annual reporting periods beginning on or after 1 January 2027 and earlier application is permitted. For further information, see our article.

IAS 1.7, Preface 2

a. 'IFRS® Accounting Standards' is the term used to indicate the whole body of authoritative literature, and includes:
- IFRS® Accounting Standards issued by the International Accounting Standards Board (IASB);
- IAS® Accounting Standards issued by the International Accounting Standards Committee (IASC, the IASB's predecessor), or revisions thereof issued by the IASB;
- interpretations of IFRS Accounting Standards and IAS Standards developed by the IFRS Interpretations Committee (IFRIC® Interpretations) and approved for issue by the IASB; and
- interpretations of IAS Standards developed by the Standing Interpretations Committee (SIC® Interpretations) and approved for issue by the IASB or IASC.

This guide contains disclosure requirements under IFRS Accounting Standards only. It does not specify the scope of individual accounting standards referred to or their recognition and measurement requirements. Nor does it cover IAS 26 *Accounting and Reporting by Retirement Benefit Plans* or IAS 34 *Interim Financial Reporting*. The disclosures required by IAS 34 are set out in our Guide to condensed interim financial statements – Disclosure checklist (March 2024).

In addition, accounting standards and their interpretation change over time. Accordingly, this guide should not be used as a substitute for referring to their requirements and other relevant interpretative guidance.

Preparers should also consider applicable legal and regulatory requirements. This guide does not consider the requirements of any particular jurisdiction.

Climate-related financial reporting impacts

All entities are facing climate-related risks and opportunities and are making strategic decisions in response – including around their transition to a low-carbon economy. These climate-related risks and strategic decisions could impact their financial statements and metrics.

Investors and regulators need to understand how climate-related risks and opportunities have affected and will affect an entity's financial position and performance. Although financial statements are not the only source of information about climate-related matters – entities are also expected to provide more comprehensive disclosures in the front part of the annual report or elsewhere – they play an important role. IFRS Accounting Standards do not refer explicitly to climate-related risks or matters, but they implicitly require relevant disclosures in the financial statements when climate-related matters considered in preparing the financial statements are material.

Our Clear on climate reporting hub provides guidance on the potential financial statement impacts of climate-related matters. See especially our:

- Talkbook – Are you clear on climate reporting in the financial statements?
- Article and talkbook – Net-zero commitments.
- Article – Have you disclosed the impacts of climate-related matters clearly?

Financial reporting in uncertain times

Many entities are likely to be facing challenges in these uncertain times. Geopolitical events, natural disasters, climate-related effects and inflationary pressures continue to drive uncertainty across the globe.

Such uncertainty brings numerous issues and risks for entities, including shifts in consumer demand, disrupted supply chains, staff shortages and increased market volatility. It also creates the potential for additional accounting and disclosure implications.

Depending on the industry and economic environment in which an entity operates, there may be various external events that affect the recognition and measurement of its assets and liabilities, income and expenses. Also, as a consequence of these events, entities may be facing going concern difficulties due to liquidity pressures.

Preparers should carefully evaluate and consider the impact of external events on their 2024 financial reporting and provide relevant, entity-specific disclosures.

For guidance, see our Uncertain times reporting hub.

Connectivity between the financial statements and other information

An entity's general purpose financial reports usually contain three key areas that provide insights into the business model and strategy: the financial statements, the sustainability disclosures, and management's discussion and analysis (MD&A). An entity may face direct challenge from investors, regulators and other report users if those insights are not connected. Climate-related matters and other uncertainties are under particular scrutiny.

To achieve connectivity in annual reports, it is important that the front and back part of the report tell the same story. To tell a connected story, an entity:

- joins the dots between the front part of the financial report (e.g. sustainability disclosures and MD&A) and the financial statements; and
- ensures the different components of the front part disclosures are themselves connected.

Connectivity is especially important when reporting on issues that create volatility for the entity's prospects, such as climate-related risks and opportunities and other uncertainties. For more about connectivity, see our Connected Reporting Today page.

For information on IFRS Sustainability Disclosure Standards and related developments, see our ISSB Standards Today page, and on European Sustainability Reporting Standards, see our ESRS Today page. This guide contains only disclosure requirements for financial statements prepared in accordance with IFRS Accounting Standards and does not include sustainability disclosures.

Organisation of the text

This guide is arranged by topic. It is designed to provide all of the disclosures that may be required for a set of annual financial statements when it is completed in its entirety. Disclosures that relate to more than one topic may not always be repeated under each relevant topic. For example, the requirement to disclose the aggregate amount of research and development expenditure recognised as an expense during the period is included in Chapter 1.1 'Presentation of financial statements', but not repeated in Chapter 2.2 'Intangible assets and goodwill'.

Need for judgement

This guide is part of our suite of guides to financial statements and specifically focuses on compliance with the disclosure requirements of IFRS Accounting Standards. The preparation and presentation of financial statements requires the preparer to exercise judgement – e.g. in terms of the choice of accounting policies, the ordering of notes to the financial statements, tailoring the disclosures to reflect the reporting entity's specific circumstances and the relevance of disclosures considering the needs of the users.

Materiality

Materiality is relevant to the presentation and disclosure of items in the financial statements. Preparers need to consider whether the financial statements include all of the information that is relevant to understanding an entity's financial position at the reporting date and its financial performance during the reporting period.

Preparers also need to take care not to reduce the understandability of their financial statements by obscuring material information with immaterial information or by aggregating material information that is different by nature or function. Individual disclosures that are not material to the financial statements do not need to be provided – even if they are a specific requirement of an accounting standard. Preparers need to consider the appropriate level of disclosure based on materiality for the reporting period.

Specific guidance on materiality and its application to the financial statements is included in paragraphs 29–31 of IAS 1 *Presentation of Financial Statements*. In addition, paragraphs 117–117E include guidance on the application of materiality to disclosure of accounting policies. Preparers may also consider Practice Statement 2 *Making Materiality Judgements*, which provides guidance and examples on applying materiality in the preparation of financial statements.

Remember the bigger picture

Financial reporting is not just about technical compliance, but also effective communication. Investors continue to ask for a step-up in the quality of business reporting, so preparers should be careful not to become buried in compliance to the exclusion of relevance. In preparing their financial statements, entities need to focus on improving their communication by reporting financial information in a meaningful way.

Entities may also consider innovating their financial statement presentation and disclosure in the broader context of corporate reporting. For more information, see our Connected Reporting Today page.

References and abbreviations

References are included in the left-hand margin of this guide to identify any relevant paragraphs of the Accounting Standards or the 21st Edition 2024/25 of our publication *Insights into IFRS*.

IAS 1.51	Paragraph 51 of IAS 1.
IU 03-11	*IFRIC Update* March 2011.
Insights 4.1.190.10	Paragraph 4.1.190.10 of the 21st Edition 2024/25 of our publication Insights into IFRS.
‖	Major changes since the previous edition of this guide.

The following abbreviations are used often in this guide.

FVOCI	Fair value through other comprehensive income
FVTPL	Fair value through profit or loss
NCI	Non-controlling interests
OCI	Other comprehensive income

The checklist

1 General presentation

1.1 Presentation of financial statements

Fair presentation

IAS 1.15, 17(c)

Present fairly the financial position, financial performance and cash flows of the entity in the financial statements. Fair presentation requires the faithful representation of the effects of transactions, other events and conditions in accordance with the definitions and recognition criteria for assets, liabilities, income and expenses set out in the *Conceptual Framework for Financial Reporting* (*Framework*). The application of IFRS, with additional disclosures when necessary, is presumed to result in financial statements that achieve a fair presentation.

Financial statements prepared on a going concern basis – Going concern disclosures

Material uncertainty scenario

IAS 1.25, IU 07–10

When management is aware, in making its assessment, of material uncertainties related to events or conditions that may cast significant doubt upon the entity's ability to continue as a going concern, disclose those uncertainties.

Insights 1.2.83

In our view, if there are such material uncertainties, then an entity should, at minimum, disclose the following information:

- *details of events or conditions that may cast significant doubt about the entity's ability to continue as a going concern and management's evaluation of their significance in relation to the going concern assessment;*
- *management's plans to mitigate the effect of these events or conditions;*
- *significant judgements made by management in their going concern assessment, including their determination of whether there are material uncertainties; and*
- *an explicit statement that there is a material uncertainty related to events or conditions that may cast significant doubt on the entity's ability to continue as a going concern, and therefore that it may be unable to realise its assets and discharge its liabilities in the normal course of business.*

In our experience, if there are such material uncertainties, then an entity usually provides disclosure as part of the basis of preparation note in the financial statements.

'Close-call' scenario

Insights 1.2.85.10

In some cases, management may conclude that there are no material uncertainties that require disclosure in accordance with paragraph 25 of IAS 1. However, reaching that conclusion involved significant judgement (i.e. a 'close-call' scenario). In these cases, a question arises about whether any disclosures are required. The IFRS Interpretations Committee discussed this issue and noted that the disclosure requirements in paragraph 122 of IAS 1 (see Insights 2.8.40.10) apply to the judgements made in concluding that there are no material uncertainties related to events or conditions that may cast significant doubt on the entity's ability to continue as a going concern. To meet these disclosure requirements, in our view similar information to that in respect of material uncertainties (as outlined in the first three bullet points above) may be relevant to the users' understanding of the entity's financial statements.

Insights 1.2.85.20 *IFRS Accounting Standards do not provide guidance on the placement of the disclosures in a close-call scenario and in our experience such disclosure may be provided as part of the basis of preparation note or elsewhere in the financial statements. It may be provided in a single note or in multiple notes. However, considering the Committee's discussion (see above), we believe that the information disclosed in a close-call scenario should be appropriately cross-referenced to the note discussing significant judgements under paragraph 122 of IAS 1.*

Financial statements not prepared on a going concern basis

IAS 1.25 When the financial statements are not prepared on a going concern basis, disclose:

a. the fact that the financial statements are not prepared on a going concern basis;
b. the basis on which the financial statements are prepared; and
c. the reason why the entity is not regarded as a going concern.

Insights 1.2.70.20 *In our view, there is no general dispensation from the measurement, recognition and disclosure requirements of the Accounting Standards even if an entity is not expected to continue as a going concern.*

Structure and content

IAS 1.10 A complete set of financial statements comprises:

IAS 1.10(a) a. a statement of financial position as at the end of the period;
IAS 1.10(b) b. a statement of profit or loss and OCI for the period;
IAS 1.10(c) c. a statement of changes in equity for the period;
IAS 1.10(d) d. a statement of cash flows for the period;
IAS 1.10(e) e. notes, comprising material accounting policy information and other explanatory information;
IAS 1.10(ea) f. comparative information in respect of the preceding period as specified in IAS 1.38 and IAS 1.38A; and
IAS 1.10(f), 40A g. a statement of financial position as at the beginning of the preceding period if:
   i. the entity applies an accounting policy retrospectively or makes a retrospective restatement of items in its financial statements, or when it reclassifies items in the financial statements; and
   ii. the retrospective application, retrospective restatement or the reclassification has a material effect on the information in the statement of financial position at the beginning of the preceding period.

IAS 1.40C If the statement of financial position as at the beginning of the preceding period is required to be presented, then disclose the information required by IAS 1.41–44 (see 'Reclassifications') and IAS 8. The notes related to that statement of financial position need not be presented in such case.

IAS 1.31 A specific disclosure required by an IFRS need not be provided if the information resulting from that disclosure is not material, even if the IFRS contains a list of specific requirements or describes them as minimum requirements. Additional disclosures need to be provided when compliance with the specific requirements in IFRS is insufficient to enable users of financial statements to understand the impact of particular transaction, other events and conditions on the entity's financial position and financial performance.

Insights 1.2.40.20	*In our view, the materiality of a disclosure item should not be determined solely by the materiality of the related financial statement line item. When making judgements about the materiality of disclosure, an entity considers the objectives of the disclosure and its relevance to the users together with the surrounding circumstances, including the consideration of qualitative factors.*	
IAS 1.49	Clearly identify the financial statements and distinguish them from other information in the same published document.	
IAS 1.51	Clearly identify each financial statement and the notes.	
IAS 1.51	Prominently display, and repeat when necessary for a proper understanding of the information presented:	
IAS 1.51(a)	a. the name of the reporting entity or other means of identification, and any change in that information from the end of the preceding reporting period;	
IAS 1.51(b)	b. whether the financial statements are of an individual entity or a group of entities;	
IAS 1.51(c)	c. the reporting date or the period covered by the set of financial statements or notes;	
IAS 1.51(d)	d. the presentation currency, as defined in IAS 21; and	
IAS 1.51(e)	e. the level of rounding used in presenting amounts in the financial statements.	
IAS 1.36	Present a complete set of financial statements (including comparative information) at least annually.	
IAS 1.36	When the entity changes its reporting date and presents financial statements for a period longer or shorter than one year, disclose, in addition to the period covered by the financial statements:	
IAS 1.36(a)	a. the reason for using a longer or shorter period; and	
IAS 1.36(b)	b. the fact that comparative amounts presented in the financial statements are not entirely comparable.	

Comparative information and consistency of presentation

Minimum comparative information

IAS 1.38	Unless IFRS permits or requires otherwise, present comparative information in respect of the preceding period for all amounts reported in the current period's financial statements.	
IAS 1.38A	Present, as a minimum:	
	a. two statements of financial position;	
	b. two statements of profit or loss and OCI;	
	c. two separate statements of profit or loss (if presented);	
	d. two statements of cash flows;	
	e. two statements of changes in equity; and	
	f. related notes.	
IAS 1.38, 38B	Include comparative information for narrative and descriptive information when it is relevant to an understanding of the current period's financial statements.	

Additional comparative information

IAS 1.38C

Comparative information in addition to the above minimum requirements may be presented, as long as that information is prepared in accordance with IFRS. Such additional comparative information may consist of one or more statements referred to in IAS 1.10, but need not comprise a complete set of financial statements. When this is the case, present related note information for those additional statements.

Consistency of presentation

IAS 1.45

Retain the presentation and classification of items in financial statements from one period to the next unless:

IAS 1.45(a)

a. it is apparent, following a significant change in the nature of the entity's operations or a review of its financial statements, that another presentation or classification is more appropriate having regard to the criteria for the selection and application of accounting policies in IAS 8; or

IAS 1.45(b)

b. an IFRS requires a change in presentation.

Insights 2.1.130.20

In some cases, an entity may wish to present pro forma information that is not required by the Accounting Standards – e.g. pro forma comparative financial statements following a change in the reporting date or a pro forma statement of profit or loss and OCI following significant changes in the composition of the entity. In our view, such additional information is generally acceptable to the extent that it is allowed by local regulations and relevant stock exchange rules and provided that:

- *the information is labelled clearly to distinguish it from the financial statements prepared in accordance with the Accounting Standards and is marked clearly as unaudited if that is the case;*
- *the entity discloses the transaction or event that is reflected in the pro forma financial information, the source of the financial information on which it is based, the significant assumptions used in developing the pro forma adjustments and any significant uncertainties about those adjustments; and*
- *the presentation indicates that the pro forma financial information should be read in conjunction with the financial statements and that the pro forma financial information is not necessarily indicative of the results that would have been attained if, for example, the transaction or event had taken place on a different date.*

Reclassifications

IAS 1.41

If the presentation or classification of items in the financial statements is changed, then reclassify comparative amounts unless reclassification is impracticable. When comparative amounts are reclassified, disclose (including as at the beginning of the preceding period):

IAS 1.41(a) a. the nature of the reclassification;

IAS 1.41(b) b. the amount of each item or class of items that is reclassified; and

IAS 1.41(c) c. the reason for the reclassification.

IAS 1.42

When reclassifying comparative amounts is impracticable, disclose:

IAS 1.42(a) a. the reason for not reclassifying the amounts; and

IAS 1.42(b) b. the nature of the adjustments that would have been made if the amounts had been reclassified.

Other disclosures

IAS 1.138	Disclose the following, if not disclosed elsewhere in information published with the financial statements:	
IAS 1.138(a)	a. the domicile and legal form of the entity, its country of incorporation and the address of its registered office (or principal place of business, if different from the registered office);	______
IAS 1.138(b)	b. a description of the nature of the entity's operations and its principal activities;	______
IAS 1.138(c)	c. the name of the parent and the ultimate parent of the group; and	______
IAS 1.138(d)	d. if it is a limited life entity, information regarding the length of its life.	______

Statement of financial position

Current vs non-current distinction

IAS 1.60	Present current and non-current assets, and current and non-current liabilities, as separate classifications in the statement of financial position except when a presentation based on liquidity provides reliable and more relevant information. When that exception applies, all assets and liabilities are presented in order of liquidity.	______
IAS 1.61	Whichever method of presentation is adopted, disclose the amount expected to be recovered or settled after more than 12 months for each asset and liability line item that combines amounts expected to be recovered or settled:	
IAS 1.61(a)	a. no more than 12 months after the reporting date; and	______
IAS 1.61(b)	b. more than 12 months after the reporting date.	______
IAS 1.56	When current and non-current classification is used in the statement of financial position, do not classify deferred tax assets (liabilities) as current assets (liabilities).	______

Liabilities arising from loan arrangements

IAS 1.76ZA	Applying IAS 1.69–75, when liabilities arising from loan arrangements are classified as non-current but the right to defer settlement of those liabilities is subject to compliance with covenants within 12 months after the reporting date, disclose information in the notes that enables users of financial statements to understand the risk that the liabilities could become repayable within 12 months after the reporting date, including:	
IAS 1.76ZA(a)	a. information about the covenants (including the nature of the covenants and when compliance with them is required) and the carrying amount of related liabilities; and	______
IAS 1.76ZA(b)	b. facts and circumstances, if any, that indicate there may be difficulty complying with the future covenants – for example, actions during or after the reporting period to avoid or mitigate a potential breach. Such facts and circumstances could also include the fact that the covenants would not have been complied with if they were assessed for compliance based on the circumstances at the reporting date.	______

Information to be presented in the statement of financial position

IAS 1.32	Do not offset assets and liabilities unless required or permitted by an IFRS.	______
IAS 1.29	Present separately each material class of similar items.	______
IAS 1.29	Present separately items of dissimilar nature or function unless they are immaterial.	______

IAS 1.54	The statement of financial position includes the following line items:
IAS 1.54(a)	a. property, plant and equipment;
IAS 1.54(b)	b. investment property;
IAS 1.54(c)	c. intangible assets;
IAS 1.54(d)	d. financial assets, excluding amounts shown under IAS 1.54(e), (h)–(i);
IFRS 17.78(a), IAS 1.54(da)	e. insurance contracts issued that are assets;
IFRS 17.78(c), IAS 1.54(da)	f. reinsurance contracts held that are assets;
IAS 1.54(e)	g. investments accounted for under the equity method;
IAS 1.54(f)	h. biological assets in the scope of IAS 41 *Agriculture*;
IAS 1.54(g)	i. inventories;
IAS 1.54(h)	j. trade and other receivables;
IAS 1.54(i)	k. cash and cash equivalents;
IFRS 5.38, IAS 1.54(j)	l. the total of assets classified as held-for-sale and assets included in disposal groups classified as held-for-sale in accordance with IFRS 5;
IAS 1.54(k)	m. trade and other payables;
IAS 1.54(l)	n. provisions;
IAS 1.54(m)	o. financial liabilities, excluding amounts shown under IAS 1.54(k)–(l);
IFRS 17.78(b), IAS 1.54(ma)	p. insurance contracts issued that are liabilities;
IFRS 17.78(d), IAS 1.54(ma)	q. reinsurance contracts held that are liabilities;
IAS 1.54(n)	r. liabilities and assets for current tax, as defined in IAS 12;
IAS 1.54(o)	s. deferred tax liabilities and deferred tax assets, as defined in IAS 12;
IFRS 5.38, IAS 1.54(p)	t. liabilities included in disposal groups classified as held-for-sale in accordance with IFRS 5;
IAS 1.54(q)	u. NCI, presented within equity, but separately from parent shareholders' equity; and
IAS 1.54(r)	v. issued capital and reserves attributable to owners of the parent.
Insights 7.10.40.50	*In our view, derivative assets and liabilities should be presented in separate line items in the statement of financial position if they are significant. If derivative instruments are not significant, then they may be included in other financial assets and other financial liabilities, respectively. Additional details should be disclosed in the notes to the financial statements.*
IAS 1.55, 57(a)	Present additional line items (including by disaggregating the line items listed in IAS 1.54), headings and subtotals in the statement of financial position when such presentation is relevant to an understanding of the entity's financial position. This may require additional line items when the size, nature or function of an item or aggregation of similar items is such that separate presentation is relevant to an understanding of the entity's financial position.
IAS 1.55A	When presenting subtotals in accordance with IAS 1.55, each subtotal:
IAS 1.55A(a)	a. is comprised of line items made up of amounts recognised and measured in accordance with IFRS;
IAS 1.55A(b)	b. is presented and labelled in a manner that makes the line items that constitute the subtotal clear and understandable;
IAS 1.55A(c)	c. is consistent from period to period in accordance with IAS 1.45; and
IAS 1.55A(d)	d. is not displayed with more prominence than the subtotals and totals required in IFRS for the statement of financial position.

Information to be presented either in the statement of financial position or in the notes

IAS 1.77	Disclose, either in the statement of financial position or in the notes, further sub-classifications of the line items presented, classified in a manner appropriate to the entity's operations.
IAS 1.30	For line items that are not individually material, aggregate with other items in the statement of financial position or in the notes. However, an item that is not sufficiently material to warrant separate presentation in the statement of financial position may warrant separate presentation in the notes.
IAS 1.30A	When applying IAS 1 and other IFRSs, consider all relevant facts and circumstances when deciding how to aggregate information in the financial statements, which include the notes. The understandability of the financial statements cannot be reduced by obscuring material information with immaterial information or by aggregating material items that have different natures and functions.
IAS 1.78	Disclose further sub-classifications considering the requirements of IFRSs and the size, nature and function of amounts involved, for example:
IAS 1.78(a)	a. items of property, plant and equipment disaggregated into classes in accordance with IAS 16;
IAS 1.78(b)	b. receivables disaggregated into amounts receivable from trade customers, receivables from related parties, prepayments and other amounts;
IAS 1.78(c)	c. inventories disaggregated, in accordance with IAS 2, into classifications such as merchandise, production supplies, materials, work in progress and finished goods;
IAS 1.78(d)	d. provisions disaggregated into provisions for employee benefits and other items; and
IAS 1.78(e)	e. equity capital and reserves disaggregated into the various classes such as paid-in capital, share premium and reserves.
IAS 1.79	Disclose either in the statement of financial position or the statement of changes in equity, or in the notes:
IAS 1.79(a)	a. for each class of share capital:
IAS 1.79(a)(i)	i. the number of shares authorised;
IAS 1.79(a)(ii)	ii. the number of shares issued and fully paid, and issued but not fully paid;
IAS 1.79(a)(iii)	iii. par value per share, or that the shares have no par value;
IAS 1.79(a)(iv)	iv. a reconciliation of the number of shares outstanding at the beginning and at the end of the period;
IAS 1.79(a)(v)	v. the rights, preferences and restrictions attaching to that class, including restrictions on the distribution of dividends and the repayment of capital;
IAS 1.79(a)(vi), 32.34	vi. shares in the entity held by the entity itself or by its subsidiaries (treasury shares) or associates; and
IAS 1.79(a)(vii)	vii. shares reserved for issue under options and contracts, including the terms and amounts; and
IAS 1.79(b)	b. a description of the nature and purpose of each reserve within equity.
IAS 1.80	If the entity is without share capital (e.g. a partnership, a trust), then disclose information equivalent to that required by IAS 1.79(a), showing changes during the period in each category of equity interest, and the rights, preferences and restrictions attaching to each category of equity interest.

IFRS 5.38–39

For a non-current asset or disposal group classified as held-for-sale under IFRS 5, disclose the major classes of assets and liabilities classified as held-for-sale separately from other assets, either in the statement of financial position or in the notes (not required if the disposal group is a newly acquired subsidiary that meets the criteria to be classified as held-for-sale on acquisition).

IFRS 7.8

Disclose the carrying amounts of each of the following categories, as specified in IFRS 9, either in the statement of financial position or in the notes:

IFRS 7.8(a) a. financial assets measured at FVTPL, showing separately:

IFRS 7.8(a)(i) i. those designated as such upon initial recognition or subsequently in accordance with IFRS 9.6.7.1;

IFRS 7.8(a)(ii) ii. those measured as such in accordance with the election in IFRS 9.3.3.5;

IFRS 7.8(a)(iii) iii. those measured as such in accordance with the election in IAS 32.32A; and

IFRS 7.8(a)(iv) iv. those mandatorily measured at FVTPL in accordance with IFRS 9;

IFRS 7.8(f) b. financial assets measured at amortised cost;

IFRS 7.8(h) c. financial assets measured at FVOCI, showing separately:

IFRS 7.8(h)(i) i. those that are measured at FVOCI in accordance with IFRS 9.4.1.2A; and

IFRS 7.8(h)(ii) ii. investments in equity instruments designated as such upon initial recognition in accordance with IFRS 9.5.7.5;

IFRS 7.8(e) d. financial liabilities at FVTPL, showing separately:

IFRS 7.8(e)(i) i. those designated as such upon initial recognition or subsequently in accordance with IFRS 9.6.7.1; and

IFRS 7.8(e)(ii) ii. those that meet the definition of held-for-trading in IFRS 9; and

IFRS 7.8(g) e. financial liabilities measured at amortised cost.

Insights 7.2.380.10

IFRS 9 does not require separate presentation of separated embedded derivatives in the statement of financial position. In our view, under certain circumstances embedded derivatives that are separated from host financial liability should be presented together with the host contract. However, an entity is required to disclose separately financial instruments carried at amortised cost and those carried at fair value. Therefore, embedded derivatives that are separated from financial liabilities but not presented separately in the statement of financial position should be disclosed in the notes.

Insights 7.10.30.20

Using different measurement bases for different classes of assets suggests that their nature or function differs; therefore, instruments that are measured at amortised cost, and those that are measured at fair value, are generally presented as separate line items. However, in our view in certain cases instruments with different measurement bases may be included in the same line item – e.g. a host financial instrument liability that is carried at amortised cost and a separated embedded derivative, or an instrument carried at amortised cost that is the hedged item in a fair value hedge and other similar instruments that are not hedged. In these cases, the notes to the financial statements should disclose the carrying amount of each category of financial instruments that are combined in a single line item in the statement of financial position.

IAS 1.80A(a)

If the entity has reclassified a puttable financial instrument classified as an equity instrument between financial liabilities and equity, then disclose:

a. the amount reclassified into and out of each category (financial liabilities and equity); and
b. the timing and reason for that reclassification.

IAS 1.136A	Disclose for puttable financial instruments classified as equity instruments (to the extent not disclosed elsewhere):	
IAS 1.136A(a)	a. summary quantitative data about the amount classified as equity;	
IAS 1.136A(b)	b. its objectives, policies and processes for managing its obligation to repurchase or redeem the instruments when required to do so by the instrument holders, including any changes from the previous period;	
IAS 1.136A(c)	c. the expected cash outflow on redemption or repurchase of that class of financial instruments; and	
IAS 1.136A(d)	d. information about how the expected cash outflow on redemption or repurchase was determined.	
IAS 1.80A(b)	If the entity has reclassified an instrument that imposes on the entity an obligation to deliver to another party a pro rata share of the net assets of the entity only on liquidation and is classified as an equity instrument between financial liabilities and equity, then disclose:	
	a. the amount reclassified into and out of each category (financial liabilities and equity); and	
	b. the timing and reason for that reclassification.	
IFRIC 17.16(a)	Disclose the carrying amount of the dividend payable for distribution of non-cash assets to owners at the beginning and end of the period.	

Statement of profit or loss and OCI

Information to be presented in the statement of profit or loss and OCI

IAS 1.10A	Present a statement of profit or loss and OCI either:	
	a. in a single statement that includes all components of profit or loss and OCI; or	
	b. in the form of two separate statements, one displaying components of profit or loss followed immediately by another statement beginning with profit or loss and displaying components of OCI.	
IAS 1.81A	If a separate statement of profit or loss is presented, then the profit or loss section is not presented in the statement presenting comprehensive income.	
IAS 1.81A	Present in the statement of profit or loss and OCI:	
IAS 1.81A(a)	a. profit or loss;	
IAS 1.81A(b)	b. total OCI; and	
IAS 1.81A(c)	c. comprehensive income for the period, being the total of profit or loss and OCI.	
IAS 1.81B	Present, in addition to the profit or loss and OCI sections, as allocation of profit or loss and OCI for the period:	
IAS 1.81B(a)	a. profit or loss for the period attributable to:	
IAS 1.81B(a)(i)	i. NCI; and	
IAS 1.81B(a)(ii)	ii. owners of the parent; and	
IAS 1.81B(b)	b. comprehensive income for the period attributable to:	
IAS 1.81B(b)(i)	i. NCI; and	
IAS 1.81B(b)(ii)	ii. owners of the parent.	
IAS 1.81B	If profit or loss is presented in a separate statement, then present the information set out in IAS 1.81B(a) in that statement.	

IAS 1.85	Present additional line items (including by disaggregating the line items listed in IAS 1.82), headings and subtotals in the statement of profit or loss and OCI and the separate statement of profit or loss (if presented), when such presentation is relevant to an understanding of the entity's financial performance.
IAS 1.85A	When presenting subtotals in accordance with IAS 1.85, each subtotal:
IAS 1.85A(a)	a. is comprised of line items made up of amounts recognised and measured in accordance with IFRS;
IAS 1.85A(b)	b. is presented and labelled in a manner that makes the line items that constitute the subtotal clear and understandable;
IAS 1.85A(c)	c. is consistent from period to period in accordance with IAS 1.45; and
IAS 1.85A(d)	d. is not displayed with more prominence than the subtotals and totals required in IFRS for the statement presenting profit or loss and OCI.
IAS 1.85B	Present the line items in the statement presenting profit or loss and OCI that reconcile any subtotals presented in accordance with IAS 1.85 with the subtotals or totals required in IFRS for such statements.
Insights 4.1.150.10	*An entity may wish to present alternative earnings measures such as EBITDA, EBIT or 'headline earnings' in the statement of profit or loss and OCI. The Accounting Standards do not prohibit the presentation of subtotals, including certain alternative earnings measures, if relevant criteria are met. In our view, if a measure – e.g. EBITDA or EBIT – is made up of amounts recognised and measured in accordance with the Accounting Standards, then it may be considered an additional subtotal under IAS 1.*
Insights 4.1.160.10–20	*The presentation of EBITDA in the statement of profit or loss and OCI depends on the classification of expenses adopted, and whether that classification is given in the statement of profit or loss and OCI or in the notes. In our view, the presentation of EBITDA is usually possible by presenting a sub-analysis of earnings while classifying items of income and expense to the appropriate line items.*

Information to be presented in the profit or loss section or in the statement of profit or loss

IAS 1.82	In addition to items required by other IFRSs, include in the profit or loss section or the statement of profit or loss, line items that present the following amounts for the period:
IAS 1.82(a)	a. revenue, presenting separately:
IAS 1.82(a)(i)	i. interest revenue calculated using the effective interest method; and
IFRS 17.80(a), IAS 1.82(a)(ii)	ii. insurance revenue;
IAS 1.82(aa)	b. gains and losses arising from the derecognition of financial assets measured at amortised cost;
IFRS 17.84, IAS 1.82(ab)	c. insurance service expenses from contracts issued in the scope of IFRS 17;
IFRS 17.82, IAS 1.82(ac)	d. income or expenses from reinsurance contracts held;
IAS 1.82(b)	e. finance costs;
IAS 1.82(ba)	f. impairment losses (including reversals of impairment losses or impairment gains) determined in accordance with Section 5.5 of IFRS 9;

IFRS 17.80(b), IAS 1.82(bb)	g. insurance finance income or expenses from contracts issued within the scope of IFRS 17;	
IFRS 17.82, IAS 1.82(bc)	h. finance income or expenses from reinsurance contracts held;	
IAS 1.82(c)	i. share of the profit or loss of associates and joint ventures accounted for under the equity method;	
IAS 1.82(ca)	j. if a financial asset is reclassified out of the amortised cost measurement category so that it is measured at FVTPL, any gain or loss arising from a difference between the previous amortised cost of the financial asset and its fair value at the reclassification date (as defined in IFRS 9);	
IAS 1.82(cb)	k. if a financial asset is reclassified out of the FVOCI measurement category so that it is measured at FVTPL, any cumulative gain or loss previously recognised in OCI that is reclassified to profit or loss;	
IAS 1.82(d)	l. tax expense; and	
IAS 1.82(ea)	m. a single amount for the total of discontinued operations (see IFRS 5).	
Insights 4.1.190.10	*In our view, all items of profit or loss should be presented in the primary statement before the effect of income tax (i.e. gross) unless they are specifically required by another standard to be presented after the effect of income tax – e.g. share of profit of equity-accounted investees and amounts related to discontinued operations.*	
Insights 7.10.70.15–20	*The IFRS Interpretations Committee discussed the application of the requirement to present separately a line item for interest revenue calculated using the effective interest method and noted that it applies only to financial assets that are subsequently measured at amortised cost or FVOCI (subject to the effect of any qualifying hedging relationship applying the hedge accounting requirements).* *However, the Committee did not consider how an entity could present other interest amounts in the statement of profit or loss and OCI. Because IFRS 9 does not define revenue, in our view an entity may present interest income from other financial assets in another revenue line item if it arises in the course of the entity's ordinary activities.*	
Insights 7.10.70.60	*In our view, finance income and finance costs should not be presented on a net basis (e.g. as 'net finance costs') in profit or loss without presenting an analysis of finance income and finance costs. However, this does not preclude presentation of finance income immediately followed by finance costs and a subtotal – e.g. 'net finance costs' – in profit or loss.*	
IAS 1.32	Do not offset income and expenses unless required or permitted by an IFRS.	
IAS 1.88	Unless an IFRS requires or permits otherwise, recognise all items of income and expense in a period in profit or loss.	
IAS 1.29	Present separately each material class of similar items.	
IAS 1.29	Present separately items of dissimilar nature or function unless they are immaterial.	

Insights 4.1.90.20

In our view, the nature of an item does not change merely because it is individually material. We believe that individually material items should generally be presented within, or adjacent to, the remaining aggregated amounts of the same nature or function, consistent with the classification of items that are not individually material. For example, a separately presented material write-down of inventory damaged in a fire is classified as cost of sales because other impairment losses on inventories are included in that line item.

Insights 4.1.90.40

If the effect of a particular transaction, event or circumstance is pervasive and affecting a number of line items, then it may be appropriate to disclose in the notes to the financial statements the total impact of the event. In this case, in our view an analysis of related amounts and the line items affected should be disclosed in the notes, with a description of the circumstances. An entity may also wish to disclose in the statement of profit or loss and OCI the related element of each line item affected. This may be achieved in a number of ways – e.g. by sub-analysing (and subtotalling) the appropriate line items or by presenting the individually material items in a separate column, with a column in which the total for each line item is presented.

IAS 32.41

When it is relevant in explaining the entity's performance, present separately any gain or loss arising from the remeasurement of a financial liability that includes a right to the residual interest in the assets of the entity in exchange for cash or another financial asset.

Information to be presented in the OCI section

IAS 1.82A Present line items for amounts of OCI in the period.

IAS 1.82A(a) a. Items of OCI (excluding amount in IAS 1.82A(b)), classified by nature and grouped into that, in accordance with other IFRSs:

IAS 1.82A(a)(i) i. will not be reclassified subsequently to profit or loss; and

IAS 1.82A(a)(ii) ii. will be or may be reclassified subsequently to profit or loss when specific conditions are met.

IAS 1.82A(b) b. The share of OCI of associates and joint ventures accounted for using the equity method, separated into the share of items that, in accordance with IFRSs:

IAS 1.82A(b)(i) i. will not be reclassified subsequently to profit or loss; and

IAS 1.82A(b)(ii) ii. will be or may be reclassified subsequently to profit or loss when specific conditions are met.

IAS 1.92 Disclose reclassification adjustments relating to components of OCI.

IAS 1.91 Present items of OCI either:

IAS 1.91(a) a. net of related tax effects; or

IAS 1.91, 91(b) b. before related tax effects with one amount shown for the aggregate amount of income tax relating to those items. If this alternative is elected, then allocate the tax between the items that might be reclassified subsequently to the profit or loss section and those that will not be reclassified subsequently to the profit or loss section.

IFRIC 1.6(d) Changes in a revaluation surplus arising from changes in decommissioning, restoration and similar liabilities should be separately identified, disclosed and described as such.

Information to be presented either in the statement of profit or loss and OCI or in the notes

IAS 1.30	For line items that are not individually material, aggregate with other items in the statement of profit or loss and OCI or in the notes. However, an item that is not sufficiently material to warrant separate presentation in the statement of profit or loss and OCI may warrant separate presentation in the notes.
IAS 1.87	It is not permitted to present any items of income and expense as extraordinary items, in the statement(s) presenting profit or loss and OCI, or in the notes.
IAS 1.97	When items of income and expense are material, disclose their nature and amount separately.
Insights 4.1.100.20	*In our view, an item is not exceptional or unusual merely because there is a requirement to present or disclose that item separately, either in the statement of profit or loss and OCI or in the notes to the financial statements.*
IAS 1.98	Circumstances that would give rise to the separate disclosure of items of income and expense include:
IAS 1.98(a)	a. the write-down of inventories to net realisable value or of property, plant and equipment to recoverable amount, as well as the reversal of such write-downs;
IAS 1.98(b)	b. a restructuring of the activities of the entity and the reversal of any provisions for the costs of restructuring;
IAS 1.98(c)	c. disposals of items of property, plant and equipment;
IAS 1.98(d)	d. disposals of investments;
IAS 1.98(e)	e. discontinued operations;
IAS 1.98(f)	f. litigation settlements; and
IAS 1.98(g)	g. other reversals of provisions.
IAS 1.99–100	Present an analysis of expenses recognised in profit or loss using a classification based on either their nature or their function within the entity, whichever provides information that is reliable and more relevant. Entities are encouraged to present this analysis in the statement of profit or loss and OCI or in the separate statement of profit or loss (if presented).
IAS 1.104	If expenses are classified by function then disclose additional information on the nature of expenses, including depreciation and amortisation expense and employee benefits expense.
IAS 1.103	If expenses are classified by function, then, as a minimum, disclose the cost of sales separately from other expenses.
Insights 4.1.20.40	*An entity that presents the analysis of expenses by function or by nature in the statement of profit or loss and OCI may face challenges in determining how this presentation interacts with the specific requirements to present the effect of some events or circumstances as a single amount in the statement of profit or loss and OCI – e.g. impairment losses determined in accordance with Section 5.5 of IFRS 9. An entity applies judgement in determining an appropriate presentation. In doing so, it needs to ensure that the chosen presentation is not misleading and is relevant to the users' understanding of its financial statements.*
Insights 4.1.30.20	*There is no guidance in the Accounting Standards on how specific expenses are allocated to functions. An entity establishes its own definitions of functions – such as cost of sales, distribution and administrative activities – and applies these definitions consistently. It may be appropriate to disclose the definitions used.*

Insights 4.1.30.30	*All expenses – including staff costs, depreciation and amortisation – are allocated to the appropriate functions. In our view, staff costs, depreciation and amortisation can be allocated to specific functions in almost every case. Only expenses that cannot be allocated to a specific function are classified as 'other expenses'.*
Insights 4.1.30.40	*In our view, cost of sales includes only costs directly related to the provision of goods or services for which the entity recognises revenue. These costs include those directly or indirectly attributable to the production process or the delivery of a service, such as direct materials (including any NRV write-downs or reversals, and inventory discounts or rebates), salaries and wages, depreciation of assets used, and repair and maintenance costs. In some cases, it may also include distribution, packaging and transport costs. Other costs not directly related to the provision of goods or services, such as marketing and advertising expenses, are classified as selling and distribution costs.*
IAS 32.40	Dividends classified as an expense may be presented in the statement of profit or loss and OCI either with interest on other liabilities or as a separate item. In addition, disclosure of interest and dividends is subject to the requirements of IAS 1 and IFRS 7.
IAS 32.40	If there are differences between interest and dividends with respect to matters such as tax deductibility, then it is desirable to disclose them separately in the statement of profit or loss and OCI, either with interest on other liabilities or as a separate item. Disclosures of the tax effects are made in accordance with IAS 12.
IAS 1.90	Disclose the amount of income tax relating to each component of OCI, including reclassification adjustments, either in the statement of profit or loss and OCI or in the notes.
IAS 16.74A(a)	Disclose separately in the statement of profit or loss and OCI or in the notes the amount of compensation from third parties for items of property, plant and equipment that were impaired, lost or given up that is included in profit or loss.
IAS 16.74A(b)	Disclose separately in the statement of profit or loss and OCI or in the notes the amounts of proceeds and cost included in profit or loss in accordance with paragraph 20A that relate to items produced that are not an output of the entity's ordinary activities, and which line item(s) in the statement of profit or loss and OCI include(s) such proceeds and cost.
IAS 29.9	If the entity's functional currency is a currency of a hyperinflationary economy, then include in profit or loss and disclose separately the gain or loss on the net monetary position of the entity.
IAS 38.126	Disclose the aggregate amount of research and development expenditure recognised as an expense during the period.
IFRS 15.113	Disclose all of the following amounts for the reporting period unless those amounts are presented separately in the statement of profit or loss and OCI in accordance with other standards:
IFRS 15.113(a)	a. revenue recognised from contracts with customers, which the entity needs to disclose separately from its other sources of revenue; and
IFRS 15.113(b)	b. any impairment losses recognised (in accordance with IFRS 9) on any receivables or contract assets arising from the entity's contracts with customers, which the entity needs to disclose separately from impairment losses from other contracts.

This disclosure requirement is repeated under Chapter 3.1 'Revenue' below.

Insights 4.2.560.25	*In our view, an entity is not required to present revenue from contracts with customers as a separate line item in the statement of profit or loss and may aggregate it with other types of revenue considering the requirements in IAS 1. However, in providing a separate disclosure of revenue from contracts with customers – either in the notes or in the statement of profit or loss – we believe that an entity should not include amounts that do not fall in the scope of IFRS 15.*	
IFRS 7.20	Disclose the following items of income, expense, gains or losses either in the statement of profit or loss and OCI or in the notes:	
IFRS 7.20(a)	a. net gains or net losses on:	
IFRS 7.20(a)(i)	i. financial assets or financial liabilities measured at FVTPL, showing separately those on financial assets or financial liabilities designated as such upon initial recognition or subsequently in accordance with IFRS 9.6.7.1, and those on financial assets or financial liabilities that are mandatorily measured at FVTPL. For financial liabilities designated at FVTPL, show separately the amount of gain or loss recognised in OCI and the amount recognised in profit or loss;	
IFRS 7.20(a)(vi)	ii. financial assets measured at amortised cost;	
IFRS 7.20(a)(vii)	iii. investments in equity instruments designated at FVOCI in accordance with IFRS 9.5.7.5;	
IFRS 7.20(a)(viii)	iv. financial assets measured at FVOCI in accordance with IFRS 9.4.1.2A, showing separately the amount of gain or loss recognised in OCI during the period and the amount reclassified upon derecognition from accumulated OCI to profit or loss for the period; and	
IFRS 7.20(a)(v)	v. financial liabilities measured at amortised cost;	
IFRS 7.20(b)	b. total interest revenue and total interest expense (calculated using the effective interest method) for financial assets that are measured at amortised cost or that are measured at FVOCI in accordance with IFRS 9.4.1.2A (showing these amounts separately); or financial liabilities that are not measured at FVTPL;	
IFRS 7.20(c)	c. fee income and expense (other than amounts included in determining the effective interest rate) arising from:	
IFRS 7.20(c)(i)	i. financial assets or financial liabilities that are not at FVTPL; and	
IFRS 7.20(c)(ii)	ii. trust and other fiduciary activities that result in the holding or investing of assets on behalf of individuals, trusts, retirement benefit plans and other institutions.	
Insights 7.1.143.10	*In our view, an entity that accounts for a financial guarantee contract by analogy to the guidance for reimbursements in IAS 37 should choose an accounting policy, to be applied consistently, to present gains or losses on a compensation right in profit or loss either: in the line item 'impairment losses (including reversals of impairment losses or impairment gains) determined in accordance with IFRS 9'; or in another appropriate line item.*	
Insights 7.10.65.10, 50	*For non-derivatives measured at FVTPL, an entity may present either:*	
	• *foreign exchange gains and losses and/or interest income and expense separately from other fair value changes; or*	
	• *the entire fair value change on a net basis as a single amount.*	

[…] If a non-derivative financial asset measured at FVTPL does not meet the SPPI criterion, then, in our view judgement is required to determine whether separate presentation of interest and the method for calculating it are appropriate in the context of the economic characteristics of the instrument. We believe that interest cannot be presented for instruments that are entirely equity instruments.

Insights 7.10.65.60 *Any interest income that is calculated for a financial instrument measured at FVTPL cannot be presented in the line item for interest revenue calculated using the effective interest method, unless the instrument is designated as a hedging instrument with respect to that revenue.*

Insights 7.10.70.70 *If an entity determines that foreign exchange gains and losses and gains and losses on derivatives are operating in nature and elects to disclose the results of operating activities (or a similar line item) in the statement of profit or loss, then in our view it should present these gains and losses as part of operating activities.*

Insights 7.10.70.80 *In our view, expenses related to shares that are classified as a liability – e.g. dividends on redeemable preference shares – may be included with interest on other liabilities or presented separately within finance costs.*

Insights 7.10.70.93 *In some cases, an entity may revise its estimates of receipts from a financial asset under paragraph B5.4.6 of IFRS 9 and a question arises over how to present the corresponding income or expense. In our view, the entity should present it as interest because the adjustments required by paragraph B5.4.6 of IFRS 9 are part of the effective interest method as defined by Appendix A of IFRS 9. In addition, we believe that when an entity presents interest as revenue and an adjustment to a financial asset under paragraph B5.4.6 of IFRS 9 is negative, it should present the adjustment as part of interest revenue provided that it relates to a gross inflow of benefits in respect of the financial asset arising in the ordinary course of business.*

Insights 7.10.70.95 *In our view, if an entity revises its estimates of payments from a financial liability under paragraph B5.4.6 of IFRS 9, then it should present the corresponding income or expense as interest, because the adjustments required by paragraph B5.4.6 of IFRS 9 are part of the effective interest method as defined by Appendix A of IFRS 9. We believe that an entity should apply the same approach to the revision of estimates of payments arising from the modification of a financial liability, unless the revision relates to a forgiveness of cash flows by the lender. In that case, the nature of the amount is not interest and presentation as interest is not appropriate.*

Insights 7.10.350.10 *In our view, [if the terms of a financial liability are modified substantially, resulting in an extinguishment of the old financial liability, then] any gains or losses arising as a result of the derecognition of the old financial liability (including any unamortised discount or premium) should be presented as a separate line item within the disclosure of finance income or expense, respectively.*

Insights 7.10.60.50 *If hedge accounting is not applied to a derivative instrument that is entered into as an economic hedge, then in our view derivative gains and losses may be shown in profit or loss as either operating or financing items depending on the nature of the item being economically hedged.*

Insights 7.10.90.35	*In our view, gains or losses on cash flow hedges and costs of hedging relating to the future recognition of a non-financial asset or liability should be presented in OCI as items that may be subsequently reclassified to profit or loss when specific conditions are met.*	
Insights 7.10.167.20	*When an entity hedges a sale, whether in a forecast transaction or a firm commitment, the costs of hedging related to that sale are reclassified to profit or loss as part of the cost related to that sale in the same period as the revenue from the hedged sale is recognised. In our view, when these costs of hedging are reclassified to profit or loss, an entity may choose an accounting policy, to be applied consistently, to present them:*	
	• *as revenue – because they relate to a hedge of revenue. However, they should not be presented or disclosed as revenue from contracts with customers in the scope of IFRS 15 because they are not; or*	
	• *in another appropriate line item of income or expense – because the term 'cost related to that sale' could be interpreted as precluding presentation as revenue.*	
IFRIC 19.11	Disclose a gain or loss recognised in accordance with IFRIC 19.9–10 as a separate line item in profit or loss or in the notes.	
	Presenting discontinued operations	
IFRS 5.5B	If the entity has discontinued operations, then apply the disclosure requirements of IFRS 5. Disclosures in other IFRSs do not apply to such assets (or disposal groups) unless those IFRSs require: a. specific disclosures in respect of discontinued operations; or	
	b. disclosures about measurement of assets and liabilities within a disposal group that are not within the scope of the measurement requirement of IFRS 5 and such disclosures are not already provided in other notes to the financial statements.	
IFRS 5.30	Present and disclose information that enables users of the financial statements to evaluate the financial effects of discontinued operations.	
IFRS 5.33 *IFRS 5.33(a)* *IFRS 5.33(a)(i)*	Disclose: a. in the statement of profit or loss and OCI a single amount comprising the total of: i. the post-tax profit or loss of discontinued operations; and	
IFRS 5.33(a)(ii)	ii. the post-tax gain or loss recognised on the measurement to fair value less costs to sell or on the disposal of the assets or disposal group(s) constituting the discontinued operation; and	
IFRS 5.33(b) *IFRS 5.33(b)(i)*	b. an analysis of the single amount in (a) into: i. the revenue, expenses and pre-tax profit or loss of discontinued operations;	
IFRS 5.33(b)(ii)	ii. the related income tax expense as required by IAS 12.81(h); and	
IFRS 5.33(b)(iii)	iii. the gain or loss recognised on the measurement to fair value less costs to sell or on the disposal of the assets or disposal group(s) constituting the discontinued operation.	

Insights 5.4.220.10	*The results of discontinued operations are presented separately from continuing operations in the statement of profit or loss and OCI. Amounts included in profit or loss from discontinued operations are presented separately from OCI from discontinued operations. In our view, the results of the discontinued operations should not be presented net of NCI, because NCI are not an item of income or expense. An analysis of this single amount is presented either in the statement of profit or loss and OCI or in the notes to the financial statements.*
IFRS 5.33A	If the entity presents the components of profit or loss in a separate statement of profit or loss as described in IAS 1.10A, then present in that separate statement a section identified as relating to discontinued operations.
Insights 5.4.220.90	*The investor's share of the discontinued operations of an associate or joint venture is presented as part of the share of profit or loss of equity-accounted investees and is also disclosed separately. In our view, such amounts should not be presented as part of the discontinued operations of the entity, unless they are discontinued operations of that entity itself.*
IFRS 5.33(d)	Disclose the amount of income from continuing operations and from discontinued operations attributable to owners of the parent. These disclosures may be presented either in the notes or in the statement of profit or loss and OCI.
IFRS 5.34	Re-present the disclosures related to discontinued operations in the statement of profit or loss and OCI (see IFRS 5.33) for prior periods presented so that the disclosures relate to all operations that have been discontinued by the reporting date for the latest period presented.
IFRS 5.35	Adjustments in the current period to amounts previously presented in discontinued operations that are directly related to the disposal of a discontinued operation in a prior period are classified separately in discontinued operations. The nature and amount of such adjustments is disclosed.
IFRS 5.36	If a component ceases to be classified as held-for-sale, then the results of operations of the component previously presented in discontinued operations are reclassified and included in income from continuing operations for all periods presented. The amounts for prior periods are described as having been re-presented.
IFRS 5.37	Include in profit or loss from continuing operations any gain or loss on the remeasurement of a non-current asset (or disposal group) classified as held-for-sale that does not meet the definition of a discontinued operation.
IAS 33.68	If the entity reports a discontinued operation, then disclose the basic and diluted earnings per share for the discontinued operation either in the statement of profit or loss and OCI or in the notes.
IFRS 5.36A	If the entity is committed to a sale or distribution plan involving the loss of control of a subsidiary and the subsidiary is a disposal group that meets the definition of a discontinued operation in accordance with IFRS 5.32, then disclose the information required by IFRS 5.33–36.

Insights 5.4.220.100 — *In our view, when a disposal or abandonment does not meet the definition of a discontinued operation, an entity may still present additional information about the disposal – i.e. similar information to that required by IFRS 5 – but the term 'discontinued operation' cannot be used. The amounts are presented in the appropriate line items within continuing operations. Such transactions will often meet the definition of a restructuring, and disclosure about provisions and contingent liabilities may also be required (see* *Chapter 2.10 'Provisions'* *and* *Chapter 2.12 'Contingent assets and liabilities'**).*

1.2 Changes in equity

IAS 1.29 — Present separately each material class of similar items.

IAS 1.29 — Present separately items of dissimilar nature or function unless they are immaterial.

IAS 1.30 — For line items that are not individually material, aggregate with other items in the statement of changes in equity or in the notes. However, an item that is not sufficiently material to warrant separate presentation in the statement of changes in equity may warrant separate presentation in the notes.

IAS 1.106 — Present a statement of changes in equity including the following information:

IAS 1.106(a) — a. total comprehensive income for the period, showing separately the total amounts attributable to:
   i. owners of the parent; and
   ii. NCI;

IAS 1.106(b) — b. for each component of equity, the effects of retrospective application or retrospective restatement recognised in accordance with IAS 8; and

IAS 1.106(d) — c. for each component of equity, a reconciliation between the carrying amount at the beginning and the end of the period, separately (as a minimum) disclosing changes resulting from:

IAS 1.106(d)(i) — i. profit or loss;

IAS 1.106(d)(ii) — ii. OCI; and

IAS 1.106(d)(iii) — iii. transactions with owners in their capacity as owners, showing separately contributions by and distributions to owners and changes in ownership interests in subsidiaries that do not result in a loss of control.

Insights 2.5.530.30, 70 — *In our view, the presentation of NCI does not change if part of the NCI is associated with a disposal group classified as held-for-sale or held-for-distribution and/or a discontinued operation. An entity considers whether the NCI related to a disposal group and/or a discontinued operation should be disclosed separately from the NCI related to the continuing operations of the entity.*

IAS 1.79 — Disclose either in the statement of financial position, the statement of changes in equity, or in the notes:

IAS 1.79(a) — a. for each class of share capital:

IAS 1.79(a)(i) — i. the number of shares authorised;

IAS 1.79(a)(ii) — ii. the number of shares issued and fully paid, and issued but not fully paid;

IAS 1.79(a)(iii) — iii. par value per share, or that the shares have no par value;

IAS 1.79(a)(iv) — iv. a reconciliation of the number of shares outstanding at the beginning and at the end of the period;

IAS 1.79(a)(v) v. the rights, preferences and restrictions attaching to that class, including restrictions on the distribution of dividends and the repayment of capital;

IAS 1.79(a)(vi), 32.34 vi. shares in the entity held by the entity itself or by its subsidiaries (treasury shares) or associates; and

IAS 1.79(a)(vii) vii. shares reserved for issue under options and contracts for sale of shares, including the terms and amounts; and

IAS 1.79(b) b. a description of the nature and purpose of each reserve within equity.

IAS 1.106A Present for each component of equity, either in the statement of changes in equity or in the notes, an analysis of OCI by item.

IAS 1.108 Components of equity for the purpose of IAS 1.106 include, for example, each class of contributed equity, the accumulated balance of each class of OCI and retained earnings.

IAS 1.107 Disclose, either in the statement of changes in equity or in the notes:

a. the amount of dividends recognised as distributions to owners during the period; and
b. the related amount of dividends per share.

IAS 32.39 The amount of transaction costs accounted for as a deduction from equity in the period is disclosed separately in the notes.

IFRIC 17.16(b) Disclose the increase or decrease in the carrying amount of non-cash assets distributed to owners recognised in the period as a result of the change in the fair value of the assets to be distributed.

1.3 Statement of cash flows

General

IAS 1.29 Present separately each material class of similar items.

IAS 1.29 Present separately items of dissimilar nature or function unless they are immaterial.

IAS 1.30 For line items that are not individually material, aggregate with other items in the statement of cash flows or in the notes. However, an item that is not sufficiently material to warrant separate presentation in the statement of cash flows may warrant separate presentation in the notes.

Operating, investing and financing activities

IAS 7.10–11 Report cash flows during the period classified as operating, investing and financing activities. The primary principle is that cash flows are classified based on the nature of the activity to which they relate.

IAS 7.12 A single transaction may include cash flows that are classified differently. For example, when the cash repayment of a loan includes both interest and capital, the interest element may be classified as an operating activity and the capital element is classified as a financing activity.

IAS 7.14, 16.68A Cash flows related to the sale of an asset recognised in accordance with IAS 16 are generally cash flows from investing activities. However, cash payments to manufacture or acquire assets held for rental that subsequently become held-for-sale (i.e. are transferred to inventory) are classified as cash flows from operating activities. Also cash flows from rental payments and subsequent sales of these assets are also classified as operating activities.

IAS 7.16 If a hedging instrument is accounted for as a hedge of an identifiable position, then classify the cash flows of the hedging instrument in the same manner as the cash flows of the position being hedged.

Direct vs indirect method

IAS 7.18 Report cash flows from operating activities under either:

IAS 7.18(a) a. the direct method, whereby major classes of gross cash receipts and gross cash payments are disclosed; or

IAS 7.18(b) b. the indirect method, whereby profit or loss is adjusted for the effects of transactions of a non-cash nature, any deferrals or accruals of past or future operating cash receipts or payments, and items of income or expense associated with investing or financing cash flows.

Offsetting

IAS 7.21 Report separately major classes of gross cash receipts and gross cash payments arising from investing and financing activities, except to the extent that cash flows are reported on a net basis in accordance with IAS 7.22 and 24.

IAS 7.22 Cash flows arising from the following operating, investing or financing activities may be reported on a net basis:

IAS 7.22(a) a. cash receipts and payments on behalf of customers when the cash flows reflect the activities of the customer rather than those of the entity; and

IAS 7.22(b) b. cash receipts and payments for items in which the turnover is quick, the amounts are large and the maturities are short.

IAS 7.24 Cash flows arising from each of the following activities of a financial institution may be reported on a net basis:

IAS 7.24(a) a. cash receipts and payments for the acceptance and repayment of deposits with a fixed maturity date;

IAS 7.24(b) b. the placement of deposits with and withdrawal of deposits from other financial institutions; and

IAS 7.24(c) c. cash advances and loans made to customers and the repayment of those advances and loans.

Insights 2.3.230.40 *In our view, if a group comprises a combination of financial institution and non-financial institution subsidiaries, then the offsetting requirements would apply separately to each subsidiary's cash flows as presented in the consolidated statement of cash flows.*

Taxes collected on behalf of third parties

Insights 2.3.240.20 *In our view, taxes collected on behalf of third parties, when the direct method is used, may be either included as separate line items to show the impact on cash flows of such taxes separately or included in receipts from customers and payments to suppliers.*

Foreign exchange differences

IAS 7.25 Cash flows arising from transactions in a foreign currency are recorded in the functional currency by applying to the foreign currency amount the exchange rate between the functional currency and the foreign currency at the date of the cash flow.

IAS 7.26 The cash flows of a foreign subsidiary are translated at the exchange rates between the functional currency and the foreign currency at the dates of the cash flows.

IAS 7.28 Disclose separately from cash flows from operating, investing and financing activities, the effect of exchange rate changes on cash and cash equivalents held or due in foreign currency. This amount includes the differences, if any, had those cash flows been reported at end of period exchange rates.

Interests and dividends

IAS 7.31 Disclose separately cash flows from interest and dividends received and paid, classified in a consistent manner from period to period as either operating, investing, or financing activities.

Insights 2.3.50.10 *The Accounting Standards require cash flows from interest and dividends received and paid, and income taxes paid, to be disclosed separately. In our view, this means that disclosure is required in the statement of cash flows rather than in the notes.*

IAS 7.32 Disclose the total amount of interest paid during a period in the statement of cash flows whether it has been recognised as an expense in profit or loss or capitalised in accordance with IAS 23 *Borrowing Costs*.

IAS 7.33 Interest paid and interest and dividends received are usually classified as operating cash flows for a financial institution. However, there is no consensus on the classification of these cash flows for other entities. Interest paid and interest and dividends received may be classified as operating cash flows because they enter into the determination of profit or loss. Alternatively, interest paid and interest and dividends received may be classified as financing cash flows and investing cash flows respectively, because they are costs of obtaining financial resources or returns on investments.

Insights 2.3.50.38 *In our view, an entity should choose an accounting policy, to be applied consistently, to classify cash flows related to capitalised interest as follows:*

- *as cash flows from investing activities if the other cash payments to acquire the qualifying asset are reflected as investing activities; or*
- *consistently with interest cash flows that are not capitalised.*

IAS 7.34 Dividends paid may be classified as a financing cash flow because they are a cost of obtaining financial resources. Alternatively, dividends paid may be classified as a component of cash flows from operating activities in order to assist users to determine the ability of an entity to pay dividends out of operating cash flows.

Taxes on income

IAS 7.35 Disclose separately cash flows from taxes on income in operating activities, unless they can be identified specifically with financing or investing activities.

Insights 2.3.50.35

In our view, it is acceptable to allocate only certain material tax cash flows, while leaving the balance in operating activities, as long as the approach taken is applied consistently and disclosed appropriately. We believe that allocating, for example, 60 percent of the tax cash flows as it represents the material tax cash flows known to be from investing or financing activities, with appropriate disclosure, provides better information than not allocating any.

Non-cash transactions

IAS 7.43

Investing and financing transactions that are excluded from the statement of cash flows because they do not require the use of cash or cash equivalents (e.g. shares issued as consideration in a business combination, or acquisition of assets via a finance lease) are disclosed elsewhere in the financial statements in a way that provides all the relevant information about these activities.

Components of cash and cash equivalents

IAS 7.45

Disclose the components of cash and cash equivalents, and a reconciliation of the amounts in the statement of cash flows with the equivalent items reported in the statement of financial position.

IAS 7.48

Disclose, together with a commentary by management, the amount of significant cash and cash equivalent balances held by the entity that are not available for use by the group.

Demand deposits with restrictions on use arising from a contract with a third party

Insights 2.3.10.20, 40, 70, IU 03–22

Demand deposits are not defined in the Accounting Standards, but in our view they should have the same level of liquidity as cash and therefore should be able to be withdrawn at any time without penalty. The IFRS Interpretations Committee discussed whether a demand deposit subject to contractual restrictions on use agreed with a third party meets the definition of cash. The Committee observed that paragraph 6 of IAS 7 defines cash by stating that it 'comprises cash on hand and demand deposits' and that there are no other requirements on whether an item qualifies as cash beyond the definition itself. The Committee noted that restrictions on the use of a demand deposit arising from a contract with a third party do not result in the demand deposit no longer being cash, unless those restrictions change the nature of the demand deposit in a way that it would no longer meet the definition of cash in IAS 7. In addition, the Committee discussed the presentation and disclosure considerations for the deposit. When an entity classifies a demand deposit with such restrictions as cash, it considers:

- *whether to present the demand deposit separately from other components of cash and cash equivalents; and*
- *whether to provide disclosures about the liquidity risk arising from this cash balance and how it manages that risk, as well as other information about the restriction on use of the cash balance to enable users of the financial statements to understand its impact on its financial position.*

Other disclosures

IAS 7.50

The entity is encouraged, but not required, to disclose:

IAS 7.50(a)

a. the amount of undrawn borrowing facilities that may be available for future operating activities and to settle capital commitments, indicating any restrictions on the use of these facilities;

IAS 7.50(c) b. the aggregate amount of cash flows that represent increases in operating capacity separately from those cash flows that are required to maintain operating capacity; and

IAS 7.50(d) c. the amount of the cash flows arising from the operating, investing and financing activities of each reportable segment (see IFRS 8).

IAS 20.28 The purchase of assets and the receipt of a related grant are often disclosed as separate items in the statement of cash flows regardless of whether the grant is deducted from the related asset for presentation purposes in the statement of financial position.

Changes in ownership interests in subsidiaries and other businesses

IAS 7.39 Disclose separately aggregate cash flows from obtaining or losing control of subsidiaries or other businesses, and classify the cash flows as an investing activity.

Insights 2.3.20.14 *Although aggregate cash flows arising from obtaining or losing control of subsidiaries or other businesses are presented separately and classified as investing activities, only expenditure that results in the recognition of an asset can be classified as investing activities. In some cases, significant judgement may be needed to classify certain cash flows that relate to business combinations. In particular, consideration may be needed of whether the cash flow relates to obtaining control and whether the expenditure results in a recognised asset in the statement of financial position.*

IAS 7.40 Disclose, in aggregate, in respect of both obtaining and losing control of subsidiaries or other businesses during the period:

IAS 7.40(a) a. the total consideration paid or received;

IAS 7.40(b) b. the portion of the consideration that is cash and cash equivalents;

IAS 7.40(c) c. the amount of cash and cash equivalents in the subsidiaries or other businesses over which control is obtained or lost; and

IAS 7.40(d) d. the amount of the assets and liabilities, other than cash or cash equivalents, in the subsidiaries or other businesses over which control is obtained or lost, summarised by each major category.

IAS 7.40A An investment entity need not apply IAS 7.40(c) or 40(d) to an investment in a subsidiary that is required to be measured at FVTPL.

IAS 7.42A Cash flows arising from changes in ownership interests in a subsidiary that do not result in a loss of control are classified as cash flows from financing activities, unless the subsidiary is held by an investment entity and is required to be measured at FVTPL.

IAS 7.42B Changes in ownership interests in a subsidiary that do not result in a loss of control, such as the subsequent purchase or sale by a parent of a subsidiary's equity instruments, are accounted for as equity transactions under IFRS 10, unless the subsidiary is held by an investment entity and is required to be measured at FVTPL. Accordingly the resulting cash flows are classified in the same way as other transactions with owners described in IAS 7.17.

Changes in liabilities arising from financing activities

IAS 7.44A, 44C

Disclose information that enables users of financial statements to evaluate changes in liabilities arising from financing activities (i.e. liabilities for which cash flows were, or future cash flows will be, classified in the statement of cash flows as cash flows from financing activities), including both changes arising from cash flow and non-cash changes.

IAS 7.44C

Disclose changes in financial assets (e.g. assets that hedge liabilities arising from financing activities) if cash flows from those financial assets were, or future cash flows will be, included in cash flows from financing activities.

IAS 7.44B

Disclose:

IAS 7.44B(a) a. changes from financing cash flows;

IAS 7.44B(b) b. changes arising from obtaining or losing control of subsidiaries or other businesses;

IAS 7.44B(c) c. the effect of changes in foreign exchange rates;

IAS 7.44B(d) d. changes in fair values; and

IAS 7.44B(e) e. other changes.

IAS 7.44D

One way to fulfil the disclosure requirement in IAS 7.44A is to disclose a reconciliation between the opening and closing balances in the statement of financial position for liabilities arising from financing activities, including the changes identified in IAS 7.44B. When disclosing such a reconciliation, provide sufficient information to enable users of the financial statements to link items included in the reconciliation to the statement of financial position and the statement of cash flows.

IAS 7.44E

If the disclosure required by IAS 7.44A is provided in combination with disclosures of changes in other assets and liabilities, then disclose the changes in liabilities arising from financing activities separately from changes in those other assets and liabilities.

Discontinued operations

IFRS 5.33(c)

Disclose the net cash flows attributable to the operating, investing and financing activities of discontinued operations either in the notes or in the financial statements. These disclosures are not required for disposal groups that are newly acquired subsidiaries that meet the criteria to be classified as held-for-sale on acquisition.

Insights 5.4.220.50

It is not clear how the cash flow presentation requirements of IFRS 5 interact with those of IAS 7. IAS 7 requires a statement of cash flows to include all cash flows, therefore including both those from continuing and those from discontinued operations. Consequently, cash and cash equivalents include those of disposal groups classified as held-for-sale. IAS 7 also requires an analysis of cash flows classified into operating, investing and financing activities, and further analysis of the gross cash flows included in these activities. However, IFRS 5 requires presentation of the net cash flows attributable to operating, investing and financing activities of discontinued operations to be presented either in the statement of cash flows or in the notes. In our view, there are numerous ways in which these requirements may be met, including the following.

- *Presenting the statement of cash flows split between continuing and discontinued cash flows with a total of the cash flows. The discontinued cash flows are analysed by operating, investing and financing activities and further analysis of these amounts is presented in the statement of cash flows or disclosed in the notes. This could be done through a columnar presentation showing continuing and discontinued operations with a total of the cash flows.*
- *Presenting a statement of cash flows that includes an analysis of all cash flows in total – i.e. including both continuing and discontinued operations. Amounts related to discontinued operations by operating, investing and financing activities are disclosed in the notes.* This presentation is illustrated in our Guides to financial statements – Illustrative disclosures.

IFRS 5.34

Re-present the disclosures related to discontinued operations in the statement of cash flows for prior periods presented so that the disclosures relate to all operations that have been discontinued by the reporting date for the latest period presented.

Factoring arrangements

Insights 2.3.150.20

There is no specific guidance in the Accounting Standards on the classification of cash flows from traditional factoring arrangements. The primary consideration for the classification of cash flows is the nature of the activity to which they relate (see Insights 2.3.20.11) and judgement may be needed to apply this to factoring arrangements. For a discussion of cash flow classification of factoring of receivables without recourse, see Insights 2.3.160, and with recourse, see 2.3.170.

Insights 2.3.180.10

In addition to the appropriate classification in the statement of cash flows, an entity that is a supplier of goods and services in a factoring arrangement is required to disclose information about those arrangements that is relevant to an understanding of its cash flows. This disclosure may include an explanation of the nature of the arrangement and how it is reflected in the financial statements. Relevant disclosure requirements under the Accounting Standards include:

a. disclosure of material accounting policy information; and

b. disclosure of significant judgements that management has made in the process of applying the accounting policies and that have the most significant effect on the amounts recognised in the financial statements.

Insights 2.3.180.20

The additional disclosure requirements that may be relevant to these arrangements include:

a. reporting separately major classes of gross cash receipts and gross cash payments arising from investing and financing activities;

b. disclosure of non-cash transactions; and

c. additional information that may be relevant to users in understanding the financial position and liquidity of the entity.

Transition disclosures for *Supplier Finance Arrangements*[1] *(Amendments to IAS 7 and IFRS 7)*

IAS 7.63

In applying these amendments, an entity is not required to disclose:

a. comparative information for any reporting periods presented before the beginning of the annual reporting period in which the entity first applies those amendments.
b. the information otherwise required by paragraph 44H(b)(ii)–(iii) as at the beginning of the annual reporting period in which the entity first applies those amendments.

Reverse factoring arrangements

Insights 2.3.190.10–20, 90–120

There is no specific guidance in the Accounting Standards on the classification of cash flows for an entity that is the customer in a reverse factoring arrangement (see Insights 2.3.190.10–20). However, in our view it is the nature of the activity, rather than the classification of the related item in the statement of financial position, that primarily determines the appropriate classification of the cash outflow. Furthermore, in our view, in determining the appropriate classification an entity should apply judgement and assess whether a single cash outflow or multiple cash flows occur for the entity. We believe that this assessment is based on the specific facts and circumstances and the entity may consider whether the factor in substance acts on behalf of the entity in the reverse factoring arrangement.

Insights 2.3.190.40

In addition to the appropriate classification in the statement of cash flows, an entity that is the customer in a reverse factoring arrangement also discloses information that is relevant to an understanding of those arrangements on its liabilities and cash flows and its exposure to liquidity risk. For a discussion about liquidity risk disclosures, see Chapter 2.5 'Financial Instruments'.

IAS 7.44F

Disclose information about reverse factoring arrangements that enables users of financial statements to assess the effects of those arrangements on the liabilities and cash flows and on the exposure to liquidity risk.

To meet the objective in IAS 7.44F, disclose in aggregate for reverse factoring arrangements:

IAS 7.44H(a)

a. the terms and conditions of the arrangements (for example, extended payment terms and security or guarantees provided). However, disclose separately the terms and conditions of arrangements that have dissimilar terms and conditions;

IAS 7.44H(b)

b. as at the beginning and end of the reporting period:

IAS 7.44H(b)(i)

   i. the carrying amounts, and associated line items presented in the statement of financial position, of the financial liabilities that are part of a reverse factoring arrangement;

1. Supplier finance arrangements are also referred to as reverse factoring arrangements, supply chain finance and payables finance.

IAS 7.44H(b)(ii)

ii. the carrying amounts, and associated line items, of the financial liabilities disclosed under (i) for which suppliers have already received payment from the finance providers; and

IAS 7.44H(b)(iii)

iii. the range of payment due dates (for example, 30–40 days after the invoice date) for both the financial liabilities disclosed under (i) and comparable trade payables that are not part of a reverse factoring arrangement. Comparable trade payables are, for example, trade payables within the same line of business or jurisdiction as the financial liabilities disclosed under (i). If ranges of payment due dates are wide, disclose explanatory information about those ranges or disclose additional ranges (for example, stratified ranges); and

IAS 7.44H(c)

c. the type and effect of non-cash changes in the carrying amounts of the financial liabilities disclosed under (b)(i). Examples of non-cash changes include the effect of business combinations, exchange differences or other transactions that do not require the use of cash or cash equivalents (see IAS 7.43).

Insights 2.3.193.60

Additional disclosure requirements that may be relevant to these arrangements include:

- *material accounting policy information;*
- *significant judgements that management has made in the process of applying the accounting policies and that have the most significant effect on the amounts recognised in the financial statements; and*
- *additional information that may be relevant to users' understanding of the financial statements.*

Leases

The classification in the statement of cash flows for leases is discussed in *Chapter 4.1 'Leases'.*

1.4 Basis of accounting

Notes

IAS 1.112

The notes:

IAS 1.112(a)

a. present information about the basis of preparation of the financial statements and the specific accounting policies used;

IAS 1.112(b)

b. disclose the information required by IFRS that is not presented elsewhere in the financial statements; and

IAS 1.112(c)

c. provide information that is not presented elsewhere in the financial statements, but is relevant to an understanding of them.

IAS 1.113–114

Notes are presented in a systematic manner, and each item in the statement of financial position, the statement of profit or loss and OCI, in the separate statement of profit or loss (if presented), and in the statements of changes in equity and of cash flows is cross-referenced to any related information in the notes. In determining a systematic manner, an entity considers the effect on the understandability and comparability of its financial statements. Examples of systematic ordering or grouping of the notes include:

IAS 1.114(a)

a. giving prominence to the areas of activities considered to be most relevant to an understanding of its financial performance and financial position, such as grouping together information about particular operating activities;

IAS 1.114(b)	b. grouping together information about items measured similarly, such as assets measured at fair value; or
IAS 1.114(c)	c. following the order of the line items in the statement(s) of profit or loss and OCI and the statement of financial position, such as:
IAS 1.114(c)(i)	i. statement of compliance with IFRS (see IAS 1.16);
IAS 1.114(c)(ii)	ii. material accounting policy information (see IAS 1.117);
IAS 1.114(c)(iii)	iii. supporting information for items presented in the statement(s) of profit or loss and OCI, and in the statements of financial position, changes in equity and of cash flows, in the order in which each statement and each line item is presented; and
IAS 1.114(c)(iv)	iv. other disclosures, including:
IAS 1.114(c)(iv)(1)	1. contingent liabilities (see IAS 37) and unrecognised contractual commitments; and
IAS 1.114(c)(iv)(2)	2. non-financial disclosures – e.g. the entity's financial risk management objectives and policies (see IFRS 7).
IAS 1.116	Notes providing information about the basis of preparation of the financial statements and specific accounting policies may be presented as a separate section of the financial statements.
IAS 1.17(c)	Provide additional disclosures when compliance with the specific requirements in IFRS is insufficient to enable users to understand the impact of particular transactions, other events and conditions on the entity's financial position and financial performance.

Basis of accounting

IAS 1.16	When financial statements comply with IFRS, disclose an explicit and unreserved statement of such compliance in the notes. Financial statements are not described as complying with IFRS unless they comply with all the requirements of IFRS.
IAS 1.23	In the extremely rare circumstances in which management concludes that compliance with a requirement in an IFRS would be so misleading that it would conflict with the objective of financial statements set out in the *Framework*, but the relevant regulatory framework prohibits departure from the requirement, to the maximum extent possible, reduce the perceived misleading aspects of compliance by disclosing:
IAS 1.23(a)	a. the title of the IFRS in question, the nature of the requirement and the reason why management has concluded that complying with that requirement is so misleading in the circumstances that it conflicts with the objective of financial statements set out in the *Framework*; and
IAS 1.23(b)	b. the adjustments to each item in the financial statements that management has concluded would be necessary to achieve a fair presentation for each period presented.

Departure from a particular requirement of an IFRS

IAS 1.19	In the extremely rare circumstances in which management concludes that compliance with a requirement in an IFRS would be so misleading that it would conflict with the objective of financial statements set out in the *Framework*, the entity departs from that requirement in the manner set out in IAS 1.20 if the relevant regulatory framework requires, or otherwise does not prohibit, such a departure.

IAS 1.20	When the entity departs from a requirement of an IFRS under IAS 1.19, disclose:
IAS 1.20(a)	a. that management has concluded that the financial statements fairly present the entity's financial position, financial performance and cash flows;
IAS 1.20(b)	b. that it has complied with applicable IFRSs except that it has departed from a particular requirement to achieve a fair presentation;
IAS 1.20(c)	c. the title of the IFRS from which it has departed, the nature of the departure, including the treatment that the IFRS would require, the reason why that treatment would be so misleading in the circumstances that it would conflict with the objective of financial statements set out in the *Framework* and the treatment adopted; and
IAS 1.20(d)	d. the financial effect of the departure on each item in the financial statements that would have been reported in complying with the requirement for each period presented.
IAS 1.21	When the entity has departed from a requirement of an IFRS in a prior period, and that departure affects the amounts recognised in the financial statements for the current period, disclose:
IAS 1.20(c)	a. the title of the IFRS from which it departed, the nature of the departure, including the treatment that the IFRS would have required, the reason why that treatment would be so misleading in the circumstances that it would conflict with the objective of financial statements set out in the *Framework* and the treatment adopted; and
IAS 1.20(d)	b. the financial effect of the departure on each item in the financial statements that would have been reported in complying with the requirement for each period presented.

IFRSs not yet effective

IAS 8.30	When the entity has not applied a new IFRS that has been issued, but is not yet effective, disclose:
IAS 8.30(a)	a. that fact; and
IAS 8.30(b)	b. known or reasonably estimable information relevant to assessing the possible impact that the application of the new IFRS will have on the entity's financial statements in the period of initial application.
IAS 8.31	Consider disclosing:
IAS 8.31(a)	a. the title of the new IFRS;
IAS 8.31(b)	b. the nature of the impending change or changes in accounting policy;
IAS 8.31(c)	c. the date by which application of the IFRS is required;
IAS 8.31(d)	d. the date at which the entity plans to adopt the IFRS initially; and
IAS 8.31(e)	e. either:
IAS 8.31(e)(i)	i. a discussion of the impact that initial application of the IFRS is expected to have on the entity's financial statements; or
IAS 8.31(e)(ii)	ii. if that impact is not known or reasonably estimable, a statement to that effect.

Accounting policy information

IAS 1.117	Disclose material accounting policy information.
IAS 1.117B	In assessing whether accounting policy information is material, consider whether the users of the financial statements would need that information to understand other material information in the financial statements.

Insights 2.8.45.20	*Accounting policy information is likely to be material to the financial statements if it relates to material transactions, other events or conditions and the entity:*	
	a. changes its accounting policy during the reporting period;	
	b. chooses the accounting policy from one or more options permitted by the Accounting Standards – e.g. the entity chooses to measure investment property at historical cost rather than fair value;	
	c. develops the accounting policy in accordance with IAS 8 in the absence of an accounting standard that specifically applies;	
	d. is required to make significant judgements or assumptions in applying the accounting policy; or	
	e. applies complex accounting – e.g. the entity applies more than one accounting standard to a class of material transactions – and in the absence of the accounting policy information users would not understand those material transactions, other events or conditions.	
Insights 2.8.45.30	*Generally, it is more useful to users of the financial statements when an entity provides accounting policy information that reflects its own specific circumstances, including judgements made, rather than providing boilerplate information or repeating the requirements of the applicable accounting standard.*	
IAS 1.122	Disclose, along with material accounting policy information or other notes, the judgements, apart from those involving estimations that are disclosed elsewhere, made by management in the process of applying the accounting policies that have the most significant effect on the amounts recognised in the financial statements.	
	Some IFRS Accounting Standards specifically require disclosure of particular accounting policies as set out below.	
IFRS 6.24(a)	Disclose the accounting policies adopted for exploration and evaluation expenditures, including the recognition of exploration and evaluation assets.	
IFRS 7.21, B5	For financial instruments, disclosures of the measurement basis (or bases) used in preparing the financial statements is expected to be material accounting policy information and may include:	
IFRS 7.B5(a)	a. for financial liabilities designated as at FVTPL:	
	i. the nature of the financial liabilities the entity has designated as at FVTPL;	
	ii. the criteria for so designating such financial liabilities on initial recognition; and	
	iii. how the entity has satisfied the conditions in IFRS 9.4.2.2 for such designation;	
IFRS 7.B5(aa)	b. for financial assets designated as measured at FVTPL:	
	i. the nature of the financial assets the entity has designated as measured at FVTPL; and	
	ii. how the entity has satisfied the criteria in IFRS 9.4.1.5 for such designation;	
IFRS 7.B5(c)	c. whether regular way purchases and sales of financial assets are accounted for at trade date or at settlement date (see IFRS 9.3.1.2); and	
IFRS 7.B5(e)	d. how net gains or net losses on each category of financial instrument are determined (see IFRS 7.20(a)), for example, whether the net gains or net losses on items at FVTPL include interest or dividend income.	

IFRS 13.95	Disclose and consistently follow the policy for determining when transfers between levels of the fair value hierarchy are deemed to have occurred in accordance with IFRS 13.93(c) and 93(e)(iv). The policy about the timing of recognising transfers is the same for transfers into the levels as for transfers out of the levels. Examples of policies for determining the timing of transfers include the following:
IFRS 13.95(a)	a. the date of the event or change in circumstances that caused the transfer;
IFRS 13.95(b)	b. the beginning of the reporting period; and
IFRS 13.95(c)	c. the reporting date.
IFRS 13.96	If the entity makes an accounting policy decision to use the exception in IFRS 13.48, then disclose that fact.
IAS 2.36(a)	Disclose the accounting policies adopted for measuring inventories, including the cost formula used.
IAS 7.46	Disclose the accounting policy adopted for determining the composition of cash and cash equivalents.
IAS 16.73	Disclose, for each class of property, plant and equipment:
IAS 16.73(a)	a. the measurement bases used for determining the gross carrying amount;
IAS 16.73(b)	b. the depreciation methods used; and
IAS 16.73(c)	c. the useful lives or the depreciation rates used.
IAS 20.39(a)	Disclose the accounting policy adopted for government grants, including the method of presentation in the financial statements.
IAS 27.16(c)	When a parent (in accordance with IFRS 10.4(a)) elects not to prepare consolidated financial statements and instead prepares separate financial statements, disclose in those separate financial statements a description of the method used to account for the investments listed under IAS 27.16(b).
IAS 27.17(c)	When a parent (other than a parent covered by IAS 27.16–16A) or an investor with joint control of, or significant influence over, an investee prepares separate financial statements, identify the financial statements prepared in accordance with IFRS 10, IFRS 11 or IAS 28 (as amended in 2011) to which they relate and disclose in the separate financial statements a description of the method used to account for the investments listed under IAS 27.17(b).
IAS 38.118	Disclose, for each class of intangible assets, distinguishing between internally generated and other intangible assets:
IAS 38.118(a)	a. whether the useful lives are indefinite or finite and, if finite, the useful lives or the amortisation rates used; and
IAS 38.118(b)	b. the amortisation methods used for intangible assets with finite useful lives.
IAS 40.75	Disclose for investment property:
IAS 40.75(a)	a. whether the fair value model or the cost model is applied;
IAS 40.75(c)	b. when the classification of property is difficult (see IAS 40.14), the criteria developed to distinguish investment property from owner-occupied property and from property held-for-sale in the ordinary course of business; and
IAS 40.75(e)	c. the extent to which the fair value (as measured or disclosed) is based on a valuation by an independent valuer who holds a recognised and relevant professional qualification and who has recent experience in the location and category of the investment property being valued. If there has been no such valuation, then disclose that fact.

Disclosures regarding estimates and assumptions

IAS 1.125	Disclose information about assumptions made about the future, and other major sources of estimation uncertainty at the reporting date, that have a significant risk of resulting in a material adjustment to the carrying amounts of assets and liabilities within the next financial year.	
IAS 1.125	Include the following details in respect of those assets and liabilities:	
IAS 1.125(a)	a. their nature; and	
IAS 1.125(b)	b. their carrying amount as at the reporting date.	
IAS 1.129	Examples of such disclosures are:	
IAS 1.129(a)	a. the nature of the assumption or other estimation uncertainty;	
IAS 1.129(b)	b. the sensitivity of carrying amounts to the methods, assumptions and estimates underlying their calculation, including the reasons for the sensitivity;	
IAS 1.129(c)	c. the expected resolution of an uncertainty and the range of reasonably possible outcomes within the next financial year in respect of the carrying amounts of the assets and liabilities affected; and	
IAS 1.129(d)	d. an explanation of changes made to past assumptions concerning those assets and liabilities, if the uncertainty remains unresolved.	
IAS 1.130	IAS 1 does not require the disclosure of budget information or forecasts in making the disclosures in IAS 1.125.	
IAS 1.131	When it is impracticable to disclose the extent of the possible effects of an assumption or another source of estimation uncertainty at the reporting date, disclose that it is reasonably possible, on the basis of existing knowledge, that outcomes within the next financial year that are different from the assumption could require a material adjustment to the carrying amount of the asset or liability affected. In all cases the entity discloses the carrying amount and nature of the assets or liabilities affected by the assumption.	
IAS 34.26	If an estimate of an amount reported in an interim period is changed significantly during the final interim period of the financial year but a separate financial report is not published for that final interim period, then disclose the nature and amount of that change in estimate in a note to the annual financial statements for that financial year.	

1.5 Fair value measurement

General

IFRS 13.91	Disclose information that helps users of the financial statements assess both of the following:	
IFRS 13.91(a)	a. for assets and liabilities that are measured at fair value on a recurring or non-recurring basis in the statement of financial position after initial recognition, the valuation techniques and inputs used to develop those measurements; and	
IFRS 13.91(b)	b. for recurring fair value measurements using significant unobservable inputs (Level 3), the effect of the measurements on profit or loss or OCI for the period.	
IFRS 13.92	If the disclosures provided in accordance with IFRS 13 and other IFRSs are insufficient to meet the objectives in IFRS 13.91, then disclose additional information necessary to meet those objectives.	

IFRS 13.92 Consider all of the following:

IFRS 13.92(a) a. the level of detail necessary to satisfy the disclosure requirements;

IFRS 13.92(b) b. how much emphasis to place on each of the various requirements;

IFRS 13.92(c) c. how much aggregation or disaggregation to undertake; and

IFRS 13.92(d) d. whether users of financial statements need additional information to evaluate the quantitative information disclosed.

IFRS 13.99 Present the quantitative disclosures required by IFRS 13 in a tabular format unless another format is more appropriate.

IFRS 13.93 Disclose, at a minimum, the following information for each class of assets and liabilities (see IFRS 13.94 for information on determining appropriate classes of assets and liabilities) measured at fair value (including measurements based on fair value within the scope of IFRS 13) in the statement of financial position after initial recognition:

IFRS 13.93(a) a. for recurring and non-recurring fair value measurements, the fair value measurement at the reporting date, and, for non-recurring fair value measurements, the reasons for the measurement;

IFRS 13.93(b) b. for recurring and non-recurring fair value measurements, the level of the fair value hierarchy within which the fair value measurements are categorised in their entirety (Level 1, 2 or 3);

IFRS 13.93(c) c. for assets and liabilities held at the reporting date that are measured at fair value on a recurring basis, the amounts of any transfers between Level 1 and Level 2 of the fair value hierarchy, the reasons for those transfers and the entity's policy for determining when transfers between levels are deemed to have occurred. Transfers into each level are disclosed and discussed separately from transfers out of each level;

IFRS 13.93(d) d. for recurring and non-recurring fair value measurements categorised within Level 2 and Level 3 of the fair value hierarchy, a description of the valuation technique(s) and the inputs used in the fair value measurement. If there has been a change in valuation technique, then disclose that change and the reason(s) for making it. For fair value measurements categorised within Level 3 of the fair value hierarchy, provide quantitative information about the significant unobservable inputs used in the fair value measurement. It is not required to create quantitative information to comply with this disclosure requirement if quantitative unobservable inputs are not developed by the entity when measuring fair value. However, when providing this disclosure the entity cannot ignore quantitative unobservable inputs that are significant to the fair value measurement and are reasonably available to the entity;

IFRS 13.93(e) e. for recurring fair value measurements categorised within Level 3 of the fair value hierarchy, a reconciliation from the opening balances to the closing balances, disclosing separately changes during the period attributable to the following:

IFRS 13.93(e)(i) i. total gains or losses for the period recognised in profit or loss, and the line item(s) in profit or loss in which those gains or losses are recognised;

IFRS 13.93(e)(ii) ii. total gains or losses for the period recognised in OCI, and the line item(s) in OCI in which those gains or losses are recognised;

IFRS 13.93(e)(iii) iii. purchases, sales, issues and settlements (each of those types of changes disclosed separately); and

IFRS 13.93(e)(iv) iv. the amounts of any transfers into or out of Level 3 of the fair value hierarchy, the reasons for those transfers and the entity's policy for determining when transfers between levels are deemed to have occurred (see IFRS 13.95). Transfers into Level 3 is disclosed and discussed separately from transfers out of Level 3;

IFRS 13.93(f)	f. for recurring fair value measurements categorised within Level 3 of the fair value hierarchy, the amount of the total gains or losses for the period in (e)(i) included in profit or loss that is attributable to the change in unrealised gains or losses relating to those assets and liabilities held at the reporting date, and the line item(s) in profit or loss in which those unrealised gains or losses are recognised;	
IFRS 13.93(g)	g. for recurring and non-recurring fair value measurements categorised within Level 3 of the fair value hierarchy, a description of the valuation processes used by the entity;	
IFRS 13.93(h)	h. for recurring fair value measurements categorised within Level 3 of the fair value hierarchy:	
IFRS 13.93(h)(i)	i. for all such measurements, a narrative description of the sensitivity of the fair value measurement to changes in unobservable inputs if a change in those inputs to a different amount might result in a significantly higher or lower fair value measurement. If there are interrelationships between those inputs and other unobservable inputs used in the fair value measurement, then provide a description of those interrelationships and of how they might magnify or mitigate the effect of changes in the unobservable inputs on the fair value measurement. To comply with that disclosure requirement, the narrative description of the sensitivity to changes in unobservable inputs includes, at a minimum, the unobservable inputs disclosed when complying with (d); and	
IFRS 13.93(h)(ii)	ii. for financial assets and financial liabilities, if changing one or more of the unobservable inputs to reflect reasonably possible alternative assumptions would change fair value significantly, then state that fact and disclose the effect of those changes. Disclose how the effect of a change to reflect a reasonably possible alternative assumption was calculated. For that purpose, significance is judged with respect to profit or loss and total assets or total liabilities, or, when changes in fair value are recognised in OCI, total equity; and	
IFRS 13.93(i)	i. for recurring and non-recurring fair value measurements, if the highest and best use of a non-financial asset differs from its current use, then disclose that fact and why the non-financial asset is being used in a manner that differs from its highest and best use.	
Insights 2.4.530.20	*In our view, the fair value measurement disclosures (for both recurring and non-recurring fair value measurements) should be based on the fair value at which the item is measured at the reporting date, even if that fair value was determined as of an earlier date. For example, if a class of property, plant and equipment is revalued at 31 October and the entity's year end is 31 December, then the disclosures apply to the fair value determined at 31 October.*	
Insights 2.4.530.100	*In relation to item IFRS 13.93(h)(ii), […], in our view, 'reasonably possible alternative' assumptions are assumptions that could reasonably have been included in the valuation model at the reporting date based on the circumstances at that date. A quantitative sensitivity analysis for financial instruments provides information about the sensitivity of the fair value measurement to changes to reasonably possible alternative unobservable inputs at the measurement date. Therefore, we do not believe that this disclosure is intended to be a forward-looking sensitivity analysis about an entity's exposure to future changes in market variables.*	

IFRS 13.94

Determine appropriate classes of assets and liabilities on the basis of the following:

a. the nature, characteristics and risks of the asset or liability; and
b. the level of the fair value hierarchy within which the fair value measurement is categorised.

The number of classes may need to be greater for fair value measurements categorised within Level 3 of the fair value hierarchy because those measurements have a greater degree of uncertainty and subjectivity.

Determining appropriate classes of assets and liabilities for which disclosures about fair value measurements should be provided requires judgement. A class of assets and liabilities will often require greater disaggregation than the line items presented in the statement of financial position. However, the entity provides information sufficient to permit reconciliation to the line items presented in the statement of financial position. If another IFRS specifies the class for an asset or a liability, then the entity may use that class in providing the disclosures required in IFRS 13 if that class meets the requirements in IFRS 13.94.

IFRS 13.97

For each class of assets and liabilities not measured at fair value in the statement of financial position but for which the fair value is disclosed, the entity does not need to provide the detailed disclosures required by IFRS 13, except for the following:

IFRS 13.93(b) a. the level of the fair value hierarchy within which the fair value measurements are categorised in their entirety (Level 1, 2 or 3);

IFRS 13.93(d) b. for the fair value measurements categorised within Level 2 and Level 3 of the fair value hierarchy, a description of the valuation technique(s) and the inputs used in the fair value measurement. If there has been a change in valuation technique, then disclose that change and the reason(s) for making it; and

IFRS 13.93(i) c. if the highest and best use of a non-financial asset differs from its current use, then disclose that fact and why the non-financial asset is being used in a manner that differs from its highest and best use.

IFRS 13.98

For a liability measured at fair value and issued with an inseparable third-party credit enhancement, disclose the existence of that credit enhancement and whether it is reflected in the fair value measurement of the liability.

1.6 Consolidated and separate financial statements

General

IFRS 12.1

Disclose information that enables users of the financial statements to evaluate:

a. the nature of, and risks associated with, the interests in other entities; and
b. the effects of those interests on the financial position, financial performance and cash flows.

IFRS 12.3

If the disclosures required by IFRS 12, together with disclosures required by other IFRS, do not meet the objective in IFRS 12.1, then disclose whatever additional information is necessary to meet that objective.

IFRS 12.4

Aggregate or disaggregate disclosures so that useful information is not obscured by either the inclusion of a large amount of insignificant detail or the aggregation of items that have different characteristics (see IFRS 12.B2–B6).

IFRS 12.B4	Present information separately for interests in:	
	a. subsidiaries;	
	b. joint ventures;	
	c. joint operations;	
	d. associates; and	
	e. unconsolidated structured entities.	

Significant judgements and assumptions

IFRS 12.7(a)	Disclose information about significant judgements and assumptions made (and changes to those judgements and assumptions) in determining that the entity has control of another entity.	
IFRS 12.8	If changes in facts and circumstances are such that the conclusion about whether the entity has control changes during the reporting period, then disclose information required by IFRS 12.7.	
IFRS 12.9	Examples of significant judgements and assumptions are those made in determining that:	
IFRS 12.9(a)	a. the entity does not control another entity even though it holds more than half of the voting rights of the other entity;	
IFRS 12.9(b)	b. it controls another entity even though it holds less than half of the voting rights of the other entity; and	
IFRS 12.9(c)	c. it is an agent or a principal (see IFRS 10.B58–B72).	

Interests in subsidiaries

IFRS 12.10	Disclose information that enables users of the consolidated financial statements:	
IFRS 12.10(a)	a. to understand:	
IFRS 12.10(a)(i)	i. the composition of the group; and	
IFRS 12.10(a)(ii)	ii. the interest that NCI have in the group's activities and cash flows; and	
IFRS 12.10(b)	b. to evaluate:	
IFRS 12.10(b)(i)	i. the nature and extent of significant restrictions on the ability to access or use assets, and settle liabilities, of the group;	
IFRS 12.10(b)(ii)	ii. the nature of, and changes in, the risks associated with the interests in consolidated structured entities;	
IFRS 12.10(b)(iii)	iii. the consequences of changes in the ownership interest in a subsidiary that do not result in a loss of control; and	
IFRS 12.10(b)(iv)	iv. the consequences of losing control of a subsidiary during the reporting period.	
IFRS 12.11	When the financial statements of a subsidiary used in the preparation of consolidated financial statements are as of a date or for a period that is different from that of the consolidated financial statements (see IFRS 10.B92 and B93), disclose:	
IFRS 12.11(a)	a. the reporting date of the financial statements of that subsidiary; and	
IFRS 12.11(b)	b. the reason for using a different date or period.	
IFRS 12.12	To enable users to understand the interest that NCI have in the group's activities and cash flows, disclose for each of the subsidiaries that have NCI that are material to the reporting entity:	
IFRS 12.12(a)	a. the name of the subsidiary;	
IFRS 12.12(b)	b. the principal place of business (and country of incorporation if different from the principal place of business) of the subsidiary;	
IFRS 12.12(c)	c. the proportion of ownership interests held by NCI;	
IFRS 12.12(d)	d. the proportion of voting rights held by NCI, if different from the proportion of ownership interests held;	

IFRS 12.12(e)	e. the profit or loss allocated to NCI of the subsidiary during the reporting period;
IFRS 12.12(f)	f. accumulated NCI of the subsidiary at the reporting date; and
IFRS 12.12(g)	g. summarised financial information about the subsidiary (see IFRS 12.B10–B11).
IFRS 12.13	To enable users to evaluate the nature and extent of significant restrictions on the ability to access or use assets, and settle liabilities, of the group, disclose:
IFRS 12.13(a)	a. significant restrictions on the ability to access or use the assets and settle the liabilities of the group, such as:
IFRS 12.13(a)(i)	i. those that restrict the ability of a parent or its subsidiaries to transfer cash or other assets to (or from) other entities within the group; and
IFRS 12.13(a)(ii)	ii. guarantees or other requirements that may restrict dividends and other capital distributions being paid, or loans and advances being made or repaid, to (or from) other entities within the group;
IFRS 12.13(b)	b. the nature and extent to which protective rights of NCI can significantly restrict the entity's ability to access or use the assets and settle the liabilities of the group; and
IFRS 12.13(c)	c. the carrying amounts in the consolidated financial statements of the assets and liabilities to which those restrictions apply.
IFRS 12.18	To enable users to evaluate the consequences of changes in the ownership interest in a subsidiary that do not result in a loss of control, disclose a schedule that shows the effects on the equity attributable to owners of the parent of any changes in its ownership interest in a subsidiary that do not result in a loss of control.
IFRS 12.19	To enable users to evaluate the consequences of losing control of a subsidiary during the reporting period, disclose the gain or loss, if there is any, calculated in accordance with IFRS 10.25, and:
IFRS 12.19(a)	a. the portion of that gain or loss attributable to measuring any investment retained in the former subsidiary at its fair value at the date when control is lost; and
IFRS 12.19(b)	b. the line item(s) in profit or loss in which the gain or loss is recognised, if not presented separately.

Interests in consolidated structured entities

To enable users to evaluate the nature of and changes in the risks associated with interests in consolidated structured entities, disclose the information set out in IFRS 12.14–17 below.

IFRS 12.14	Disclose the terms of any contractual arrangements that could require the parent or its subsidiaries to provide financial support to a consolidated structured entity, including events or circumstances that could expose the reporting entity to a loss.
IFRS 12.15	If during the reporting period a parent or any of its subsidiaries has, without having a contractual obligation to do so, provided financial or other support to a consolidated structured entity, then disclose:
IFRS 12.15(a)	a. the type and amount of support provided, including situations in which the parent or its subsidiaries assisted the structured entity in obtaining financial support; and
IFRS 12.15(b)	b. the reasons for providing the support.
IFRS 12.16	If during the reporting period a parent or any of its subsidiaries has, without having a contractual obligation to do so, provided financial or other support to a previously unconsolidated structured entity and that provision of support resulted in the entity controlling the structured entity, then disclose an explanation of the relevant factors in reaching that decision.

IFRS 12.17	Disclose any current intentions to provide financial or other support to a consolidated structured entity, including intentions to assist the structured entity in obtaining financial support.	

Interests in unconsolidated structured entities

Insights 5.10.250.30, 50	*In our view, the key driver of the required disclosures is the entity's consideration of the purpose and design of the unconsolidated structured entity. The reporting entity considers the risks that the other entity was designed to create and to pass on to the reporting entity and other parties. These concepts are discussed in Insights Chapter 2.5 in the context of consolidating subsidiaries. If an entity is exposed to variability of returns from its involvement with an unconsolidated structured entity through involvement that is unrelated to the purpose and design of the structured entity – e.g. in a typical customer-supplier relationship – then we believe that it is less likely that disclosure of the interest will be required.*	
IFRS 12.24	Disclose information that enables users of the financial statements:	
IFRS 12.24(a)	a. to understand the nature and extent of the interests in unconsolidated structured entities; and	
IFRS 12.24(b), 25	b. to evaluate the nature of, and changes in, the risks associated with the interests in unconsolidated structured entities, including information about the entity's exposure to risk from involvement that it had with unconsolidated structured entities in previous periods (e.g. sponsoring the structured entity), even if the entity no longer has any contractual involvement with the structured entity at the reporting date.	

Nature and extent of the interests in unconsolidated structured entities

IFRS 12.26	Disclose qualitative and quantitative information about interests in unconsolidated structured entities, including, but not limited to, the nature, purpose, size and activities of the structured entity and how the structured entity is financed.	
IFRS 12.27	If the entity has sponsored an unconsolidated structured entity for which it does not provide information required by IFRS 12.29 (e.g. because it does not have an interest in the entity at the reporting date), then disclose:	
IFRS 12.27(a)	a. how it has determined which structured entities it has sponsored;	
IFRS 12.27(b)	b. income from those structured entities during the reporting period, including a description of the types of income presented; and	
IFRS 12.27(c)	c. the carrying amount (at the time of transfer) of all assets transferred to those structured entities during the reporting period.	
IFRS 12.28	Present the information in IFRS 12.27(b) and 27(c) in tabular format, unless another format is more appropriate. Classify the sponsoring activities into relevant categories.	
Insights 5.10.270.60–70	*In identifying whether an entity needs to provide sponsorship-related disclosures about an unconsolidated structured entity in a particular reporting period, in our view factors to assess the extent or closeness of the relationship between the entity and the unconsolidated structured entity, for example passage of time, purpose and design of the entity, brand and reputational association and other involvements may be useful to consider. [See Insights 5.10.270.60 for more guidance] The purpose of these factors, and the related questions, is to assess the extent or closeness of the relationship between the entity and the unconsolidated structured entity, as a measure of determining whether*	

sponsorship exists and consequently whether disclosure under IFRS 12.27 is required. None of these factors is necessarily a conclusive indicator on its own. Instead, the relationship between the reporting entity and the unconsolidated structured entity should be considered from both a substance and an economic perspective.

Nature of, and changes in, the risks associated with the interests in unconsolidated structured entities

IFRS 12.29 Disclose in tabular format, unless another format is more appropriate, a summary of:

IFRS 12.29(a) a. the carrying amounts of the assets and liabilities recognised in the financial statements relating to the interests in unconsolidated structured entities;

IFRS 12.29(b) b. the line items in the statement of financial position in which those assets and liabilities are recognised;

IFRS 12.29(c) c. the amount that best represents the entity's maximum exposure to loss from its interests in unconsolidated structured entities, including how the maximum exposure to loss is determined; if the entity cannot quantify its maximum exposure to loss from its interests in unconsolidated structured entities, then disclose that fact and the reasons; and

IFRS 12.29(d) d. a comparison of the carrying amounts of the assets and liabilities of the entity that relate to its interests in unconsolidated structured entities and the entity's maximum exposure to loss from those entities.

IFRS 12.30 If during the reporting period the entity has, without having a contractual obligation to do so, provided financial or other support to an unconsolidated structured entity in which it previously had or currently has an interest, then disclose:

IFRS 12.30(a) a. the type and amount of support provided, including situations in which the entity assisted the structured entity in obtaining financial support; and

IFRS 12.30(b) b. the reasons for providing the support.

IFRS 12.31 Disclose any current intentions to provide financial or other support to an unconsolidated structured entity, including intentions to assist the structured entity in obtaining financial support.

IFRS 12.B25–B26 Disclose any additional information that is considered necessary to meet the disclosure objectives in IFRS 12.24(b). Examples of additional information that, depending on the circumstances, might be relevant in this regard include:

IFRS 12.B26(a) a. the terms of an arrangement that could require the entity to provide financial support to an unconsolidated structured entity (e.g. liquidity arrangements or credit rating triggers associated with obligations to purchase assets of the structured entity or provide financial support), including:

IFRS 12.B26(a)(i) i. a description of events or circumstances that could expose the reporting entity to a loss;

IFRS 12.B26(a)(ii) ii. whether there are any terms that would limit the obligation; and

IFRS 12.B26(a)(iii) iii. whether there are any other parties that provide financial support and, if so, how the reporting entity's obligation ranks with those of other parties;

IFRS 12.B26(b) b. losses incurred by the entity during the reporting period relating to its interests in unconsolidated structured entities;

IFRS 12.B26(c) c. the types of income the entity received during the reporting period from its interests in unconsolidated structured entities;

IFRS 12.B26(d) d. whether the entity is required to absorb losses of an unconsolidated structured entity before other parties, the maximum limit of such losses for the entity and (if relevant) the ranking and amounts of potential losses borne by parties whose interests rank lower than the entity's interest in the unconsolidated structured entity;

IFRS 12.B26(e) e. information about any liquidity arrangements, guarantees or other commitments with third parties that may affect the fair value or risk of the entity's interests in unconsolidated structured entities;

IFRS 12.B26(f) f. any difficulties an unconsolidated structured entity has experienced in financing its activities during the reporting period; and

IFRS 12.B26(g) g. in relation to the funding of an unconsolidated structured entity, the forms of funding (e.g. commercial paper or medium-term notes) and their weighted-average life. That information might include maturity analyses of the assets and funding of an unconsolidated structured entity if the structured entity has longer-term assets funded by shorter-term funding.

Separate financial statements

IAS 27.15 Apply all applicable IFRSs when providing disclosures in the separate financial statements, including the requirements in IAS 27.16 and 17.

IAS 27.16 When a parent, in accordance with IFRS 10.4(a), elects not to prepare consolidated financial statements and instead prepares separate financial statements, disclose in those separate financial statements:

IAS 27.16(a) a. the following information:
   i. the fact that the financial statements are separate financial statements and that the exemption from consolidation has been used; and
   ii. the name and principal place of business (and country of incorporation, if different) of the entity whose consolidated financial statements that comply with IFRS have been produced for public use; and the address where those consolidated financial statements are obtainable; and

IAS 27.16(b) b. a list of significant investments in subsidiaries, joint ventures and associates, including:
   IAS 27.16(b)(i) i. the name of those investees;
   IAS 27.16(b)(ii) ii. the principal place of business (and country of incorporation, if different) of those investees; and
   IAS 27.16(b)(iii) iii. its proportion of the ownership interest (and its proportion of the voting rights, if different) held in those investees.

IAS 27.17 When a parent (other than a parent covered by IAS 27.16–16A) prepares separate financial statements, the parent identifies the financial statements prepared in accordance with IFRS 10 to which they relate. In addition, the parent also discloses in its separate financial statements:

IAS 27.17(a) a. the fact that the statements are separate financial statements and the reasons why those statements are prepared if not required by law; and

IAS 27.17(b) b. a list of significant investments in subsidiaries, including:
   IAS 27.17(b)(i) i. the name of those investees;
   IAS 27.17(b)(ii) ii. the principal place of business (and country of incorporation, if different) of those investees; and
   IAS 27.17(b)(iii) iii. its proportion of the ownership interest (and its proportion of the voting rights, if different) held in those investees.

1.7 Business combinations

Business combinations that occurred during the period

IFRS 3.59(a), 60, B64 An acquirer discloses information that enables users of its financial statements to evaluate the nature and financial effect of business combinations that were effected during the period. An acquirer discloses in particular the following information for each business combination that was effected during the period:

IFRS 3.B64(a) a. the name and description of the acquiree;
IFRS 3.B64(b) b. the acquisition date;
IFRS 3.B64(c) c. the percentage of voting equity interests acquired;
IFRS 3.B64(d) d. the primary reasons for the business combination and a description of how the acquirer obtained control of the acquiree;
IFRS 3.B64(e) e. a qualitative description of the factors that make up goodwill recognised, such as expected synergies from combining operations of the acquiree and the acquirer, intangible assets that do not qualify for separate recognition or other factors;
IFRS 3.B64(f) f. the acquisition-date fair value of the total consideration transferred and the acquisition-date fair value of each major class of consideration, such as:
IFRS 3.B64(f)(i) i. cash;
IFRS 3.B64(f)(ii) ii. other tangible or intangible assets, including a business or subsidiary of the acquirer;
IFRS 3.B64(f)(iii) iii. liabilities incurred – e.g. a liability for contingent consideration; and
IFRS 3.B64(f)(iv) iv. equity interests of the acquirer, including the number of instruments or interests issued or issuable and the method of determining the fair value of those instruments or interests;
IFRS 3.B64(g) g. for contingent consideration arrangements and indemnification assets:
IFRS 3.B64(g)(i) i. the amount recognised as of the acquisition date;
IFRS 3.B64(g)(ii) ii. a description of the arrangement and the basis for determining the amount of the payment; and
IFRS 3.B64(g)(iii) iii. an estimate of the range of outcomes (undiscounted) or, if a range cannot be estimated, that fact and the reasons why a range cannot be estimated. If the maximum amount of the payment is unlimited, then the acquirer discloses that fact;
IFRS 3.B64(h) h. for acquired receivables (and provided by each major class of receivable):
IFRS 3.B64(h)(i) i. the fair value of the receivables;
IFRS 3.B64(h)(ii) ii. the gross contractual amounts receivable; and
IFRS 3.B64(h)(iii) iii. the best estimate at the acquisition date for the contractual cash flows not expected to be collected;
IFRS 3.B64(i) i. the amounts recognised as of the acquisition date for each major class of assets acquired and liabilities assumed;
IFRS 3.B64(j) j. for each contingent liability recognised in a business combination, the information required in IAS 37.85; if a contingent liability is not recognised because its fair value cannot be measured reliably:
IFRS 3.B64(j)(i) i. the information required by IAS 37.86; and
IFRS 3.B64(j)(ii) ii. the reasons why the liability cannot be measured reliably;
IFRS 3.B64(k) k. the total amount of goodwill that is expected to be deductible for tax purposes;
IFRS 3.B64(l) l. for transactions that are recognised separately from the acquisition of assets and assumption of liabilities in the business combination in accordance with IFRS 3.51:
IFRS 3.B64(l)(i) i. a description of each transaction;
IFRS 3.B64(l)(ii) ii. how the acquirer accounted for each transaction;
IFRS 3.B64(l)(iii) iii. the amounts recognised for each transaction and the line item in the financial statements in which each amount is recognised; and

IFRS 3.B64(l)(iv)	iv. if the transaction is the effective settlement of a pre-existing relationship, the method used to determine the settlement amount;
IFRS 3.B64(m)	m. the disclosure of separately recognised transactions required by IFRS 3.B64(l) including:
	i. the amount of acquisition-related costs;
	ii. the amount of those acquisition-related costs recognised as an expense;
	iii. the line item in the statement of profit or loss and OCI in which those acquisition-related costs are recognised;
	iv. the amount of any issue costs not recognised as an expense; and
	v. how any issue costs not recognised as an expense were recognised;
IFRS 3.B64(n)	n. in a bargain purchase:
IFRS 3.B64(n)(i)	i. the amount of any gain recognised in accordance with IFRS 3.34 and the line item in the statement of profit or loss and OCI in which the gain is recognised; and
IFRS 3.B64(n)(ii)	ii. a description of the reasons why the transaction resulted in a gain;
IFRS 3.B64(o)	o. for each business combination in which the acquirer holds less than 100 percent of the equity interests in the acquiree at the acquisition date:
IFRS 3.B64(o)(i)	i. the amount of the NCI in the acquiree recognised at the acquisition date and the measurement basis for that amount; and
IFRS 3.B64(o)(ii)	ii. for each NCI in an acquiree measured at fair value, the valuation techniques and key model inputs used for determining that value;
IFRS 3.B64(p)	p. in a business combination achieved in stages:
IFRS 3.B64(p)(i)	i. the acquisition-date fair value of the equity interest in the acquiree held by the acquirer immediately before the date of acquisition; and
IFRS 3.B64(p)(ii)	ii. the amount of any gain or loss recognised as a result of remeasuring to fair value the equity interest in the acquiree held by the acquirer before the business combination (see IFRS 3.42) and the line item in the statement of profit or loss and OCI in which that gain or loss is recognised; and
IFRS 3.B64(q)	q. the following information:
IFRS 3.B64(q)(i)	i. the amounts of revenue and profit or loss of the acquiree since the acquisition date included in the consolidated statement of profit or loss and OCI for the reporting period; and
IFRS 3.B64(q)(ii)	ii. the revenue and profit or loss of the combined entity for the current reporting period as though the acquisition date for all business combinations that occurred during the year had been as of the beginning of the annual reporting period.
IFRS 3.B64(q)	If disclosure of any of the information required by IFRS 3.B64(q) is impracticable, then the acquirer discloses that fact and explains why the disclosure is impracticable. (IFRS 3 uses the term ‘impracticable’ with the same meaning as in IAS 8.)
Insights 2.6.1120.40	*[In a step acquisition], any investment in the acquiree that was held before obtaining control is sold and subsequently repurchased at the date of acquisition. Accordingly, in our view the disclosure of that gain or loss (see IFRS 3.42) should be on the same basis as if the investment had been disposed of to a third party.*
IFRS 11.21A	If there has been an acquisition of an interest in a joint operation in which activity of the joint operation constitutes a business, as defined in IFRS 3, then disclose the information that is required in IFRS 3 and other IFRSs in relation to business combination. This applies to the acquisition of both the initial interest and additional interests in a joint operation in which the activity of the joint operation constitutes a business.

IFRS 3.B65 For individually immaterial business combinations occurring during the reporting period that are material collectively, the acquirer discloses in aggregate the information required by IFRS 3.B64(e)–(q).

IFRS 3.63 If the specific disclosures required by IFRS 3 and other IFRSs do not meet the objectives set out in IFRS 3.59 and 61, then the acquirer discloses whatever additional information is necessary to meet those objectives.

Business combinations effected after the reporting date but before the financial statements are authorised for issue

IFRS 3.59(b), 60, B64 An acquirer discloses information that enables users of its financial statements to evaluate the nature and financial effect of business combinations that were effected after the reporting date but before the financial statements are authorised for issue. An acquirer discloses in particular the following information for each business combination that was effected after the reporting date but before the financial statements are authorised for issue:

IFRS 3.B64(a) a. the name and description of the acquiree;

IFRS 3.B64(b) b. the acquisition date;

IFRS 3.B64(c) c. the percentage of voting equity interests acquired;

IFRS 3.B64(d) d. the primary reasons for the business combination and a description of how the acquirer obtained control of the acquiree;

IFRS 3.B64(e) e. a qualitative description of the factors that make up goodwill recognised, such as expected synergies from combining operations of the acquiree and the acquirer, intangible assets that do not qualify for separate recognition or other factors;

IFRS 3.B64(f) f. the acquisition-date fair value of the total consideration transferred and the acquisition-date fair value of each major class of consideration, such as:

IFRS 3.B64(f)(i) i. cash;

IFRS 3.B64(f)(ii) ii. other tangible or intangible assets, including a business or subsidiary of the acquirer;

IFRS 3.B64(f)(iii) iii. liabilities incurred – e.g. a liability for contingent consideration; and

IFRS 3.B64(f)(iv) iv. equity interests of the acquirer, including the number of instruments or interests issued or issuable and the method of determining the fair value of those instruments or interests;

IFRS 3.B64(g) g. for contingent consideration arrangements and indemnification assets:

IFRS 3.B64(g)(i) i. the amount recognised as of the acquisition date;

IFRS 3.B64(g)(ii) ii. a description of the arrangement and the basis for determining the amount of the payment; and

IFRS 3.B64(g)(iii) iii. an estimate of the range of outcomes (undiscounted) or, if a range cannot be estimated, that fact and the reasons why a range cannot be estimated. If the maximum amount of the payment is unlimited, then the acquirer discloses that fact;

IFRS 3.B64(h) h. for acquired receivables (and provided by each major class of receivable):

IFRS 3.B64(h)(i) i. the fair value of the receivables;

IFRS 3.B64(h)(ii) ii. the gross contractual amounts receivable; and

IFRS 3.B64(h)(iii) iii. the best estimate at the acquisition date of the contractual cash flows not expected to be collected;

IFRS 3.B64(i) i. the amounts recognised as of the acquisition date for each major class of assets acquired and liabilities assumed;

IFRS 3.B64(j) j. for each contingent liability recognised in a business combination, the information required in IAS 37.85; if a contingent liability is not recognised because its fair value cannot be measured reliably:

IFRS 3.B64(j)(i) i. the information required by IAS 37.86; and

IFRS 3.B64(j)(ii) ii. the reasons why the liability cannot be measured reliably;

IFRS 3.B64(k)	k. the total amount of goodwill that is expected to be deductible for tax purposes;	
IFRS 3.B64(l)	l. for transactions that are recognised separately from the acquisition of assets and assumption of liabilities in the business combination in accordance with IFRS 3.51:	
IFRS 3.B64(l)(i)	i. a description of each transaction;	
IFRS 3.B64(l)(ii)	ii. how the acquirer accounted for each transaction;	
IFRS 3.B64(l)(iii)	iii. the amounts recognised for each transaction and the line item in the financial statements in which each amount is recognised; and	
IFRS 3.B64(l)(iv)	iv. if the transaction is the effective settlement of a pre-existing relationship, the method used to determine the settlement amount;	
IFRS 3.B64(m)	m. the disclosure of separately recognised transactions required by IFRS 3.B64(l) including:	
	i. the amount of acquisition-related costs;	
	ii. the amount of those acquisition-related costs recognised as an expense;	
	iii. the line item in the statement of profit or loss and OCI in which those acquisition-related costs are recognised;	
	iv. the amount of any issue costs not recognised as an expense; and	
	v. how any issue costs not recognised as an expense were recognised;	
IFRS 3.B64(n)	n. in a bargain purchase:	
IFRS 3.B64(n)(i)	i. the amount of any gain recognised in accordance with IFRS 3.34 and the line item in the statement of profit or loss and OCI in which the gain is recognised; and	
IFRS 3.B64(n)(ii)	ii. a description of the reasons why the transaction resulted in a gain;	
IFRS 3.B64(o)	o. for each business combination in which the acquirer holds less than 100 percent of the equity interests in the acquiree at the date of acquisition:	
IFRS 3.B64(o)(i)	i. the amount of the NCI in the acquiree recognised at the date of acquisition and the measurement basis for that amount; and	
IFRS 3.B64(o)(ii)	ii. for each NCI in an acquiree measured at fair value, the valuation techniques and key model inputs used for determining that value;	
IFRS 3.B64(p)	p. in a business combination achieved in stages:	
IFRS 3.B64(p)(i)	i. the acquisition-date fair value of the equity interest in the acquiree held by the acquirer immediately before the date of acquisition; and	
IFRS 3.B64(p)(ii)	ii. the amount of any gain or loss recognised as a result of remeasuring to fair value the equity interest in the acquiree held by the acquirer before the business combination (see IFRS 3.42) and the line item in the statement of profit or loss and OCI in which that gain or loss is recognised; and	
IFRS 3.B64(q)	q. the following information:	
IFRS 3.B64(q)(i)	i. the amounts of revenue and profit or loss of the acquiree since the acquisition date included in the consolidated statement of profit or loss and OCI for the reporting period; and	
IFRS 3.B64(q)(ii)	ii. the revenue and profit or loss of the combined entity for the current reporting period as though the acquisition date for all business combinations that occurred during the year had been as of the beginning of the annual reporting period.	
IFRS 3.B64(q)	If disclosure of any of the information required by IFRS 3.B64(q) is impracticable, then the acquirer discloses that fact and explains why the disclosure is impracticable. (IFRS 3 uses the term 'impracticable' with the same meaning as IAS 8.)	

IFRS 3.B66

If the acquisition date of a business combination is after the reporting date but before the financial statements are authorised for issue, then the acquirer discloses the information required by IFRS 3.B64 unless the initial accounting for the business combination is incomplete at the time the financial statements are authorised for issue. In that situation the acquirer describes which disclosures could not be made and the reasons why they cannot be made.

IFRS 3.63

If the specific disclosures required by IFRS 3 and other IFRSs do not meet the objectives set out in IFRS 3.59 and 61, then the acquirer discloses whatever additional information is necessary to meet those objectives.

Adjustments

IFRS 3.61

The acquirer discloses information that enables users of its financial statements to evaluate the financial effects of adjustments recognised in the current reporting period that relate to business combinations that occurred in the period or previous reporting periods.

Measurement period

IFRS 3.61–62, B67(a)

If the initial accounting for a business combination is incomplete (see IFRS 3.45) for particular assets, liabilities, NCI or items of consideration and the amounts recognised in the financial statements for the business combination, therefore, have been determined only provisionally, then the acquirer discloses the following information for each material business combination or in aggregate for individually immaterial business combinations that are material collectively in order to meet the objective of IFRS 3.61:

IFRS 3.B67(a)(i) a. the reasons why the initial accounting for the business combination is incomplete;

IFRS 3.B67(a)(ii) b. the assets, liabilities, equity interests or items of consideration for which the initial accounting is incomplete; and

IFRS 3.B67(a)(iii) c. the nature and amount of any measurement period adjustments recognised during the reporting period in accordance with IFRS 3.49.

Insights 2.6.1040.20

Generally, it is expected that the possibility of subsequent adjustments to the acquisition accounting during the measurement period would have been identified in the disclosures in any financial statements of the acquirer issued subsequent to the business combination but before the adjustments are identified. Accordingly, unless an acquirer has a high level of confidence that it has identified all contingent liabilities assumed, it is advisable for the acquirer to disclose the status of its identification of such liabilities in financial statements that include the measurement period.

Evaluation of the financial effects of gains and losses recognised in the current reporting period

IFRS 3.B67(e)

The acquirer discloses (for each material business combination or in aggregate for individually immaterial business combinations that are material collectively) the amount and an explanation of any gain or loss recognised in the current reporting period that both:

IFRS 3.B67(e)(i) a. relates to the identifiable assets acquired or liabilities assumed in a business combination that was effected in the current or previous reporting periods; and

IFRS 3.B67(e)(ii) b. is of such a size, nature or incidence that disclosure is relevant to understanding the combined entity's financial statements.

1.8 Foreign currency translation and hyperinflation

General

IAS 21.52 Disclose:

IAS 21.52(a) a. the amount of exchange differences recognised in profit or loss except for those arising on financial instruments measured at FVTPL in accordance with IFRS 9; and

IAS 21.52(b) b. the net exchange differences recognised in OCI and accumulated in a separate component of equity, and a reconciliation of the amount of such exchange differences at the beginning and end of the period.

IAS 21.54 When there is a change in the functional currency of either the reporting entity or a significant foreign operation, disclose that fact.

IAS 21.54 Disclose the reason for any change in the functional currency.

Insights 2.7.250.40 *In our view, the financial statements should disclose the reasons for not applying an official exchange rate as well as information about the rate used, if a rate other than the official rate has been used.*

Presentation and functional currency

IAS 21.53 When the presentation currency is different from the functional currency, disclose that fact.

IAS 21.53 In addition to the above, disclose:

a. the functional currency; and
b. the reason for using a different presentation currency.

IAS 21.55 When the entity presents its financial statements in a currency that is different from its functional currency, describe the financial statements as complying with IFRS only if they comply with all the requirements of each applicable standard and each applicable interpretation including the translation method set out in IAS 21.39 and 42.

Insights 2.7.330.10 *The same presentation currency is used for all periods presented. Generally, if an entity changes its presentation currency, then it presents its financial statements, including comparative amounts, as if the new presentation currency had always been the entity's presentation currency.* The presentation of comparative information when there is a change in presentation currency connected with a change in functional currency is discussed in 2.7.320. *In our view, the translation of comparative information into a new presentation currency is a change that would require, in accordance with IAS 1, presentation of a third statement of financial position as at the beginning of the preceding period presented when such information is considered material.*

Information displayed in a currency other than the entity's functional or presentation currency

IAS 21.57 When the entity displays its financial statements or other financial information in a currency that is different from either its functional currency or its presentation currency and the requirements of IAS 21.55 are not met, it:

IAS 21.57(a) a. clearly identifies the information as supplementary information to distinguish it from the information that complies with IFRS;

IAS 21.57(b)	b. discloses the currency in which the supplementary information is displayed; and
IAS 21.57(c)	c. discloses the entity's functional currency and the method of translation used to determine the supplementary information.

Hyperinflationary economies

IAS 29.8	If the entity's functional currency is the currency of a hyperinflationary economy, its financial statements are 'restated', including comparative information, so that all items are presented in the measuring unit current at the reporting date – i.e. the entity adopts the current purchasing power concept.
IAS 29.9	Include the gain or loss on the net monetary position in profit or loss and disclose it separately.
IAS 29.39(a)	Disclose the fact that the financial statements and the corresponding figures for previous period: a. have been restated for changes in the general purchasing power of the functional currency; and b. as a result, are stated in terms of the measuring unit current at the reporting date.
IAS 29.39(b)	Disclose whether the financial statements are based on a historical cost approach or a current cost approach.
IAS 29.39(c)	Disclose the identity and level of the price index at the reporting date and the movement in the index during the current and the previous reporting period.

1.9 Accounting policies, errors and estimates

Changes in accounting estimates

IAS 8.39	Disclose the nature and amount of a change in an accounting estimate that has an effect in the current period or is expected to have an effect in future periods, except for a disclosure of the effect on future periods that is impracticable to estimate.
IAS 16.76	In particular, in respect of property, plant and equipment disclosure may arise from changes in estimate with respect to:
IAS 16.76(a)	a. residual values;
IAS 16.76(b)	b. the estimated costs of dismantling, removing or restoring items of property, plant and equipment;
IAS 16.76(c)	c. useful lives; and
IAS 16.76(d)	d. depreciation method.
IAS 38.121(a)–(c)	Disclose the nature and amount of a change in an accounting estimate arising from changes in the assessment of an intangible asset's useful life, the amortisation method or its residual value that has a material effect in the current period or is expected to have a material effect in subsequent periods.
IAS 8.40	If the amount of the effect in subsequent periods is not disclosed because estimating it is impracticable, then disclose that fact.

Errors

IAS 8.49	Disclose:	
IAS 8.49(a)	a. the nature of the prior period error;	___
IAS 8.49(b)	b. for each prior period presented, to the extent practicable, the amount of the correction:	
IAS 8.49(b)(i)	i. for each financial statement line item affected; and	___
IAS 8.49(b)(ii)	ii. for basic and diluted earnings per share;	___
IAS 8.49(c)	c. the amount of the correction at the beginning of the earliest prior period presented; and	___
IAS 8.49(d)	d. if retrospective restatement is impracticable for a particular prior period, the circumstances that led to the existence of that condition and a description of how and from when the error has been corrected.	___

Initial adoption of an individual IFRS

IAS 8.28	When initial application of an IFRS has an effect on the current period or any prior period would have such an effect except that it is impracticable to determine the amount of the adjustment; or might have an effect on future periods, disclose:	
IAS 8.28(a)	a. the title of the IFRS;	___
IAS 8.28(b)	b. when applicable, that the change in accounting policy is made in accordance with its transitional provisions;	___
IAS 8.28(c)	c. the nature of the change in accounting policy;	___
IAS 8.28(d)	d. when applicable, a description of the transitional provisions;	___
IAS 8.28(e)	e. when applicable, the transitional provisions that might have an effect on future periods;	___
IAS 8.28(f)	f. for the current period and each prior period presented, to the extent practicable, the amount of the adjustment:	
IAS 8.28(f)(i)	i. for each financial statement line item affected; and	___
IAS 8.28(f)(ii)	ii. for basic and diluted earnings per share;	___
IAS 8.28(g)	g. the amount of the adjustment relating to periods before those presented, to the extent practicable; and	___
IAS 8.28(h)	h. if retrospective application required by IAS 8.19(a) or (b) is impracticable for a particular prior period, or for periods before those presented, then the circumstances that led to the existence of that condition and a description of how and from when the change in accounting policy has been applied.	___
Insights 2.8.60.10, 40	*On initial adoption of a new, revised or amended standard, an entity follows the specific transitional requirements in that standard, which take precedence over the general requirements for changes in accounting policies. It applies the disclosure requirements of IAS 8 in respect of a change in accounting policy, unless the requirements of the new, revised or amended standard or interpretation specifically permit otherwise. For example, the transitional requirements in some accounting standards provide a relief from the disclosure requirements in paragraph 28(f) of IAS 8 in specific circumstances and instead include alternative disclosure requirements.*	___

Voluntary changes

IAS 8.29	When a voluntary change in accounting policy has an effect on the current period or any prior period; would have an effect on that period except that it is impracticable to determine the amount of the adjustment; or might have an effect on future periods, disclose:	
IAS 8.29(a)	a. the nature of the change in accounting policy;	___
IAS 8.29(b)	b. the reasons why applying the new accounting policy provides reliable and more relevant information;	___

IAS 8.29(c)	c. for the current period and each prior period presented, to the extent practicable, the amount of the adjustment:
IAS 8.29(c)(i)	i. for each financial statement line item affected; and
IAS 8.29(c)(ii)	ii. for basic and diluted earnings per share;
IAS 8.29(d)	d. the amount of the adjustment relating to periods before those presented, to the extent practicable; and
IAS 8.29(e)	e. if retrospective application is impracticable for a particular prior period, or for periods before those presented, the circumstances that led to the existence of that condition and a description of how and from when the change in accounting policy has been applied.
Insights 2.8.50.90	*Disclosures required in respect of changes in accounting policy include the reasons for the change and the amount of the adjustment for the current period and for each prior period presented. In our view, such disclosures should be made separately for each such change. A new, revised or amended standard may include transitional requirements that override the general requirements of IAS 8.*

1.10 Events after the reporting period

IAS 10.17	Disclose the date that the financial statements were authorised for issue and who gave that authorisation.
Insights 2.9.15.25	*In our view, two different dates of authorisation for issue of the financial statements (dual dating of financial statements) should not be disclosed, because we believe that only a single date of authorisation for issue of the financial statements complies with IAS 10.*
IAS 10.17	If the entity's owners or others have the power to amend the financial statements after their issue, then disclose that fact.
IAS 10.19	If the entity receives information after the reporting date about conditions that existed at the reporting date, then update the disclosures that relate to these conditions in light of the new information.
IAS 1.76	If the following events occur between the end of the reporting period and the date the financial statements are authorised for issue, disclose those events as non-adjusting events in accordance with IAS 10 *Events after the Reporting Period*:
IAS 1.76(a)	a. refinancing on a long-term basis of a liability classified as current;
IAS 1.76(b)	b. rectification of a breach of a long-term loan arrangement classified as current;
IAS 1.76(c)	c. the granting by the lender of a period of grace to rectify a breach of a long-term loan arrangement classified as current; and
IAS 1.76(d)	d. settlement of a liability classified as non-current.
IAS 37.75	If the entity starts to implement a restructuring plan, or announces its main features to those affected, only after the reporting date, then disclose under IAS 10 if restructuring is material and non-disclosure could influence the economic decisions of users taken on the basis of the financial statements.
IFRS 5.12	If the criteria in IFRS 5.7–8 are met after the reporting date, but before the authorisation of the financial statements for issue, then disclose:
IFRS 5.41(a)	a. a description of the non-current asset (or disposal group);
IFRS 5.41(b)	b. a description of the facts and circumstances of the sale, or leading to the expected disposal, and the expected manner and timing of that disposal; and

IFRS 5.41(d)	c. if applicable, the reportable segment in which the non-current asset (or disposal group) is presented in accordance with IFRS 8.
IAS 10.21–22	For each material category of non-adjusting event after the reporting date, disclose the nature of the event and an estimate of its financial effect (or a statement that such an estimate cannot be made). The following are examples of non-adjusting events after the reporting date that may require such disclosure:
IAS 10.22(a)	a. a major business combination after the reporting date or disposing of a major subsidiary;
IAS 10.22(b)	b. announcing a plan to discontinue an operation;
IAS 10.22(c)	c. major purchases of assets, classification of assets as held-for-sale in accordance with IFRS 5, other disposals of assets or expropriation of major assets by government;
IAS 10.22(d)	d. the destruction of a major production plant by a fire after the reporting date;
IAS 10.22(e)	e. announcing, or commencing the implementation of, a major restructuring;
IAS 10.22(f), 33.70(d)	f. ordinary share transactions or potential ordinary share transactions, other than those that are reflected in earnings per share calculations, that occur after the reporting date and that would have changed significantly the number of ordinary shares or potential ordinary shares outstanding at the end of the period if those transactions had occurred before the reporting date;
IAS 10.22(g)	g. abnormally large changes after the reporting date in asset prices or foreign exchange rates;
IAS 10.22(h), 12.88	h. changes in tax rates or tax laws enacted or announced after the reporting date that have a significant effect on current and deferred tax assets and liabilities;
IAS 10.22(i)	i. entering into significant commitments or contingent liabilities (e.g. by issuing significant guarantees); and
IAS 10.22(j)	j. commencing major litigation arising solely out of events that occurred after the reporting date.
IFRIC 17.17	If the entity declares a dividend to distribute a non-cash asset after the reporting date but before the financial statements are authorised for issue, then disclose:
	a. the nature of the asset to be distributed;
	b. the carrying amount of the asset to be distributed as of the reporting date; and
	c. the fair value of the asset to be distributed as of the reporting date, if it is different from its carrying amount, and the information about the method(s) used to measure that fair value required by IFRS 13.93(b), (d), (g) and (i) and IFRS 13.99.

2 Statement of financial position

2.1 Property, plant and equipment

General

IAS 16.73 Disclose, for each class of property, plant and equipment:

IAS 16.73(d) a. the gross carrying amount and the accumulated depreciation (aggregated with the accumulated impairment losses) at the beginning and end of the period; and

IAS 16.73(e) b. a reconciliation of the carrying amount at the beginning and end of the period showing:

IAS 16.73(e)(i) i. additions;

IAS 16.73(e)(ii) ii. assets classified as held-for-sale or included in a disposal group classified as held-for-sale in accordance with IFRS 5 and other disposals;

IAS 16.73(e)(iii) iii. acquisitions through business combinations;

IAS 16.73(e)(iv) iv. increases or decreases resulting from revaluations under IAS 16.31, 39 and 40;

IAS 16.73(e)(iv) v. decreases resulting from impairment losses recognised in OCI under IAS 36;

IAS 16.73(e)(iv) vi. increases resulting from impairment losses reversed in OCI under IAS 36;

IAS 16.73(e)(v) vii. impairment losses recognised in profit or loss under IAS 36;

IAS 16.73(e)(vi) viii. impairment losses reversed in profit or loss under IAS 36;

IAS 16.73(e)(vii), 75(a) ix. depreciation, whether recognised in profit or loss or as a part of the cost of other assets, during the period;

IAS 16.73(e)(viii) x. the net exchange differences arising on the translation of the financial statements from the functional currency into a different presentation currency, including the translation of a foreign operation into the presentation currency of the reporting entity; and

IAS 16.73(e)(ix) xi. other changes.

IAS 36.126(a)–(b) For each class of assets, disclose the line items of the statement of profit or loss and OCI in which impairment losses and reversals of impairment losses are included.

IAS 16.68 Gains arising from the derecognition of an item of property, plant and equipment are not classified as revenue.

IAS 16.74 Disclose:

IAS 16.74(a) a. the existence and amounts of restrictions on title, and property, plant and equipment pledged as security for liabilities;

IAS 16.74(b) b. the amount of expenditures recognised in the carrying amount of an item of property, plant and equipment in the course of construction; and

IAS 16.74(c) c. the amount of contractual commitments for the acquisition of property, plant and equipment.

IAS 16.74A If not presented separately in the statement of comprehensive income, disclose:

IAS 16.74A(a) a. the amount of compensation from third parties for items of property, plant and equipment that were impaired, lost or given up that is included in profit or loss; and

IAS 16.74A(b) b. the amounts of proceeds and cost included in profit or loss in accordance with paragraph 20A that relate to items produced that are not an output of the entity's ordinary activities, and which line item(s) in the statement of comprehensive income include(s) such proceeds and cost.

Revaluation

IAS 16.77	For revalued property, plant and equipment, disclose:	
IAS 16.77(a)	a. the effective date of the revaluation;	______
IAS 16.77(b)	b. whether an independent valuer was involved;	______
IAS 16.77(e)	c. for each revalued class of property, plant and equipment, the carrying amount that would have been recognised had the assets been carried under the cost model (i.e. not revalued); and	______
IAS 16.77(f)	d. the revaluation surplus, indicating the change for the period and any restrictions on the distribution of the balance to shareholders.	______

Other disclosures (optional)

IAS 16.79	The following disclosures are encouraged, but not required:	
IAS 16.79(a)	a. the carrying amount of temporarily idle property, plant and equipment;	______
IAS 16.79(b)	b. the gross carrying amount of fully depreciated property, plant and equipment that is still in use;	______
IAS 16.79(c)	c. the carrying amount of property, plant and equipment retired from active use and not classified as held-for-sale in accordance with IFRS 5; and	______
IAS 16.79(d)	d. when the cost model is used (i.e. no revaluations), the fair value of property, plant and equipment when this is materially different from the carrying amount.	______

2.2 Intangible assets and goodwill

General

IAS 38.118	Disclose the following for each class of intangible assets, distinguishing between internally generated and other intangible assets:	
IAS 38.118(c)	a. the gross carrying amount and any accumulated amortisation (aggregated with accumulated impairment losses) at the beginning and end of the period;	______
IAS 38.118(d)	b. the line item(s) of the statement of profit or loss and OCI in which any amortisation of intangible assets is included; and	______
IAS 38.118(e)	c. a reconciliation of the carrying amount at the beginning and end of the period showing:	
IAS 38.118(e)(i)	i. additions arising from internal development;	______
IAS 38.118(e)(i)	ii. additions acquired separately;	______
IAS 38.118(e)(i)	iii. additions acquired through business combinations;	______
IAS 38.118(e)(ii)	iv. assets classified as held-for-sale or included in a disposal group classified as held-for-sale in accordance with IFRS 5 and other disposals;	______
IAS 38.118(e)(iii)	v. increases or decreases resulting from revaluations under IAS 38.75, 85 and 86;	______
IAS 38.118(e)(iii)	vi. decreases resulting from impairment losses recognised in OCI under IAS 36;	______
IAS 38.118(e)(iii)	vii. increases resulting from impairment losses reversed in OCI under IAS 36;	______
IAS 38.118(e)(iv)	viii. impairment losses recognised in profit or loss under IAS 36;	______
IAS 38.118(e)(v)	ix. impairment losses reversed in profit or loss under IAS 36;	______
IAS 38.118(e)(vi)	x. amortisation;	______
IAS 38.118(e)(vii)	xi. the net exchange differences arising on the translation of the financial statements from the functional currency into a different presentation currency, including the translation of a foreign operation into the presentation currency of the reporting entity; and	______
IAS 38.118(e)(viii)	xii. other changes.	______

IAS 38.122 Disclose:

IAS 38.122(a) a. for an intangible asset assessed as having an indefinite useful life, the carrying amount of that asset and the reasons supporting the assessment of an indefinite useful life. In giving these reasons, describe the factor(s) that played a significant role in determining that the asset has an indefinite useful life;

IAS 38.122(b) b. a description, the carrying amount and remaining amortisation period of any individual intangible asset that is material to the financial statements;

IAS 38.122(c) c. for intangible assets acquired by way of a government grant and recognised initially at fair value:

IAS 38.122(c)(i) i. the fair value recognised initially for these assets;

IAS 38.122(c)(ii) ii. their carrying amount; and

IAS 38.122(c)(iii) iii. whether they are measured after recognition under the cost model or the revaluation model;

IAS 38.122(d) d. the existence and carrying amounts of intangible assets whose title is restricted and the carrying amounts of intangible assets pledged as security for liabilities; and

IAS 38.122(e) e. the amount of contractual commitments for the acquisition of intangible assets.

IAS 38.113 Gains arising from the derecognition of an intangible asset are not classified as revenue.

Revaluation

IAS 38.124 If intangible assets are accounted for at revalued amounts, then disclose:

IAS 38.124(a) a. by class of intangible assets:

IAS 38.124(a)(i) i. the effective date of the revaluation;

IAS 38.124(a)(ii) ii. the carrying amount of revalued intangible assets; and

IAS 38.124(a)(iii) iii. the carrying amount that would have been recognised had the revalued intangible assets been carried under the cost model (i.e. not revalued); and

IAS 38.124(b) b. the amount of the revaluation surplus that relates to intangible assets at the beginning and end of the period, indicating the changes during the period and any restrictions on the distribution of the balance to shareholders.

Goodwill

IFRS 3.B67(d) The acquirer discloses (for each material business combination or in aggregate for individually immaterial business combinations that are material collectively) a reconciliation of the carrying amount of goodwill at the beginning and end of the reporting period showing separately:

IFRS 3.B67(d)(i) a. the gross amount and accumulated impairment losses at the beginning of the reporting period;

IFRS 3.B67(d)(ii) b. additional goodwill recognised during the reporting period, except goodwill included in a disposal group that, on acquisition, meets the criteria to be classified as held-for-sale in accordance with IFRS 5;

IFRS 3.B67(d)(iii) c. adjustments resulting from the subsequent recognition of deferred tax assets during the period in accordance with IFRS 3.67;

IFRS 3.B67(d)(iv) d. goodwill included in a disposal group classified as held-for-sale in accordance with IFRS 5;

IFRS 3.B67(d)(iv) e. goodwill derecognised during the reporting period without having previously been included in a disposal group classified as held-for-sale;

IFRS 3.B67(d)(v) f. impairment losses recognised during the reporting period in accordance with IAS 36. (IAS 36 requires the disclosure of information about the recoverable amount and impairment of goodwill in addition to this requirement);

IFRS 3.B67(d)(vi) g. net exchange differences arising during the reporting period in accordance with IAS 21;

IFRS 3.B67(d)(vii)	h. any other changes in the carrying amount during the reporting period; and	
IFRS 3.B67(d)(viii)	i. the gross amount and accumulated impairment losses at the reporting date.	
IAS 36.133	If any portion of the goodwill acquired in a business combination during the period has not been allocated to a cash-generating unit (group of units) at the reporting date (see IAS 36.84), then the amount of the unallocated goodwill is disclosed together with the reasons why that amount remains unallocated.	

Other information (optional)

IAS 38.128	The entity is encouraged, but not required, to disclose:	
IAS 38.128(a)	a. a description of any fully amortised intangible asset that is still in use; and	
IAS 38.128(b)	b. a brief description of significant intangible assets controlled by the entity, but not recognised as assets because they did not meet the recognition criteria in IAS 38 or because they were acquired or generated before the version of IAS 38 issued in 1998 was effective.	

2.3 Investment property

IAS 40.74	The disclosures below apply in addition to those in IFRS 16. In accordance with IFRS 16, the owner of an investment property provides lessors' disclosures about leases into which it has entered. A lessee that holds an investment property as a right-of-use asset provides lessees' disclosures as required by IFRS 16 and lessors' disclosures as required by IFRS 16 for any operating leases into which it has entered (see Chapter 4.1 'Leases' for disclosure requirements under IFRS 16).	
IAS 40.75	Disclose:	
IAS 40.75(f)	a. the amounts recognised in profit or loss for:	
IAS 40.75(f)(i)	i. rental income from investment property;	
IAS 40.75(f)(ii)	ii. direct operating expenses (including repairs and maintenance) arising from investment property that generated rental income during the period;	
IAS 40.75(f)(iii)	iii. direct operating expenses (including repairs and maintenance) arising from investment property that did not generate rental income during the period; and	
IAS 40.75(f)(iv)	iv. the cumulative change in fair value recognised in profit or loss on a sale of investment property from a pool of assets in which the cost model is used into a pool in which the fair value model is used (see IAS 40.32C);	
IAS 40.75(g)	b. the existence and amounts of restrictions on the realisability of investment property or the remittance of income and proceeds of disposal; and	
IAS 40.75(h)	c. contractual obligations to purchase, construct or develop investment property or for repairs, maintenance or enhancements.	
Insights 3.4.260.40	*Because IAS 40 makes no reference to making disclosures on a class-by-class basis, it could be assumed that the minimum requirement is to make the disclosures on an aggregate basis for the whole investment property portfolio. If investment property represents a significant portion of the assets, then it may be appropriate to disclose additional analysis – for example:*	
	• *analysing the portfolio into different types of investment property – such as retail, offices, manufacturing and residential; and*	
	• *identifying separately any properties currently under redevelopment, vacant, whose use is undetermined and/or that are intended for sale.*	

Fair value model

IAS 40.76 Disclose a reconciliation of the carrying amount of investment property at the beginning and end of the period showing:

IAS 40.76(a) a. additions, disclosing separately those additions resulting from acquisitions and those resulting from capitalised subsequent expenditure;

IAS 40.76(b) b. additions acquired through business combinations;

IAS 40.76(c) c. assets classified as held-for-sale or included in a disposal group classified as held-for-sale under IFRS 5 and other disposals;

IAS 40.76(d) d. net gains or losses from fair value adjustments;

IAS 40.76(e) e. the net exchange differences arising on the translation of the financial statements from the functional currency into a different presentation currency, including the translation of a foreign operation into the presentation currency of the reporting entity;

IAS 40.76(f) f. transfers to and from inventories and owner-occupied property; and

IAS 40.76(g) g. other changes.

IAS 40.78 When an entity that applies the fair value model to investment property measures a property using the cost model in IAS 16 for owned investment property or in accordance with IFRS 16 for investment property held by a lessee as a right-of-use asset (in accordance with IAS 40.53) because fair value cannot be measured reliably, disclose in the reconciliation required in IAS 40.76 amounts relating to that investment property separately from amounts relating to other investment property.

IAS 40.77 When a valuation obtained for investment property is adjusted significantly for the purpose of the financial statements, disclose a reconciliation between the valuation obtained and the adjusted valuation included in the financial statements.

IAS 40.77 Show separately the aggregate amount of any recognised lease liabilities that have been added back and any other significant adjustments.

IAS 40.78 When fair value cannot be measured reliably, disclose:

IAS 40.78(a) a. a description of the investment property;

IAS 40.78(b) b. an explanation of why fair value cannot be measured reliably;

IAS 40.78(c) c. if possible, the range of estimates within which fair value is highly likely to lie; and

IAS 40.78(d) d. on disposal of investment property not carried at fair value:

IAS 40.78(d)(i) i. the fact that the entity has disposed of investment property not carried at fair value;

IAS 40.78(d)(ii) ii. the carrying amount of that investment property at the time of sale; and

IAS 40.78(d)(iii) iii. the amount of gain or loss recognised.

Insights 3.4.30.20 *If investment property contains furniture, then its fair value may also include the value of the existing furniture if it is impractical to determine the fair value without inclusion of such items. […] In our view, care should be taken to ensure that the disclosure of the fair value of the investment property is not misleading when the fair value of the property includes the fair value of the furniture.*

Cost model

IAS 40.79	Disclose:
IAS 40.79(a)	a. the depreciation methods used;
IAS 40.79(b)	b. the useful lives or the depreciation rates used;
IAS 40.79(c)	c. the gross carrying amount and the accumulated depreciation (aggregated with accumulated impairment losses) at the beginning and end of the period;
IAS 40.79(d)	d. a reconciliation of the carrying amount at the beginning and end of the period showing:
IAS 40.79(d)(i)	i. additions, disclosing separately those additions resulting from acquisitions and those resulting from subsequent expenditure recognised as an asset;
IAS 40.79(d)(ii)	ii. additions acquired through business combinations;
IAS 40.79(d)(iii)	iii. assets classified as held-for-sale or included in a disposal group classified as held-for-sale in accordance with IFRS 5 and other disposals;
IAS 40.79(d)(iv)	iv. depreciation;
IAS 40.79(d)(v)	v. impairment losses recognised and separately those reversed during the period in accordance with IAS 36;
IAS 40.79(d)(vi)	vi. the net exchange differences arising on the translation of the financial statements from the functional currency into a different presentation currency, including the translation of a foreign operation into the presentation currency of the reporting entity;
IAS 40.79(d)(vii)	vii. transfers to and from inventories and owner-occupied property; and
IAS 40.79(d)(viii)	viii. other changes; and
IAS 40.79(e)	e. the fair value of investment property.
IAS 40.79(e)	When fair value cannot be determined reliably, disclose that fact together with:
IAS 40.79(e)(i)	a. a description of the investment property;
IAS 40.79(e)(ii)	b. an explanation of why fair value cannot be determined reliably; and
IAS 40.79(e)(iii)	c. if possible, the range of estimates within which fair value is highly likely to lie.

2.4 Associates and joint arrangements

General

IFRS 12.1	Disclose information that enables users of the financial statements to evaluate: a. the nature of, and risks associated with, the interests in other entities; and b. the effects of those interests on the financial position, financial performance and cash flows.
IFRS 12.3	If the disclosures required by IFRS 12, together with disclosures required by other IFRSs, do not meet the objective in IFRS 12.1, then disclose whatever additional information is necessary to meet that objective.
IFRS 12.4	Aggregate or disaggregate disclosures so that useful information is not obscured by either the inclusion of a large amount of insignificant detail or the aggregation of items that have different characteristics (see IFRS 12.B2–B6).

Significant judgements and assumptions

IFRS 12.7	Disclose information about significant judgements and assumptions made (and changes to those judgements and assumptions) in determining:
IFRS 12.7(b)	a. that the entity has significant influence over another entity or joint control of an arrangement; and

IFRS 12.7(c) b. the type of joint arrangement – i.e. joint operation or joint venture – when the arrangement has been structured through a separate vehicle.

IFRS 12.8 If changes in facts and circumstances are such that the conclusion about whether the entity has significant influence or joint control changes during the reporting period, then disclose information required by IFRS 12.7.

IFRS 12.9 Examples of significant judgements and assumptions are those made in determining that:

IFRS 12.9(d) a. it does not have significant influence even though it holds 20 percent or more of the voting rights of another entity; and

IFRS 12.9(e) b. it has significant influence even though it holds less than 20 percent of the voting rights of another entity.

Interests in joint arrangements and associates

IFRS 12.20 Disclose information that enables users of the financial statements to evaluate:

IFRS 12.20(a) a. the nature, extent and financial effects of the interests in associates and joint arrangements, including the nature and effects of the contractual relationship with the other investors with significant influence over associates or joint control of joint arrangements (IFRS 12.21 and 22); and

IFRS 12.20(b) b. the nature of, and changes in, the risks associated with the interests in associates and joint arrangements (IFRS 12.23).

IFRS 12.21 Disclose:

IFRS 12.21(a) a. for each associate or joint arrangement that is material to the reporting entity:

IFRS 12.21(a)(i) i. the name of the associate or the joint arrangement;

IFRS 12.21(a)(ii) ii. the nature of the entity's relationship with the associate or joint arrangement by, for example, describing the nature of the activities of the associate or joint arrangement and whether they are strategic to the entity's activities;

IFRS 12.21(a)(iii) iii. the principal place of business (and country of incorporation, if applicable and different from the principal place of business) of the associate or joint arrangement; and

IFRS 12.21(a)(iv) iv. the proportion of ownership interest or participating share held by the entity and, if different, the proportion of voting rights held, if applicable;

IFRS 12.21(b) b. for each associate and joint venture that is material to the reporting entity:

IFRS 12.21(b)(i) i. whether the investment in the associate or joint venture is measured under the equity method or at fair value; and

IFRS 12.21(b)(ii) ii. summarised financial information about the associate or joint venture:

IFRS 12.B12(a) a. dividends received from the associate or joint venture; and

IFRS 12.B12(b) b. summarised financial information for the associate or joint venture including, but not necessarily limited to:

IFRS 12.B12(b)(i) • current assets;

IFRS 12.B12(b)(ii) • non-current assets;

IFRS 12.B12(b)(iii) • current liabilities;

IFRS 12.B12(b)(iv) • non-current liabilities;

IFRS 12.B12(b)(v) • revenue;

IFRS 12.B12(b)(vi) • profit or loss from continuing operations;

IFRS 12.B12(b)(vii) • post-tax profit or loss from discontinued operations;

IFRS 12.B12(b)(viii) • OCI;

IFRS 12.B12(b)(ix) • total comprehensive income; and

IFRS 12.21(b) c. for each joint venture that is material to the reporting entity, the following as a part of summarised information:

IFRS 12.B13(a) • cash and cash equivalents;

IFRS 12.B13(b)	• current financial liabilities (excluding trade and other payables and provisions);	
IFRS 12.B13(c)	• non-current financial liabilities (excluding trade and other payables and provisions);	
IFRS 12.B13(d)	• depreciation and amortisation;	
IFRS 12.B13(e)	• interest income;	
IFRS 12.B13(f)	• interest expense; and	
IFRS 12.B13(g)	• income tax expense or income.	
IFRS 12.B14	The summarised financial information presented in accordance with IFRS 12.B12–B13 corresponds to the financial statements prepared under IFRS financial statements of the associate or joint venture and not the entity's share of those amounts. If the entity accounts for its interest in the associate or joint venture using the equity method:	
IFRS 12.B14(a)	i. the amounts included in the IFRS financial statements of the associate or joint venture are adjusted to reflect adjustments made by the entity when using the equity method, such as fair value adjustments made at the time of acquisition and adjustments for differences in accounting policies; and	
IFRS 12.B14(b)	ii. includes a reconciliation of the summarised financial information presented to the carrying amount of its interest in the associate or joint venture.	
IFRS 12.B15	The entity may present the summarised financial information required by IFRS 12.B12–B13 on the basis of the associate's or joint venture's financial statements if:	
IFRS 12.B15(a)	i. the entity measures its interest in the associate or joint venture at fair value in accordance with IAS 28 (as amended in 2011); and	
IFRS 12.B15(b)	ii. the associate or joint venture does not prepare IFRS financial statements and preparation on that basis would be impracticable or cause undue cost.	
	In that case, disclose the basis on which the summarised financial information has been prepared.	
IFRS 12.21(b)(iii)	d. if the associate or joint venture is accounted for under the equity method, the fair value of its investment in the associate or joint venture, if there is a quoted market price for the investment; and	
IFRS 12.21(c)(i), B16	e. in aggregate, the carrying amount of interest in all individually immaterial associates or joint ventures accounted for using the equity method, and separately the aggregate amount of the share of the associates' or joint ventures':	
IFRS 12.B16(a)	i. profit or loss from continuing operations;	
IFRS 12.B16(b)	ii. post-tax profit or loss from discontinued operations;	
IFRS 12.B16(c)	iii. OCI; and	
IFRS 12.B16(d)	iv. total comprehensive income.	
IFRS 12.21A	An investment entity need not provide the disclosures required by IFRS 12.21(b)–(c).	
IFRS 12.22	Disclose:	
IFRS 12.22(a)	a. the nature and extent of any significant restrictions on the ability of associates or joint ventures to transfer funds to the entity in the form of cash dividends, or to repay loans or advances made by the entity;	
IFRS 12.22(b)	b. when the financial statements of an associate or joint venture used in applying the equity method are as of a date or for a period that is different from that of the entity:	

IFRS 12.22(b)(i) i. the reporting date of the financial statements of that associate or joint venture; and

IFRS 12.22(b)(ii) ii. the reason for using a different date or period; and

IFRS 12.22(c) c. the unrecognised share of losses of an associate or joint venture, both for the reporting period and cumulatively, if the entity has stopped recognising its share of losses of the joint venture when applying the equity method.

IFRS 12.23 Disclose:

IFRS 12.23(a) a. commitments that the entity has relating to its joint ventures separately from the amount of other commitments as specified in IFRS 12.B18–B20; and

IFRS 12.23(b) b. in accordance with IAS 37, unless the probability of loss is remote, contingent liabilities incurred relating to its interests in associates or joint ventures (including its share of contingent liabilities incurred jointly with other investors with joint control of joint ventures), separately from the amount of other contingent liabilities.

Insights 5.10.180.10 *On an ongoing basis, the carrying amount of goodwill allocated to an equity-accounted investee may require separate disclosure if that investee is considered to be a separate cash-generating unit in accordance with IAS 36. The separate disclosure of goodwill may also be relevant for the reconciliation of the summarised financial information of associates and joint ventures to their carrying amount in the entity's consolidated or individual financial statements.*

Insights 5.10.140.150 *Uniform accounting policies for like transactions and events in similar circumstances are used in preparing the investor's financial statements, with an exception for insurance contracts. An equity-accounted investee may have accounting policies for items that do not apply to the investor. If disclosure of the accounting policies of the investee is considered necessary for an understanding of equity-accounted earnings, or the carrying amount of such investees in the statement of financial position, then in our view this information should be included in the accounting policy for equity-accounted investees.*

Comparative information and consistency of presentation

IAS 28.15 Unless an investment (or a portion of an investment) in an associate or a joint venture is classified as held-for-sale under IFRS 5, classify the investment (or any retained interest in the investment) that is not classified as held-for-sale as a non-current asset.

IAS 28.21 When an investment, or a portion of an investment, in an associate or joint venture previously classified as held-for-sale no longer meets the criteria to be so classified, it is accounted for under the equity method retrospectively as from the date of its classification as held-for-sale. Financial statements for the periods since classification as held-for-sale are amended accordingly.

Separate financial statements

IAS 27.17 When an investor with significant influence over or joint control of an investee prepares separate financial statements, the investor identifies the financial statements prepared in accordance with IAS 28 or IFRS 11 to which they relate. In addition, the investor also discloses in its separate financial statements:

IAS 27.17(a) a. the fact that the statements are separate financial statements and the reasons why those statements are prepared if not required by law; and

IAS 27.17(b) b. a list of significant investments in associates or joint ventures including:

IAS 27.17(b)(i)	i. the name of those investees;	
IAS 27.17(b)(ii)	ii. the principal place of business (and country of incorporation, if different) of those investees; and	
IAS 27.17(b)(iii)	iii. its proportion of the ownership interest (and its proportion of the voting rights, if different) held in those investees.	

2.5 Financial instruments

Classes of financial instruments and level of disclosure

IFRS 7.6

When IFRS 7 requires disclosures by class of financial instrument, group financial instruments into classes that are appropriate to the nature of the information disclosed and that take into account the characteristics of those financial instruments. Also provide sufficient information to permit reconciliation to the line items presented in the statement of financial position (see IFRS 7.B1–B3).

Significance of financial instruments for financial position and performance

IFRS 7.7

Disclose information that enables users of its financial statements to evaluate the significance of financial instruments for its financial position and performance.

Financial assets or financial liabilities at FVTPL

IFRS 7.9

If the entity has designated as measured at FVTPL a financial asset (or group of financial assets) that would otherwise be measured at FVOCI or amortised cost, then disclose:

IFRS 7.9(a) a. the maximum exposure to credit risk of the financial asset (or group of financial assets) at the reporting date;

IFRS 7.9(b) b. the amount by which any related credit derivatives or similar instruments mitigate that maximum exposure to credit risk;

IFRS 7.9(c) c. the amount of change, during the period and cumulatively, in the fair value of the financial asset (or group of financial assets) that is attributable to changes in the credit risk of the financial asset determined either:

IFRS 7.9(c)(i) i. as the amount of change in its fair value that is not attributable to changes in market conditions that give rise to market risk; or

IFRS 7.9(c)(ii) ii. under an alternative method the entity believes more faithfully represents the amount of change in its fair value that is attributable to changes in the credit risk of the asset; and

IFRS 7.9(d) d. the amount of the change in the fair value of any related credit derivatives or similar instruments that has occurred during the period and cumulatively since the financial asset was designated.

IFRS 7.10

If the entity has designated a financial liability as at FVTPL and is required to present the effects of changes in that liability's credit risk in OCI (see IFRS 9.5.7.7), then disclose:

IFRS 7.10(a) a. the amount of change, cumulatively, in the fair value of the financial liability that is attributable to changes in the credit risk of that liability (see IFRS 9.B5.7.13–B5.7.20 for guidance on determining the effects of changes in a liability's credit risk);

IFRS 7.10(b) b. the difference between the financial liability's carrying amount and the amount the entity would be contractually required to pay at maturity to the holder of the obligation;

IFRS 7.10(c)	c. any transfers of the cumulative gain or loss within equity during the period including the reason for such transfers; and
IFRS 7.10(d)	d. if a liability is derecognised during the period, the amount (if any) presented in OCI that was realised at derecognition.
Insights 7.10.210.60	*In our view, the amount that the entity is 'contractually required to pay at maturity' should be the undiscounted amount payable at maturity. Furthermore, when the amount payable at maturity is not fixed – e.g. in the case of a liability containing an embedded derivative that modifies the principal amount payable at maturity – the amount disclosed should be based on conditions existing at the reporting date.*
IFRS 7.10A	If the entity has designated a financial liability as at FVTPL and is required to present all changes in the fair value of that liability (including the effects of changes in the credit risk of the liability) in profit or loss (see IFRS 9.5.7.7 and 5.7.8), then disclose:
IFRS 7.10A(a)	a. the amount of change, during the period and cumulatively, in the fair value of the financial liability that is attributable to changes in the credit risk of that liability (see IFRS 9.B5.7.13–B5.7.20 for guidance on determining the effects of changes in a liability's credit risk); and
IFRS 7.10A(b)	b. the difference between the financial liability's carrying amount and the amount the entity would be contractually required to pay at maturity to the holder of the obligation.
IFRS 7.11	Disclose:
IFRS 7.11(a)	a. a detailed description of the methods used to comply with the requirements in IFRS 7.9(c), 10(a) and 10A(a) and IFRS 9.5.7.7(a), including an explanation of why the method is appropriate;
IFRS 7.11(b)	b. if the entity believes that the disclosure it has given, either in the statement of financial position or in the notes, to comply with the requirements in IFRS 7.9(c), 10(a) or 10A(a) or IFRS 9.5.7.7(a) does not faithfully represent the change in the fair value of the financial asset or financial liability attributable to changes in its credit risk, the reasons for reaching this conclusion and the factors it believes are relevant; and
IFRS 7.11(c)	c. a detailed description of the methodology or methodologies used to determine whether presenting the effects of changes in a liability's credit risk in OCI would create or enlarge an accounting mismatch in profit or loss (see IFRS 9.5.7.7–8). If the entity is required to present the effects of changes in a liability's credit risk in profit or loss (see IFRS 9.5.7.8), then disclose a detailed description of the economic relationship described in IFRS 9.B5.7.6.
	Investment in equity instruments designated at FVOCI
IFRS 7.11A	If the entity has designated investments in equity instruments to be measured at FVOCI, then disclose:
IFRS 7.11A(a)	a. which investments in equity instruments have been designated to be measured at FVOCI;
IFRS 7.11A(b)	b. the reasons for using this presentation alternative;
IFRS 7.11A(c)	c. the fair value of each such investment at the reporting date;
IFRS 7.11A(d)	d. dividends recognised during the period, showing separately those related to investments derecognised during the reporting period and those related to investments held at the reporting date; and
IFRS 7.11A(e)	e. any transfers of the cumulative gain or loss within equity during the period including the reason for such transfers.

IFRS 7.11B	If the entity derecognised investments in equity instruments measured at FVOCI during the reporting period, then disclose:	
IFRS 7.11B(a)	a. the reasons for disposing of the investments;	
IFRS 7.11B(b)	b. the fair value of the investments at the date of derecognition; and	
IFRS 7.11B(c)	c. the cumulative gain or loss on disposal.	
Insights 7.10.230.25	*When disclosing which investments in equity instruments have been designated as at FVOCI, in our view an entity should apply judgement in determining what disclosures would provide the most useful information for financial statement users. We believe that in most cases, disclosing the names of individual investees would be appropriate – e.g. if an entity has a small number of individually significant investments, particularly if this disclosure enables users to access additional information about those investees from other sources. However, in some cases disclosure at a higher level of aggregation and disclosures other than the names of investees may provide more useful information. For example, if an entity has a large number of individually insignificant investments in a few industries, then disclosure by industry may be appropriate. Similarly, if an entity holds investments for which no public information is available, then disclosure about the nature and purpose of those investments may be relevant.*	

Reclassifications of financial assets

IFRS 7.12B	If the entity has reclassified any financial assets in the current or previous reporting periods, then disclose for each reclassification:	
IFRS 7.12B(a)	a. the date of reclassification;	
IFRS 7.12B(b)	b. a detailed explanation of the change in business model and a qualitative description of its effect on the entity's financial statements; and	
IFRS 7.12B(c)	c. the amount reclassified into and out of each category.	
IFRS 7.12C	If the entity has reclassified financial assets out of FVTPL category so that they are measured at amortised cost or FVOCI, then disclose for each reporting date following reclassification until derecognition:	
IFRS 7.12C(a)	a. the effective interest rate determined on the date of reclassification; and	
IFRS 7.12C(b)	b. the interest revenue recognised.	
IFRS 7.12D	If the entity, since its last reporting date, has reclassified financial assets out of FVOCI category so that they are measured at amortised cost or out of FVTPL category so that they are measured at amortised cost or FVOCI, then disclose:	
IFRS 7.12D(a)	a. the fair value of the financial assets at the reporting date; and	
IFRS 7.12D(b)	b. the fair value gain or loss that would have been recognised in profit or loss or OCI during the reporting period if the financial assets had not been reclassified.	

Offsetting financial assets and financial liabilities

IFRS 7.13A	Supplement the other disclosures required by IFRS 7 with the following information for recognised financial instruments that are:	
	a. set off in accordance with IAS 32.42; and	
	b. subject to an enforceable master netting arrangement or similar agreement, irrespective of whether they are set off in accordance with IAS 32.42 (see IFRS 7.B40–B41).	

IFRS 7.13B	Disclose information that enables users of the financial statements to evaluate the effect or potential effect of netting arrangements, including the effect or potential effect of rights of set-off, on the entity's financial position (see IFRS 7.B53).
IFRS 7.13C	Disclose at the reporting date (in a tabular format unless another format is more appropriate) the following quantitative information separately for recognised financial assets and recognised financial liabilities:
IFRS 7.13C(a)	a. the gross amounts of those assets and liabilities (see IFRS 7.B43);
IFRS 7.13C(b)	b. the amounts that are set off in accordance with the criteria in IAS 32.42 when determining the net amounts presented in the statement of financial position (see IFRS 7.B44);
IFRS 7.13C(c)	c. the net amounts presented in the statement of financial position (see IFRS 7.B45);
IFRS 7.13C(d)	d. the amounts subject to an enforceable master netting arrangement or similar agreement that are not otherwise included in IFRS 7.13C(b), including:
IFRS 7.13C(d)(i)	i. amounts related to recognised financial instruments that do not meet some or all of the offsetting criteria in IAS 32.42 (see IFRS 7.B47); and
IFRS 7.13C(d)(ii)	ii. amounts related to financial collateral (including cash collateral) (see IFRS 7.B48); and
IFRS 7.13C(e)	e. the net amount after deducting the amounts in (d) from the amounts in (c) above.
IFRS 7.B42	Financial instruments disclosed in accordance with IFRS 7.13C may be subject to different measurement requirements (e.g. a payable related to a repurchase agreement may be measured at amortised cost, while a derivative will be measured at fair value). Include instruments at their recognised amounts and describe any resulting measurement differences in the related disclosures.
IFRS 7.B44	IFRS 7.13C(b) requires that entities disclose the amounts set off in accordance with IAS 32.42 when determining the net amounts presented in the statement of financial position. The amounts of both the recognised financial assets and the recognised financial liabilities that are subject to set-off under the same arrangement will be disclosed in both the financial asset and financial liability disclosures. However, the amounts disclosed (in, for example, a table) are limited to the amounts that are subject to set-off. For example, an entity may have a recognised derivative asset and a recognised derivative liability that meet the offsetting criteria in IAS 32.42. If the gross amount of the derivative asset is larger than the gross amount of the derivative liability, then the financial asset disclosure table will include the entire amount of the derivative asset (in accordance with IFRS 7.13C(a)) and the entire amount of the derivative liability (in accordance with IFRS 7.13C(b)). However, while the financial liability disclosure table will include the entire amount of the derivative liability (in accordance with IFRS 7.13C(a)), it will only include the amount of the derivative asset (in accordance with IFRS 7.13C(b)) that is equal to the amount of the derivative liability.
IFRS 7.B46	The amounts required to be disclosed by IFRS 7.13C(c) need to be reconciled to the individual line item amounts presented in the statement of financial position.
IFRS 7.B51	The quantitative disclosures required by IFRS 7.13C(a)–(e) may be grouped by type of financial instrument or transaction (e.g. derivatives, repurchase and reverse repurchase agreements or securities borrowing and securities lending agreements).

IFRS 7.B52	Alternatively, an entity may group the quantitative disclosures required by IFRS 7.13C(a)–(c) by type of financial instrument, and the quantitative disclosures required by IFRS 7.13C(c)–(e) by counterparty. If an entity provides the required information by counterparty, the entity is not required to identify the counterparties by name. However, designation of counterparties (Counterparty A, Counterparty B, Counterparty C etc) needs to remain consistent from year to year for the years presented to maintain comparability. Qualitative disclosures need to be considered so that further information can be given about the types of counterparties. When disclosure of the amounts in IFRS 7.13C(c)–(e) is provided by counterparty, amounts that are individually significant in terms of total counterparty amounts need to be separately disclosed and the remaining individually insignificant counterparty amounts need to be aggregated into one line item.	
IFRS 7.13D	The total amount disclosed in accordance with IFRS 7.13C(d) for an instrument is limited to the amount in IFRS 7.13C(c) for that instrument.	
IFRS 7.13E	Describe the rights of set-off associated with recognised financial assets and recognised financial liabilities subject to enforceable master netting arrangements and similar agreements that are disclosed in accordance with IFRS 7.13C(d), including the nature of those rights.	
IFRS 7.B50	An entity describes the types of rights of set-off and similar arrangements disclosed in accordance with IFRS 7.13C(d), including the nature of those rights. For example, an entity describes its conditional rights. For instruments subject to rights of set-off that are not contingent on a future event but that do not meet the remaining criteria in IAS 32.42, the entity describes the reason(s) why the criteria are not met. For any financial collateral received or pledged, the entity describes the terms of the collateral agreement (e.g. when the collateral is restricted).	
IFRS 7.13F	If the information required by IFRS 7.13B–13E is disclosed in more than one note to the financial statements, then cross-refer between those notes.	
Insights 7.10.310.40	*In our view, if the host contract is a financial instrument and the offsetting criteria are met for the host and the embedded derivative, then a separable embedded derivative and the host contract should be presented on a net basis.*	
	Collateral	
IFRS 7.14	Disclose:	
IFRS 7.14(a)	a. the carrying amount of financial assets the entity has pledged as collateral for liabilities or contingent liabilities, including amounts that have been reclassified in accordance with IFRS 9.3.3.23(a); and	
IFRS 7.14(b)	b. the terms and conditions relating to the pledge.	
IFRS 7.15	When the entity holds collateral (of financial or non-financial assets) and is permitted to sell or repledge the collateral in the absence of default by the owner of the collateral, disclose:	
IFRS 7.15(a)	a. the fair value of the collateral held;	
IFRS 7.15(b)	b. the fair value of any such collateral sold or repledged and whether the entity has an obligation to return it; and	
IFRS 7.15(c)	c. the terms and conditions associated with its use of the collateral.	

Allowance account for credit losses

IFRS 7.16A

The carrying amount of financial assets measured at FVOCI in accordance with IFRS 9.4.1.2A is not reduced by a loss allowance and there is no need to present the loss allowance separately in the statement of financial position as a reduction of the carrying amount of the financial asset. However, disclose the loss allowance in the notes to the financial statements.

Compound financial instruments with multiple embedded derivatives

IFRS 7.17

If the entity has issued an instrument that contains both a liability and an equity component (see IAS 32.28) and the instrument has multiple embedded derivatives whose values are interdependent (e.g. a callable convertible debt instrument), then disclose the existence of such features.

Defaults and breaches

IFRS 7.18

For loans payable recognised at the reporting date, disclose:

IFRS 7.18(a)

a. details of any defaults during the period of principal, interest, sinking fund, or redemption terms of those loans payable;

IFRS 7.18(b)

b. the carrying amount of the loans payable in default at the reporting date; and

IFRS 7.18(c)

c. whether the default was remedied, or the terms of the loans payable were renegotiated, before the financial statements were authorised for issue.

IFRS 7.19

If, during the period, there were breaches of loan agreement terms other than those described in IFRS 7.18, then disclose the same information as required by IFRS 7.18 if those breaches permitted the lender to demand accelerated repayment (unless the breaches were remedied, or the terms of the loan were renegotiated, on or before the reporting date).

Items of income, expense, gains or losses

IFRS 7.20A

Disclose an analysis of the gain or loss recognised in the statement of profit or loss and OCI arising from the derecognition of financial assets measured at amortised cost, showing separately gains and losses arising from derecognition of those financial assets. This disclosure includes the reasons for derecognising those financial assets.

Hedge accounting

Insights 7.10.380.60

In our view, when hedge accounting is not applied, either because an entity chooses not to apply hedge accounting or because the criteria for hedge accounting are not met, information should be provided to explain the relationship between the derivatives and the transactions for which there are economic hedges. We believe that this should be done to enable users of the financial statements to understand the extent to which risk is mitigated through the use of the derivatives.

IFRS 7.21A

Apply the disclosure requirements in IFRS 7.21B–24F for those risk exposures that an entity hedges and for which it elects to apply hedge accounting. Hedge accounting disclosures provide information about:

IFRS 7.21A(a)

a. an entity's risk management strategy and how it is applied to manage risk;

IFRS 7.21A(b)

b. how the entity's hedging activities may affect the amount, timing and uncertainty of its future cash flows; and

IFRS 7.21A(c)

c. the effect that hedge accounting has had on the entity's statement of financial position, statement of profit or loss and OCI and statement of changes in equity.

IFRS 7.21B	Present the required disclosures in a single note or separate section in its financial statements. However, an entity need not duplicate information that is already presented elsewhere, provided that the information is incorporated by cross-reference from the financial statements to some other statement, such as a management commentary or risk report, that is available to users of the financial statements on the same terms as the financial statements and at the same time. Without the information incorporated by cross-reference, the financial statements are incomplete.	
IFRS 7.21C	When IFRS 7.22A–24F require the entity to separate by risk category the information disclosed, the entity determines each risk category on the basis of the risk exposures an entity decides to hedge and for which hedge accounting is applied. An entity determines risk categories consistently for all hedge accounting disclosures.	
IFRS 7.21D	To meet the objectives in IFRS 7.21A, an entity (except as otherwise specified below) determines how much detail to disclose, how much emphasis to place on different aspects of the disclosure requirements, the appropriate level of aggregation or disaggregation, and whether users of financial statements need additional explanations to evaluate the quantitative information disclosed. However, an entity uses the same level of aggregation or disaggregation it uses for disclosure requirements of related information in this IFRS and IFRS 13 *Fair Value Measurement*.	
	The risk management strategy	
IFRS 7.22A	Explain risk management strategy of the entity for each risk category of risk exposures that it decides to hedge and for which hedge accounting is applied. This explanation enables users of financial statements to evaluate, for example:	
IFRS 7.22A(a)	a. how each risk arises;	
IFRS 7.22A(b)	b. how the entity manages each risk; this includes whether the entity hedges an item in its entirety for all risks or hedges a risk component (or components) of an item and why; and	
IFRS 7.22A(c)	c. the extent of risk exposures that the entity manages.	
IFRS 7.22B	To meet the requirements in IFRS 7.22A, the information should include (but is not limited to) a description of:	
IFRS 7.22B(a)	a. the hedging instruments that are used (and how they are used) to hedge risk exposures;	
IFRS 7.22B(b)	b. how the entity determines the economic relationship between the hedged item and the hedging instrument for the purpose of assessing hedge effectiveness; and	
IFRS 7.22B(c)	c. how the entity establishes the hedge ratio and what the sources of hedge ineffectiveness are.	
IFRS 7.22C	When an entity designates a specific risk component as a hedged item (see IFRS 9.6.3.7) it provides, in addition to the disclosures required by IFRS 7.22A–22B, qualitative or quantitative information about:	
IFRS 7.22C(a)	a. how the entity determined the risk component that is designated as the hedged item (including a description of the nature of the relationship between the risk component and the item as a whole); and	
IFRS 7.22C(b)	b. how the risk component relates to the item in its entirety (e.g. the designated risk component historically covered on average 80 percent of the changes in fair value of the item as a whole).	

The amount, timing and uncertainty of future cash flows

IFRS 7.23A Unless exempted by IFRS 7.23C, an entity discloses by risk category quantitative information to allow users of its financial statements to evaluate the terms and conditions of hedging instruments and how they affect the amount, timing and uncertainty of future cash flows of the entity.

IFRS 7.23B To meet the requirement in IFRS 7.23A, an entity provides a breakdown that discloses:

IFRS 7.23B(a) a. a profile of the timing of the nominal amount of the hedging instrument; and

IFRS 7.23B(b) b. if applicable, the average price or rate (e.g. strike or forward prices etc) of the hedging instrument.

IFRS 7.23C When an entity frequently resets (i.e. discontinues and restarts) hedging relationships because both the hedging instrument and the hedged item frequently change (i.e. the entity uses a dynamic process in which both the exposure and the hedging instruments used to manage that exposure do not remain the same for long – such as in the example in IFRS 9.B6.5.24(b)) the entity:

IFRS 7.23C(a) a. is exempt from providing the disclosures required by IFRS 7.23A–23B; and

IFRS 7.23C(b) b. disclose:

IFRS 7.23C(b)(i) i. information about what the ultimate risk management strategy is in relation to those hedging relationships;

IFRS 7.23C(b)(ii) ii. a description of how it reflects its risk management strategy by using hedge accounting and designating those particular hedging relationships; and

IFRS 7.23C(b)(iii) iii. an indication of how frequently the hedging relationships are discontinued and restarted as part of the entity's process in relation to those hedging relationships.

IFRS 7.23D An entity discloses by risk category a description of the sources of hedge ineffectiveness that are expected to affect the hedging relationship during its term.

IFRS 7.23E If other sources of hedge ineffectiveness emerge in a hedging relationship, an entity discloses those sources by risk category and explain the resulting hedge ineffectiveness.

IFRS 7.23F For cash flow hedges, an entity discloses a description of any forecast transaction for which hedge accounting had been used in the previous period, but which is no longer expected to occur.

The effects of hedge accounting on financial position and performance

IFRS 7.24A An entity discloses, in a tabular format, the following amounts related to items designated as hedging instruments separately by risk category for each type of hedge (fair value hedge, cash flow hedge or hedge of a net investment in a foreign operation):

IFRS 7.24A(a) a. the carrying amount of the hedging instruments (financial assets separately from financial liabilities);

IFRS 7.24A(b) b. the line item in the statement of financial position that includes the hedging instrument;

IFRS 7.24A(c) c. the change in fair value of the hedging instrument used as the basis for recognising hedge ineffectiveness for the period; and

IFRS 7.24A(d) d. the nominal amounts (including quantities such as tonnes or cubic metres) of the hedging instruments.

IFRS 7.24B	An entity discloses, in a tabular format, the following amounts related to hedged items separately by risk category for the types of hedges as follows:
IFRS 7.24B(a)	a. for fair value hedges:
IFRS 7.24B(a)(i)	i. the carrying amount of the hedged item recognised in the statement of financial position (presenting assets separately from liabilities);
IFRS 7.24B(a)(ii)	ii. the accumulated amount of fair value hedge adjustments on the hedged item included in the carrying amount of the hedged item recognised in the statement of financial position (presenting assets separately from liabilities);
IFRS 7.24B(a)(iii)	iii. the line item in the statement of financial position that includes the hedged item;
IFRS 7.24B(a)(iv)	iv. the change in value of the hedged item used as the basis for recognising hedge ineffectiveness for the period; and
IFRS 7.24B(a)(v)	v. the accumulated amount of fair value hedge adjustments remaining in the statement of financial position for any hedged items that have ceased to be adjusted for hedging gains and losses in accordance with IFRS 9.6.5.10; and
IFRS 7.24B(b)	b. for cash flow hedges and hedges of a net investment in a foreign operation:
IFRS 7.24B(b)(i)	i. the change in value of the hedged item used as the basis for recognising hedge ineffectiveness for the period (i.e. for cash flow hedges the change in value used to determine the recognised hedge ineffectiveness in accordance with IFRS 9.6.5.11(c));
IFRS 7.24B(b)(ii)	ii. the balances in the cash flow hedge reserve and the foreign currency translation reserve for continuing hedges that are accounted for in accordance with IFRS 9.6.5.11 and 6.5.13(a); and
IFRS 7.24B(b)(iii)	iii. the balances remaining in the cash flow hedge reserve and the foreign currency translation reserve from any hedging relationships for which hedge accounting is no longer applied.
IFRS 7.24C	Disclose, in a tabular format, the following amounts separately by risk category for the types of hedges as follows:
IFRS 7.24C(a)	a. for fair value hedges:
IFRS 7.24C(a)(i)	i. hedge ineffectiveness – i.e. the difference between the hedging gains or losses of the hedging instrument and the hedged item recognised in profit or loss (or OCI for hedges of an equity instrument for which an entity has elected to present changes in fair value in OCI in accordance with IFRS 9.5.7.5); and
IFRS 7.24C(a)(ii)	ii. the line item in the statement of profit or loss and OCI that includes the recognised hedge ineffectiveness; and
IFRS 7.24C(b)	b. for cash flow hedges and hedges of a net investment in a foreign operation:
IFRS 7.24C(b)(i)	i. hedging gains or losses of the reporting period that were recognised in OCI;
IFRS 7.24C(b)(ii)	ii. hedge ineffectiveness recognised in profit or loss;
IFRS 7.24C(b)(iii)	iii. the line item in the statement of profit or loss and OCI that includes the recognised hedge ineffectiveness;
IFRS 7.24C(b)(iv)	iv. the amount reclassified from the cash flow hedge reserve or the foreign currency translation reserve into profit or loss as a reclassification adjustment (see IAS 1) (differentiating between amounts for which hedge accounting had previously been used, but for which the hedged future cash flows are no longer expected to occur, and amounts that have been transferred because the hedged item has affected profit or loss);
IFRS 7.24C(b)(v)	v. the line item in the statement of profit or loss and OCI that includes the reclassification adjustment (see IAS 1); and
IFRS 7.24C(b)(vi)	vi. for hedges of net positions, the hedging gains or losses recognised in a separate line item in the statement of profit or loss and OCI (see IFRS 9.6.6.4).

IFRS 7.24D When the volume of hedging relationships to which the exemption in IFRS 7.23C applies is unrepresentative of normal volumes during the period (i.e. the volume at the reporting date does not reflect the volumes during the period) an entity discloses that fact and the reason it believes the volumes are unrepresentative.

IFRS 7.24E An entity provides a reconciliation of each component of equity and an analysis of OCI in accordance with IAS 1 that, taken together:

IFRS 7.24E(a) a. differentiates, at a minimum, between the amounts that relate to the disclosures in IFRS 7.24C(b)(i) and (b)(iv) as well as the amounts accounted for in accordance with IFRS 9.6.5.11(d)(i) and (d)(iii);

IFRS 7.24E(b) b. differentiates between the amounts associated with the time value of options that hedge transaction related hedged items and the amounts associated with the time value of options that hedge time-period related hedged items when an entity accounts for the time value of an option in accordance with IFRS 9.6.5.15; and

IFRS 7.24E(c) c. differentiates between the amounts associated with forward elements of forward contracts and the foreign currency basis spreads of financial instruments that hedge transaction related hedged items, and the amounts associated with forward elements of forward contracts and the foreign currency basis spreads of financial instruments that hedge time-period related hedged items when an entity accounts for those amounts in accordance with IFRS 9.6.5.16.

IFRS 7.24F Disclose the information required in IFRS 7.24E separately by risk category. This disaggregation by risk may be provided in the notes to the financial statements.

Option to designate a credit exposure as measured at FVTPL

IFRS 7.24G If an entity designated a financial instrument, or a proportion of it, as measured at FVTPL because it uses a credit derivative to manage the credit risk of that financial instrument it discloses:

IFRS 7.24G(a) a. for credit derivatives that have been used to manage the credit risk of financial instruments designated as measured at FVTPL in accordance with IFRS 9.6.7.1, a reconciliation of each of the nominal amount and the fair value at the beginning and at the end of the period;

IFRS 7.24G(b) b. the gain or loss recognised in profit or loss on designation of a financial instrument, or a proportion of it, as measured at FVTPL in accordance with IFRS 9.6.7.1; and

IFRS 7.24G(c) c. on discontinuation of measuring a financial instrument, or a proportion of it, at FVTPL, that financial instrument's fair value that has become the new carrying amount in accordance with IFRS 9.6.7.4(b) and the related nominal or principal amount (except for providing comparative information in accordance with IAS 1, an entity does not need to continue this disclosure in subsequent periods).

Fair value disclosures

IFRS 7.25 Except as provided in IFRS 7.29, for each class of financial assets and financial liabilities, disclose the fair value of that class of assets and liabilities in a way that permits it to be compared with its carrying amount.

IFRS 7.26 In disclosing fair values, group financial assets and financial liabilities into classes, but offset them only to the extent that their carrying amounts are offset in the statement of financial position.

IFRS 7.28	When the entity does not recognise a gain or loss on initial recognition of a financial asset or financial liability because the fair value is neither evidenced by a quoted price in an active market for an identical asset or liability (i.e. a Level 1 input) nor based on a valuation technique that uses only data from observable markets (see IFRS 9.B5.1.2A), then disclose by class of financial asset or financial liability:	
IFRS 7.28(a)	a. the accounting policy for recognising in profit or loss the difference between the fair value at initial recognition and the transaction price to reflect a change in factors, including time, that market participants would take into account when pricing the asset or liability (see IFRS 9.B5.1.2A(b));	
IFRS 7.28(b)	b. the aggregate difference yet to be recognised in profit or loss at the beginning and end of the period and a reconciliation of changes in the balance of this difference; and	
IFRS 7.28(c)	c. why the entity concluded that the transaction price was not the best evidence of fair value, including a description of the evidence that supports the fair value.	
Insights 7.10.460.30	*An entity, such as a mutual fund or a co-operative, whose share capital is classified as financial liabilities, may present its share capital as net assets attributable to shareholders in its statement of financial position. If the carrying amounts of the issued shares classified as financial liabilities are not a reasonable approximation of their fair values, then in our view the entity should disclose the fair values of the shares even if this presentation option is elected.*	
IFRS 7.29	Disclosures of fair value are not required:	
IFRS 7.29(a)	a. when the carrying amount is a reasonable approximation of fair value – e.g. for financial instruments such as short-term trade receivables and payables; or	
IFRS 7.29(d)	b. for lease liabilities.	

Nature and extent of risks

IFRS 7.31–32A	Disclose information that enables users of the entity's financial statements to evaluate the nature and extent of risks arising from financial instruments to which the entity is exposed at the reporting date. Qualitative disclosures should be provided in the context of quantitative disclosures to enable users to link related disclosures and form an overall picture of the nature and extent of risks arising from financial instruments. These risks typically include, but are not limited to, market risk, liquidity risk and credit risk.	
IFRS 7.B6	The disclosures required by IFRS 7.31–42 need to be either given in the financial statements or incorporated by cross-reference from the financial statements to some other statement, such as a management commentary or risk report, that is available to users of the financial statements on the same terms as the financial statements and at the same time. Without the information incorporated by cross-reference, the financial statements are incomplete.	

Credit risk

IFRS 7.33	Disclose:	
IFRS 7.33(a)	a. the exposures to the credit risk and how they arise;	
IFRS 7.33(b)	b. the entity's objectives, policies and processes for managing the risk and the methods used to measure the risk;	
IFRS 7.33(c)	c. any changes in items in IFRS 7.33(a)–(b) from the previous period;	

IFRS 7.34(a)	d. summary quantitative data about the entity's exposure to credit risk at the reporting date. This disclosure is based on the information provided internally to key management personnel of the entity (as defined in IAS 24) – e.g. the entity's board of directors or chief executive officer (see IFRS 7.B7); and
IFRS 7.34(c)	e. concentrations of risk if not apparent from disclosures required by IFRS 7.34(a) and those required for risk exposures by IFRS 7.36–38.
IFRS 7.B8	IFRS 7.34(c) requires disclosures about concentrations of risk. Concentrations of risk arise from financial instruments that have similar characteristics and are affected similarly by changes in economic or other conditions. The identification of concentrations of risk requires judgement taking into account the circumstances of the entity. Disclosure of concentrations of risk need to include:
IFRS 7.B8(a)	a. a description of how management determines concentrations;
IFRS 7.B8(b)	b. a description of the shared characteristic that identifies each concentration (e.g. counterparty, geographical area, currency or market); and
IFRS 7.B8(c)	c. the amount of the risk exposure associated with all financial instruments sharing that characteristic.
IFRS 7.35	If quantitative data disclosed as at the reporting date are unrepresentative of the entity's exposure to credit risk during the period, then disclose further information that is representative.
IFRS 7.35A–35B	Provide disclosures in accordance with IFRS 7.35F–35N to financial instruments to which the impairment requirements in IFRS 9 are applied. These disclosures enable users of financial statements to understand the effect of credit risk on the amount, timing and uncertainty of future cash flows. To achieve this objective, disclose:
IFRS 7.35B(a)	a. information about an entity's credit risk management practices and how they relate to the recognition and measurement of expected credit losses, including the methods, assumptions and information used to measure expected credit losses;
IFRS 7.35B(b)	b. quantitative and qualitative information that allows users of financial statements to evaluate the amounts in the financial statements arising from expected credit losses, including changes in the amount of expected credit losses and the reasons for those changes; and
IFRS 7.35B(c)	c. information about an entity's credit risk exposure (i.e. the credit risk inherent in an entity's financial assets and commitments to extend credit) including significant credit risk concentrations.
IFRS 7.35C	An entity need not duplicate information that is already presented elsewhere, provided that the information is incorporated by cross-reference from the financial statements to other statements, such as a management commentary or risk report that is available to users of the financial statements on the same terms as the financial statements and at the same time. Without the information incorporated by cross-reference, the financial statements are incomplete.
IFRS 7.35F	Explain the entity's credit risk management practices and how they relate to the recognition and measurement of expected credit losses. To meet this objective, disclose information that enables users of the financial statements to understand and evaluate:
IFRS 7.35F(a)	a. how an entity determined whether the credit risk of financial instruments has increased significantly since initial recognition, including, if and how:

	i. financial instruments are considered to have low credit risk in accordance with IFRS 9.5.5.10, including the classes of financial instruments to which it applies; and
	ii. the presumption in IFRS 9.5.5.11, that there have been significant increases in credit risk since initial recognition when financial assets are more than 30 days past due, has been rebutted;
IFRS 7.35F(b)	b. an entity's definitions of default, including the reasons for selecting those definitions (see IFRS 7.B8A);
IFRS 7.35F(c)	c. how the instruments were grouped if expected credit losses were measured on a collective basis;
IFRS 7.35F(d)	d. how an entity determined that financial assets are credit-impaired financial assets;
IFRS 7.35F(e)	e. an entity's write-off policy, including the indicators that there is no reasonable expectation of recovery and information about the policy for financial assets that are written-off but are still subject to enforcement activity; and
IFRS 7.35F(f)	f. how the requirements in IFRS 9.5.5.12 for the modification of contractual cash flows of financial assets have been applied, including how an entity:
IFRS 7.35F(f)(i)	i. determines whether the credit risk on a financial asset that has been modified while the loss allowance was measured at an amount equal to lifetime expected credit losses, has improved to the extent that the loss allowance reverts to being measured at an amount equal to 12-month expected credit losses in accordance with IFRS 9.5.5.5 (see IFRS 7.B8B); and
IFRS 7.35F(f)(ii)	ii. monitors the extent to which the loss allowance on financial assets meeting the criteria in (i) is subsequently remeasured at an amount equal to lifetime expected credit losses in accordance with IFRS 9.5.5.3.
IFRS 7.35G	Explain the inputs, assumptions and estimation techniques used to apply the requirements in IFRS 9.5.5. For this purpose, disclose:
IFRS 7.35G(a)	a. the basis of inputs and assumptions and the estimation techniques used to:
IFRS 7.35G(a)(i)	i. measure the 12-month and lifetime expected credit losses;
IFRS 7.35G(a)(ii)	ii. determine whether the credit risk of financial instruments have increased significantly since initial recognition; and
IFRS 7.35G(a)(iii)	iii. determine whether a financial asset is a credit-impaired financial asset (see IFRS 7.B8C);
IFRS 7.35G(b)	b. how forward-looking information has been incorporated into the determination of expected credit losses, including the use of macroeconomic information; and
IFRS 7.35G(c)	c. changes in the estimation techniques or significant assumptions made during the reporting period and the reasons for those changes.
IFRS 7.35H	To explain the changes in the loss allowance and the reasons for those changes, provide, by class of financial instrument, a reconciliation from the opening balance to the closing balance of the loss allowance, in a table, showing separately the changes during the period for:
IFRS 7.35H(a)	a. the loss allowance measured at an amount equal to 12-month expected credit losses;
IFRS 7.35H(b)	b. the loss allowance measured at an amount equal to lifetime expected credit losses for:
IFRS 7.35H(b)(i)	i. financial instruments for which credit risk has increased significantly since initial recognition but that are not credit-impaired financial assets;
IFRS 7.35H(b)(ii)	ii. financial assets that are credit-impaired at the reporting date (but that are not purchased or originated credit-impaired); and

IFRS 7.35H(b)(iii) iii. trade receivables, contract assets or lease receivables for which the loss allowances are measured in accordance with IFRS 9.5.5.15; and

IFRS 7.35H(c) c. financial assets that are purchased or originated credit-impaired. In addition to the reconciliation, disclose the total amount of undiscounted expected credit losses at initial recognition on financial assets initially recognised during the reporting period (see IFRS 7.B8D–B8E).

IFRS 7.B8E For loan commitments and financial guarantee contracts the loss allowance is recognised as a provision. Disclose information about the changes in the loss allowance for financial assets separately from those for loan commitments and financial guarantee contracts. If a financial instrument includes both a loan (i.e. financial asset) and an undrawn commitment (i.e. loan commitment) component and the entity cannot separately identify the expected credit losses on the loan commitment component from those on the financial asset component, then recognise the expected credit losses on the loan commitment together with the loss allowance for the financial asset. To the extent that the combined expected credit losses exceed the gross carrying amount of the financial asset, recognise the expected credit losses as a provision.

IFRS 7.35I To enable users of financial statements to understand the changes in the loss allowance disclosed in accordance with IFRS 7.35H, provide an explanation of how significant changes in the gross carrying amount of financial instruments during the period contributed to changes in the loss allowance. Provided information separately for financial instruments that represent the loss allowance as listed in IFRS 7.35H(a)–(c) and include relevant qualitative and quantitative information. Examples of changes in the gross carrying amount of financial instruments that contributed to the changes in the loss allowance may include:

IFRS 7.35I(a) a. changes because of financial instruments originated or acquired during the reporting period;

IFRS 7.35I(b) b. the modification of contractual cash flows on financial assets that do not result in a derecognition of those financial assets in accordance with IFRS 9;

IFRS 7.35I(c) c. changes because of financial instruments that were derecognised (including those that were written-off) during the reporting period; and

IFRS 7.35I(d) d. changes arising from whether the loss allowance is measured at an amount equal to 12-month or lifetime expected credit losses.

IFRS 7.35J To enable users of financial statements to understand the nature and effect of modifications of contractual cash flows on financial assets that have not resulted in derecognition and the effect of such modifications on the measurement of expected credit losses, disclose:

IFRS 7.35J(a) a. the amortised cost before the modification and the net modification gain or loss recognised for financial assets for which the contractual cash flows have been modified during the reporting period while they had a loss allowance measured at an amount equal to lifetime expected credit losses; and

IFRS 7.35J(b) b. the gross carrying amount at the reporting date of financial assets that have been modified since initial recognition at a time when the loss allowance was measured at an amount equal to lifetime expected credit losses and for which the loss allowance has changed during the reporting period to an amount equal to 12-month expected credit losses.

IFRS 7.35A(a) For trade receivables, contract assets and lease receivables, IFRS 7.35J applies to those trade receivables, contract assets or lease receivables on which lifetime expected credit losses are recognised in accordance with IFRS 9.5.5.15, if those financial assets are modified while more than 30 days past due.

IFRS 7.35K	To enable users of financial statements to understand the effect of collateral and other credit enhancements on the amounts arising from expected credit losses, disclose by class of financial instrument:	
IFRS 7.35K(a)	a. the amount that best represents its maximum exposure to credit risk at the end of the reporting period without taking account of any collateral held or other credit enhancements (e.g. netting agreements that do not qualify for offset in accordance with IAS 32) (see IFRS 7.B9–B10);	______
IFRS 7.35K(b)	b. a narrative description of collateral held as security and other credit enhancements, including:	
IFRS 7.35K(b)(i)	i. a description of the nature and quality of the collateral held;	______
IFRS 7.35K(b)(ii)	ii. an explanation of any significant changes in the quality of that collateral or credit enhancements as a result of deterioration or changes in the collateral policies of the entity during the reporting period; and	______
IFRS 7.35K(b)(iii)	iii. information about financial instruments for which an entity has not recognised a loss allowance because of the collateral; and	______
IFRS 7.35K(c)	c. quantitative information about the collateral held as security and other credit enhancements (e.g. quantification of the extent to which collateral and other credit enhancements mitigate credit risk) for financial assets that are credit-impaired at the reporting date (see IFRS 7.B8F–B8G).	______
IFRS 7.35A(b)	IFRS 7.35K(b) does not apply to lease receivables.	______
IFRS 7.35L	Disclose the contractual amount outstanding on financial assets that were written off during the reporting period and are still subject to enforcement activity.	______
IFRS 7.35M	To enable users of financial statements to assess an entity's credit risk exposure and understand its significant credit risk concentrations, disclose, by credit risk rating grades, the gross carrying amount of financial assets and the exposure to credit risk on loan commitments and financial guarantee contracts. Provide this information separately for financial instruments:	
IFRS 7.35M(a)	a. for which the loss allowance is measured at an amount equal to 12-month expected credit losses;	______
IFRS 7.35M(b)	b. for which the loss allowance is measured at an amount equal to lifetime expected credit losses and that are:	
IFRS 7.35M(b)(i)	i. financial instruments for which credit risk has increased significantly since initial recognition but that are not credit-impaired financial assets;	______
IFRS 7.35M(b)(ii)	ii. financial assets that are credit-impaired at the reporting date (but that are not purchased or originated credit-impaired); and	______
IFRS 7.35M(b)(iii)	iii. trade receivables, contract assets or lease receivables for which the loss allowances are measured in accordance with IFRS 9.5.5.15; and	______
IFRS 7.35M(c)	c. that are purchased or originated credit-impaired financial assets (see IFRS 7.B8H–B8J).	______
IFRS 7.35N	For trade receivables, contract assets and lease receivables to which an entity applies IFRS 9.5.5.15, the information provided in accordance with IFRS 7.35M may be based on a provision matrix (see IFRS 9.B5.5.35).	______
IFRS 7.B8I	The number of credit risk rating grades used to disclose the information in accordance with IFRS 7.35M needs to be consistent with the number that the entity reports to key management personnel for credit risk management purposes. If past due information is the only borrower-specific information available and an entity uses past due information to assess whether credit risk has increased significantly since initial recognition in accordance with IFRS 9.5.5.10, then provide an analysis by past due status for those financial assets.	______

IFRS 7.B8J

When an entity measure expected credit losses on a collective basis, the entity may not be able to allocate the gross carrying amount of individual financial assets or the exposure to credit risk on loan commitments and financial guarantee contracts to the credit risk rating grades for which lifetime expected credit losses are recognised. In that case, apply the requirement in IFRS 7.35M to those financial instruments that can be directly allocated to a credit risk rating grade and disclose separately the gross carrying amount of financial instruments for which lifetime expected credit losses have been measured on a collective basis.

IFRS 7.35E

If the disclosures provided in accordance with IFRS 7.35F–35N are insufficient to meet the objectives in IFRS 7.35B, then disclose additional information that is necessary to meet those objectives.

IFRS 7.34(b)

Disclose information required by IFRS 7.36–38, to the extent not provided in accordance with IFRS 7.34(a).

IFRS 7.36

For all financial instruments within the scope of this IFRS, but to which the impairment requirements in IFRS 9 are not applied, disclose by class of financial instrument:

IFRS 7.36(a)

a. the amount that best represents its maximum exposure to credit risk at the end of the reporting period without taking account of any collateral held or other credit enhancements (e.g. netting agreements that do not quality for offset in accordance with IAS 32); this disclosure is not required for financial instruments whose carrying amount best represents the maximum exposure to credit risk (see IFRS 7.B9–B10); and

IFRS 7.36(b)

b. a description of collateral held as security and other credit enhancements, and their financial effect (e.g. quantification of the extent to which collateral and other credit enhancements mitigate credit risk) in respect of the amount that best represents the maximum exposure to credit risk (whether disclosed in accordance with (a) or represented by the carrying amount of a financial instrument).

IFRS 7.38

When the entity obtains financial or non-financial assets during the period by taking possession of collateral that it holds as security or calling on other credit enhancements (e.g. guarantees), and such assets meet the recognition criteria in other standards, disclose for such assets held at the reporting date:

IFRS 7.38(a)

a. the nature and carrying amount of the assets; and

IFRS 7.38(b)

b. when the assets are not readily convertible into cash, its policies for disposing of such assets or for using them in its operations.

Liquidity risk

IFRS 7.33

Disclose:

IFRS 7.33(a)

a. the exposures to the liquidity risk and how they arise;

IFRS 7.33(b)

b. the entity's objectives, policies and processes for managing the risk and the methods used to measure the risk;

IFRS 7.33(c)

c. any changes in items in IFRS 7.33(a)–(b) from the previous period;

IFRS 7.34(a)

d. summary quantitative data about the entity's exposure to liquidity risk at the reporting date. This disclosure is based on the information provided internally to key management personnel of the entity (as defined in IAS 24) – e.g. the entity's board of directors or chief executive officer; and

IFRS 7.34(c)

e. concentrations of risk if not apparent from disclosures required by IFRS 7.34(a) and those required for risk exposures by IFRS 7.39.

IFRS 7.B8	IFRS 7.34(c) requires disclosures about concentrations of risk. Concentrations of risk arise from financial instruments that have similar characteristics and are affected similarly by changes in economic or other conditions. The identification of concentrations of risk requires judgement taking into account the circumstances of the entity. Disclosure of concentrations of risk need to include:	
IFRS 7.B8(a)	a. a description of how management determines concentrations;	
IFRS 7.B8(b)	b. a description of the shared characteristic that identifies each concentration (e.g. counterparty, geographical area, currency or market); and	
IFRS 7.B8(c)	c. the amount of the risk exposure associated with all financial instruments sharing that characteristic.	
IFRS 7.B10A	Explain how the liquidity risk related data that is disclosed in accordance with IFRS 7.34(a) are determined. If the outflows of cash (or another financial asset) included in those data could either:	
IFRS 7.B10A(a)	a. occur significantly earlier than indicated in the data; or	
IFRS 7.B10A(b)	b. be for significantly different amounts from those indicated in the data (e.g. for a derivative that is included in the data on a net settlement basis but for which the counterparty has the option to require gross settlement),	
	then state that fact and provide quantitative information that enables users of its financial statements to evaluate the extent of this risk unless that information is included in the contractual maturity analyses required by IFRS 7.39(a) or (b).	
IFRS 7.35	If quantitative data disclosed as at the reporting date are unrepresentative of the entity's exposure to liquidity risk during the period, then disclose further information that is representative.	
IFRS 7.34(b)	Disclose information required by IFRS 7.39, to the extent not provided in accordance with IFRS 7.34(a).	
IFRS 7.39	Disclose (see IFRS 7.B11–B11F):	
IFRS 7.39(a)	a. a maturity analysis for non-derivative financial liabilities (including issued financial guarantee contracts) that shows the remaining contractual maturities;	
IFRS 7.39(b)	b. a maturity analysis for derivative financial liabilities. The maturity analysis includes the remaining contractual maturities for those derivative financial liabilities for which contractual maturities are essential for an understanding of the timing of the cash flows; and	
IFRS 7.39(c), B11E	c. a description of how the entity manages the liquidity risk inherent in IFRS 7.39(a)–(b). Disclose a maturity analysis of financial assets it holds for managing liquidity risk (e.g. financial assets that are readily saleable or expected to generate cash inflows to meet cash outflows on financial liabilities), if that information is necessary to enable users of its financial statements to evaluate the nature and extent of liquidity risk.	
Insights 7.10.650.30	*In our view, the maturity analysis should include all derivative financial liabilities, but contractual maturities only are required for those essential for an understanding of the timing of the cash flows.*	
Insights 7.10.650.70	*IFRS 7 does not define contractual maturities. Therefore, it leaves open to interpretation the amounts that need to be included in the maturity analysis for certain types of financial liabilities, such as derivatives and perpetual instruments. In our view, both the interest and principal cash flows should be included in the analysis because this best represents the liquidity risk being faced by the entity. The principal amount of a perpetual instrument represents the present value of*	

the payments of the interest stream. As a minimum, for such an instrument, the principal amount should be disclosed and sufficient appropriate narrative disclosures should be provided to present a meaningful picture of the entity's liquidity exposures.

Insights 7.10.655.10 *Reverse factoring arrangements may impact the customer's exposure to – and be part of its management of – liquidity risk from financial instruments. An entity that is the customer in a reverse factoring arrangement is required to disclose information that enables users of financial statements to evaluate the nature and extent of these risks. The disclosure requirements that may be particularly relevant to such arrangements include:*

- *qualitative disclosures about the entity's exposure to liquidity risk:*
  - *the exposure to risk and how it arises;*
  - *the entity's objectives, policies and processes for managing the risk and the method used to measure the risk; and*
  - *any changes in the above from the previous period; and*
- *quantitative information relating to liquidity risk, including concentrations of it.*

Insights 7.10.655.20 *When providing the disclosure about how it manages its liquidity risk, an entity may consider whether it has, or has access to, reverse factoring arrangements that:*

- *provide the entity with extended payment terms or the entity's suppliers with early payment terms; and*
- *result in the entity concentrating with finance providers a portion of its financial liabilities originally owed to suppliers.*

Insights 7.10.655.30 *An entity also discloses information about the effects of these arrangements on its liabilities and cash flows and considers additional relevant disclosures under IAS 1. For a discussion of these disclosures, see* *Chapter 1.3 'Statement of cash flows'**.*

Market risk

IFRS 7.33 Disclose (see IFRS 7.B22–B26):

IFRS 7.33(a) a. the exposures to the market risk and how they arise;

IFRS 7.33(b) b. the entity's objectives, policies and processes for managing the risk and the methods used to measure the risk;

IFRS 7.33(c) c. any changes in items in IFRS 7.33(a)–(b) from the previous period;

IFRS 7.34(a) d. summary quantitative data about the entity's exposure to the market risk at the reporting date. This disclosure is based on the information provided internally to key management personnel of the entity (as defined in IAS 24) – e.g. the entity's board of directors or chief executive officer; and

IFRS 7.34(c) e. concentrations of risk if not apparent from disclosures required by IFRS 7.34(a) and those required for risk exposures by IFRS 7.40–42.

IFRS 7.B8 IFRS 7.34(c) requires disclosures about concentrations of risk. Concentrations of risk arise from financial instruments that have similar characteristics and are affected similarly by changes in economic or other conditions. The identification of concentrations of risk requires judgement taking into account the circumstances of the entity. Disclosure of concentrations of risk need to include:

IFRS 7.B8(a) a. a description of how management determines concentrations;

IFRS 7.B8(b) b. a description of the shared characteristic that identifies each concentration (e.g. counterparty, geographical area, currency or market); and

IFRS 7.B8(c) c. the amount of the risk exposure associated with all financial instruments sharing that characteristic.

IFRS 7.35	If quantitative data disclosed as at the reporting date are unrepresentative of the entity's exposure to market risk during the period, then disclose further information that is representative.	
IFRS 7.34(b)	Disclose information required by IFRS 7.40–42, to the extent not provided in accordance with IFRS 7.34(a).	
IFRS 7.40	Unless the entity complies with IFRS 7.41, disclose the following for market risk exposures (see IFRS 7.B25–B26):	
IFRS 7.40(a)	a. a sensitivity analysis for each type of market risk to which the entity is exposed at the reporting date, showing how profit or loss and equity would have been affected by changes in the relevant risk variable that were reasonably possible at that date (see IFRS 7.B17–B19, B21, B27–B28);	
IFRS 7.40(b)	b. the methods and assumptions used in preparing the sensitivity analysis; and	
IFRS 7.40(c)	c. changes from the previous period in the methods and assumptions used, and the reasons for such changes.	
IFRS 7.41	If the entity prepares a sensitivity analysis, such as value-at-risk, that reflects interdependencies between risk variables (e.g. interest rates and exchange rates) and uses it to manage financial risks, then it may use that sensitivity analysis in place of the analysis specified in IFRS 7.40. The entity also discloses:	
IFRS 7.41(a)	a. an explanation of the method used in preparing such a sensitivity analysis, and of the main parameters and assumptions underlying the data provided; and	
IFRS 7.41(b)	b. an explanation of the objective of the method used and of limitations that may result in the information not fully reflecting the fair value of the assets and liabilities involved (see IFRS 7.B20–B21).	
Insights 7.10.660.60	*In our view, the sensitivity analysis should include financial assets and financial liabilities measured at amortised cost as well as those financial instruments measured at fair value.*	
IFRS 7.B24	A sensitivity analysis is disclosed for each currency to which an entity has significant exposure (see IFRS 7.B23).	
Insights 7.10.660.80	*In our view, in consolidated financial statements the sensitivity analysis should address each currency to which an entity in the group has significant exposure based on each entity's functional currency.*	
IFRS 7.42	When the sensitivity analyses disclosed in accordance with IFRS 7.40 or 41 are unrepresentative of a risk inherent in a financial instrument (e.g. because the year-end exposure does not reflect the exposure during the year), disclose that fact and the reason the entity believes the sensitivity analyses are unrepresentative.	
Insights 7.10.660.30	*An entity may hold an investment in an equity instrument quoted in a foreign currency. In our view, the entity is not required to split the currency risk from other price risk for an equity instrument. However, for a debt instrument, as a minimum, the split between currency risk and interest rate risk is presented.*	

Insights 7.10.480.40 *An entity may manage its financial risk based on its total exposure – i.e. including risk arising from those items not included in the scope of IFRS 7 – and these exposures may be included in reports to key management personnel. In this case, in our view IFRS 7 does not prohibit an entity from providing additional disclosures about its total financial risk exposure rather than just the risk arising from financial instruments. However, we believe that all such additional disclosures should be clearly separated from those required by IFRS 7.*

Transfers of financial assets

IFRS 7.42A The disclosure requirements in IFRS 7.42B–42H relating to transfers of financial assets supplement the other disclosure requirements of this IFRS. Present the disclosures required by IFRS 7.42B–42H in a single note in its financial statements. Provide the required disclosures for all transferred financial assets that are not derecognised and for any continuing involvement (see IFRS 7.42C, B29–B31) in a transferred asset, existing at the reporting date, irrespective of when the related transfer transaction occurred. For the purposes of applying the disclosure requirements in those paragraphs, an entity transfers all or a part of a financial asset (the transferred financial asset) if, and only if, it either:

IFRS 7.42A(a) a. transfers the contractual rights to receive the cash flows of that financial asset; or

IFRS 7.42A(b) b. retains the contractual rights to receive the cash flows of that financial asset, but assumes a contractual obligation to pay the cash flows to one or more recipients in an arrangement.

IFRS 7.42B Disclose information that enables users of the financial statements:

IFRS 7.42B(a) a. to understand the relationship between transferred financial assets that are not derecognised in their entirety and the associated liabilities; and

IFRS 7.42B(b) b. to evaluate the nature of, and risks associated with, the entity's continuing involvement in derecognised financial assets.

IFRS 7.42H, B39 Disclose any additional information that is considered necessary to meet the disclosure objectives in IFRS 7.42B (see IFRS 7.B33).

Transferred financial assets that are not derecognised in their entirety

IFRS 7.42D Disclose at each reporting date for each class of transferred financial assets that are not derecognised in their entirety (see IFRS 7.B32):

IFRS 7.42D(a) a. the nature of the transferred assets;

IFRS 7.42D(b) b. the nature of the risks and rewards of ownership to which the entity is exposed;

IFRS 7.42D(c) c. a description of the nature of the relationship between the transferred assets and the associated liabilities, including restrictions arising from the transfer on the reporting entity's use of the transferred assets;

IFRS 7.42D(d) d. when the counterparty (counterparties) to the associated liabilities has (have) recourse only to the transferred assets, a schedule that sets out:
   i. the fair value of the transferred assets;
   ii. the fair value of the associated liabilities; and
   iii. the net position – i.e. the difference between the fair value of the transferred assets and the associated liabilities;

IFRS 7.42D(e) e. when the entity continues to recognise all of the transferred assets, the carrying amounts of the transferred assets and the associated liabilities; and

IFRS 7.42D(f) f. when the entity continues to recognise the assets to the extent of its continuing involvement (see IFRS 9.3.2.6(c)(ii) and 3.2.16:
   i. the total carrying amount of the original assets before the transfer;
   ii. the carrying amount of the assets that the entity continues to recognise; and
   iii. the carrying amount of the associated liabilities.

IFRS 7.B32	The above disclosures are provided at each reporting date at which the entity continues to recognised transferred financial assets, regardless of when the transfers occurred.	
Insights 7.10.750.60	*If the part of a financial asset that is transferred does not meet the criteria in IFRS 9.3.2.2(a), then in our view an entity can satisfy the disclosure requirements in respect of the carrying amounts of transferred assets (see IFRS 7.42D) by disclosing the carrying amount of the entire asset or by applying a reasonable allocation methodology, together with such additional explanation as may be appropriate in the circumstances.*	
	Transferred financial assets that are derecognised in their entirety	
IFRS 7.42E	When transferred financial assets are derecognised in their entirety but the entity has continuing involvement (see IFRS 7.42C, B29–B31) in them, disclose, as a minimum, for each type of continuing involvement at each reporting date (see IFRS 7.B33):	
IFRS 7.42E(a)	a. the carrying amount of the assets and liabilities that are recognised in the statement of financial position and represent the entity's continuing involvement in the derecognised financial assets, and the line items in which the carrying amount of those assets and liabilities are recognised;	
IFRS 7.42E(b)	b. the fair value of the assets and liabilities that represent the entity's continuing involvement in the derecognised financial assets;	
IFRS 7.42E(c)	c. the amount that best represents the entity's maximum exposure to loss from its continuing involvement in the derecognised financial assets, and information showing how the maximum exposure to loss is determined;	
IFRS 7.42E(d)	d. the undiscounted cash outflows that would or may be required to repurchase derecognised financial assets or other amounts payable to the transferee in respect of the transferred assets. If the cash outflow is variable, then the amount disclosed is based on the conditions that exist at each reporting date;	
IFRS 7.42E(e), B34	e. a maturity analysis of the undiscounted cash outflows that would or may be required to repurchase the derecognised financial assets or other amounts payable to the transferee in respect of the transferred assets, showing the remaining contractual maturities of the entity's continuing involvement. The analysis should distinguish: i. cash flows that are required to be paid (e.g. forward contracts);	
	ii. cash flows that the entity may be required to pay (e.g. written put options); and	
	iii. cash flows that the entity might choose to pay (e.g. purchased call options) (see IFRS 7.B34–B36); and	
IFRS 7.42E(f), B37	f. qualitative information that explains and supports the quantitative disclosures required in (a)–(e). This includes a description of: i. the derecognised financial assets and the nature and purpose of the continuing involvement retained after transferring those assets; and	
	ii. the risks to which the entity is exposed, including:	
IFRS 7.B37(a)	• a description of how the entity manages the risk inherent in its continuing involvement in the derecognised financial assets;	
IFRS 7.B37(b)	• whether the entity is required to bear losses before other parties, and the ranking and amounts of losses borne by parties whose interests rank lower than the entity's interest in the asset (i.e. its continuing involvement in that asset); and	
IFRS 7.B37(c)	• a description of any triggers associated with obligations to provide financial support or to repurchase a transferred financial asset.	

IFRS 7.42F If there is more than one type of continuing involvement in a particular derecognised financial asset, the above information required for that particular asset may be aggregated and reported under one type of continuing involvement (see IFRS 7.B33).

IFRS 7.42G Disclose for each type of continuing involvement and for each period for which a statement of profit or loss and OCI is presented (see IFRS 7.B33):

IFRS 7.42G(a) a. the gain or loss recognised at the date of transfer of the assets, including:

IFRS 7.B38 i. whether that gain or loss on derecognition arose because the fair values of the components of the previously recognised asset (i.e. the interest in the asset derecognised and the interest retained by the entity) were different from the fair value of the previously recognised asset as a whole; and

ii. in cases of (i), whether the fair value measurements included significant inputs that were not based on observable market data;

IFRS 7.42G(b) b. income and expenses recognised, both in the reporting period and cumulatively from the entity's continuing involvement in the derecognised financial assets – e.g. fair value changes in derivative instruments; and

IFRS 7.42G(c) c. if the total amount of proceeds from transfer activity (that qualifies for derecognition) in a reporting period is not evenly distributed throughout the reporting period, then disclose:

IFRS 7.42G(c)(i) i. when the greatest transfer activity took place within that reporting period;

IFRS 7.42G(c)(ii) ii. the amount recognised from transfer activity in that part of the reporting period; and

IFRS 7.42G(c)(iii) iii. the total amount of proceeds from transfer activity in that part of the reporting period.

2.6 Inventories

IAS 2.36 Disclose:

IAS 2.36(b) a. the total carrying amount of inventories and the carrying amount in classifications appropriate to the entity;

IAS 2.36(c) b. the carrying amount of inventories carried at fair value less costs to sell;

IAS 2.36(d) c. the amount of inventories recognised as an expense during the period;

IAS 2.36(e) d. the amount of any write-down of inventories recognised as an expense in the period in accordance with IAS 2.34;

IAS 2.36(f) e. the amount of any reversal of any write-down that is recognised as a reduction in the amount of inventories recognised as expense in the period in accordance with IAS 2.34;

IAS 2.36(g) f. the circumstances or events that led to the reversal of a write-down of inventories in accordance with IAS 2.34; and

IAS 2.36(h) g. the carrying amount of inventories pledged as security for liabilities.

IAS 2.39 When the entity presents an analysis of expenses using classification based on the nature of expenses in the statement of profit or loss and OCI, disclose the costs recognised as an expense for raw materials and consumables, labour costs and other costs together with the amount of the net change in inventories for the period.

Insights 3.8.400.70 *In our view, write-downs of inventory to net realisable value as well as any reversals of such write-downs should be presented in cost of sales.*

2.7 Biological assets

General

IAS 41.40	Disclose the aggregate gain or loss arising during the current period on initial recognition of biological assets and agricultural produce and from the change in fair value less costs to sell of biological assets.
IAS 41.41–42	Provide a description of each group of biological assets (as a narrative or quantified description).
IAS 41.43	The entity is encouraged, but not required, to provide a quantified description of each group of biological assets, distinguishing between consumable and bearer biological assets or between mature and immature biological assets, as appropriate. Disclose the basis for making any such distinctions.
IAS 41.46	If not disclosed elsewhere in information published with the financial statements, then disclose:
IAS 41.46(a)	a. the nature of the entity's activities involving each group of biological assets; and
IAS 41.46(b)	b. non-financial measures or estimates of the physical quantities of:
IAS 41.46(b)(i)	i. each group of biological assets at the end of the period; and
IAS 41.46(b)(ii)	ii. output of agricultural produce during the period.
IAS 41.49	Disclose:
IAS 41.49(a)	a. the existence and carrying amounts of biological assets whose title is restricted and the carrying amounts of biological assets pledged as security for liabilities;
IAS 41.49(b)	b. the amount of commitments for the development or acquisition of biological assets; and
IAS 41.49(c)	c. financial risk management strategies related to agricultural activity.
IAS 41.50	Present a reconciliation of changes in the carrying amount of biological assets between the beginning and the end of the current period showing:
IAS 41.50(a)	a. the gain or loss arising from changes in fair value less costs to sell;
IAS 41.50(b)	b. increases due to purchases;
IAS 41.50(c)	c. decreases attributable to sales and biological assets classified as held-for-sale (or included in a disposal group that is classified as held-for-sale) under IFRS 5;
IAS 41.50(d)	d. decreases due to harvest;
IAS 41.50(e)	e. increases resulting from business combinations;
IAS 41.50(f)	f. the net exchange differences arising on the translation of financial statements from the functional currency into a different presentation currency, including the translation of a foreign operation into the presentation currency of the reporting entity; and
IAS 41.50(g)	g. other changes.
IAS 41.55	The reconciliation required by IAS 41.50 discloses amounts related to biological assets measured at cost separately, showing separately the following items included in profit or loss related to those biological assets:
IAS 41.55(a)	a. impairment losses;
IAS 41.55(b)	b. reversals of impairment losses; and
IAS 41.55(c)	c. depreciation.

IAS 41.51 The entity is encouraged, but not required, to disclose, by group or otherwise, the changes in fair value less costs to sell included in profit or loss due to price changes and due to physical changes.

IAS 41.53 Agricultural activity is often exposed to climatic, disease and other natural risks. If an event occurs that give rise to a material item of income or expense, then disclose the nature and amount of the item of income or expense under IAS 1.

IAS 41.54 When biological assets are measured at cost less any accumulated depreciation and any accumulated impairment losses at the end of the period (see IAS 41.30), disclose:

IAS 41.54(a) a. a description of the biological assets;
IAS 41.54(b) b. an explanation of why fair value cannot be measured reliably;
IAS 41.54(c) c. if possible, the range of estimates within which fair value is highly likely to lie;
IAS 41.54(d) d. the depreciation method used;
IAS 41.54(e) e. the useful lives or the depreciation rates used; and
IAS 41.54(f) f. the gross carrying amount and the accumulated depreciation (aggregated with accumulated impairment losses) at the beginning and end of the period.

IAS 41.55 Disclose any gain or loss recognised on disposal of biological assets measured at cost during the period.

IAS 41.56 When the fair value of biological assets previously measured at cost less any accumulated depreciation and any accumulated impairment losses becomes reliably measurable during the current period, disclose:

IAS 41.56(a) a. a description of the biological assets;
IAS 41.56(b) b. an explanation of why fair value has become reliably measurable; and
IAS 41.56(c) c. the effect of the change.

Government grants

IAS 41.57 Disclose:

IAS 41.57(a) a. the nature and extent of government grants recognised in the financial statements;
IAS 41.57(b) b. unfulfilled conditions and other contingencies attaching to government grants; and
IAS 41.57(c) c. significant decreases expected in the level of government grants.

2.8 Impairment of non-financial assets

IAS 36.126 For each class of assets, disclose:

IAS 36.126(a) a. the amount of impairment losses recognised in profit or loss during the period and the line item(s) of the statement of profit or loss and OCI in which those impairment losses are included;
IAS 36.126(b) b. the amount of reversals of impairment losses recognised in profit or loss during the period and the line item(s) of the statement of profit or loss and OCI in which those impairment losses are reversed;
IAS 36.126(c) c. the amount of impairment losses on revalued assets recognised in OCI during the period; and
IAS 36.126(d) d. the amount of reversals of impairment losses on revalued assets recognised in OCI during the period.

IAS 36.129	If IFRS 8 is applied, then disclose for each reportable segment:
IAS 36.129(a)	a. the amount of impairment losses recognised in profit or loss and in OCI during the period; and
IAS 36.129(b)	b. the amount of reversals of impairment losses recognised in profit or loss and in OCI during the period.
IAS 36.130	Disclose the following for an individual asset (including goodwill) or a cash-generating unit, for which an impairment loss has been recognised or reversed during the period:
IAS 36.130(a)	a. the events and circumstances that led to the recognition or reversal of the impairment loss;
IAS 36.130(b)	b. the amount of the impairment loss recognised or reversed;
IAS 36.130(c)	c. for an individual asset:
IAS 36.130(c)(i)	i. the nature of the asset; and
IAS 36.130(c)(ii)	ii. if IFRS 8 is applied, the reportable segment to which the asset belongs;
IAS 36.130(d)	d. for a cash-generating unit:
IAS 36.130(d)(i)	i. a description of the cash-generating unit (such as whether it is a product line, a plant, a business operation, a geographical area, or a reportable segment as defined in IFRS 8);
IAS 36.130(d)(ii)	ii. the amount of the impairment loss recognised or reversed by class of assets and by reportable segment (as defined in IFRS 8 if applied); and
IAS 36.130(d)(iii)	iii. if the aggregation of assets for identifying the cash-generating unit has changed since the previous estimate of the cash-generating unit's recoverable amount (if any), describe the current and former way of aggregating assets and the reasons for changing the way the cash-generating unit is identified;
IAS 36.130(e)	e. the recoverable amount of the asset (cash-generating unit) and whether the recoverable amount of the asset (cash-generating unit) is its fair value less costs of disposal or its value in use;
IAS 36.130(f)	f. if the recoverable amount is fair value less costs of disposal, then disclose the following information:
IAS 36.130(f)(i)	i. the level of the fair value hierarchy (see IFRS 13) within which the fair value measurement of the asset (cash-generating unit) is categorised in its entirety (without taking into account whether the 'costs of disposal' are observable);
IAS 36.130(f)(ii)	ii. for fair value measurements categorised within Level 2 and Level 3 of the fair value hierarchy, a description of the valuation technique(s) used to measure fair value less costs of disposal. If there has been a change in valuation technique, then disclose that change and the reason(s) for making it; and
IAS 36.130(f)(iii)	iii. for fair value measurements categorised within Level 2 and Level 3 of the fair value hierarchy, each key assumption on which management has based its determination of fair value less costs of disposal. Key assumptions are those to which the asset's (cash-generating unit's) recoverable amount is most sensitive. Also disclose the discount rate(s) used in the current measurement and previous measurement if fair value less costs of disposal is measured using a present value technique; and
IAS 36.130(g)	g. if recoverable amount is value in use, the discount rate(s) used in the current estimate and previous estimate (if any) of value in use.

Insights 3.10.870.20 *When an impairment loss has been recognised or reversed during the period, the entity discloses the recoverable amount of the asset or cash-generating unit (CGU) that was impaired. Although IAS 36 identifies goodwill as one of the assets whose recoverable amount might require disclosure, there is no discussion of how this requirement applies, because goodwill is never tested for impairment in its own right and any impairment loss is calculated following the specific allocation requirements of the standard. As a result, to the extent that an impairment loss is allocated to goodwill, the entity should disclose the recoverable amount of the related CGU or group of CGUs.*

IAS 36.131 Disclose the following information for the aggregate impairment losses and the aggregate reversals of impairment losses recognised during the period for which no information is disclosed under IAS 36.130:

IAS 36.131(a) a. the main classes of assets affected by impairment losses and the main classes of assets affected by reversals of impairment losses; and

IAS 36.131(b) b. the main events and circumstances that led to the recognition of these impairment losses and reversals of impairment losses.

IAS 36.132 The entity is encouraged, but not required, to disclose assumptions used to determine the recoverable amount of assets (and cash-generating units that do not include goodwill or intangible assets with indefinite useful lives) during the period.

Estimates used to measure recoverable amounts of cash-generating units containing goodwill or intangible assets with indefinite useful lives

IAS 36.134 Disclose the information required by IAS 36.134(a)–(f) for each cash-generating unit (group of units) for which the carrying amount of goodwill or intangible assets with indefinite useful lives allocated to that unit (group of units) is significant in comparison with the entity's total carrying amount of goodwill or intangible assets with indefinite useful lives:

IAS 36.134(a) a. the carrying amount of goodwill allocated to the unit (group of units);

IAS 36.134(b) b. the carrying amount of intangible assets with indefinite useful lives allocated to the unit (group of units);

IAS 36.134(c) c. the basis on which the unit's (group of units') recoverable amount has been determined (i.e. value in use or fair value less costs of disposal);

IAS 36.134(d) d. if the unit's (group of units') recoverable amount is based on value in use, then:

IAS 36.134(d)(i) i. each key assumption on which management has based its cash flow projections for the period covered by the most recent budgets/forecasts. Key assumptions are those to which the unit's (group of units') recoverable amount is most sensitive;

IAS 36.134(d)(ii) ii. a description of management's approach to determining the value(s) assigned to each key assumption, whether those value(s) reflect past experience or, if appropriate, are consistent with external sources of information, and, if not, how and why they differ from past experience or external sources of information;

IAS 36.134(d)(iii) iii. the period over which management has projected cash flows based on financial budgets/forecasts approved by management and, when a period greater than five years is used for a cash-generating unit (group of units), an explanation of why that longer period is justified;

IAS 36.134(d)(iv)		iv. the growth rate used to extrapolate cash flow projections beyond the period covered by the most recent budgets/forecasts and the justification for using any growth rate that exceeds the long-term average growth rate for the products, industries or country or countries in which the entity operates, or for the market to which the unit (group of units) is dedicated; and
IAS 36.134(d)(v)		v. the discount rate(s) applied to the cash flow projections;
Insights 3.10.840.10, 870.50		*IAS 36 prima facie requires value in use to be determined using pre-tax cash flows and a pre-tax discount rate. However, in our experience, it is more common to use post-tax cash flows and a post-tax discount rate such as WACC. Even if an entity uses a post-tax discount rate in its value in use calculation, it nonetheless discloses the pre-tax discount rate.*
IAS 36.134(e)	e.	if the unit's (group of units') recoverable amount is based on fair value less costs of disposal, then the valuation technique(s) used to measure fair value less costs of disposal. It is not required to provide the disclosures required by IFRS 13.
		If fair value less cost of disposal is not measured using a quoted price for an identical unit (group of units), the entity discloses the following information:
IAS 36.134(e)(i)		i. each key assumption on which management has based its determination of fair value less costs of disposal. Key assumptions are those to which the unit's (group of units') recoverable amount is most sensitive;
IAS 36.134(e)(ii)		ii. a description of management's approach to determining the value(s) assigned to each key assumption, whether those value(s) reflect past experience or, if appropriate, are consistent with external sources of information, and, if not, how and why they differ from past experience or external sources of information;
IAS 36.134(e)(iiA)		iii. the level of the fair value hierarchy (see IFRS 13) within which the fair value measurement is categorised in its entirety (without giving regard to the observability of 'costs of disposal'); and
IAS 36.134(e)(iiB)		iv. if there has been a change in valuation technique, then the change and the reason(s) for making it.
IAS 36.134(e)		If fair value less costs to sell is determined using discounted cash flow projections, then the following information is disclosed:
IAS 36.134(e)(iii)		i. the period over which management has projected cash flows;
IAS 36.134(e)(iv)		ii. the growth rate used to extrapolate cash flow projections; and
IAS 36.134(e)(v)		iii. the discount rate(s) applied to the cash flow projections; and
IAS 36.134(f)	f.	if a reasonably possible change in a key assumption on which management has based its determination of the unit's (group of units') recoverable amount would cause the unit's (group of units') carrying amount to exceed its recoverable amount:
IAS 36.134(f)(i)		i. the amount by which the unit's (group of units') recoverable amount exceeds its carrying amount;
IAS 36.134(f)(ii)		ii. the value assigned to the key assumption; and
IAS 36.134(f)(iii)		iii. the amount by which the value assigned to the key assumption needs to change, after incorporating any consequential effects of that change on the other variables used to measure the recoverable amount, in order for the unit's (group of units') recoverable amount to be equal to its carrying amount.

IAS 36.135 If some or all of the carrying amount of goodwill or intangible assets with indefinite useful lives is allocated across multiple cash-generating units (groups of units), and the amount so allocated to each unit (group of units) is not significant in comparison to the total carrying amount of goodwill or intangible assets with indefinite useful lives, then disclose that fact together with the aggregate carrying amount of goodwill or intangible assets with indefinite useful lives allocated to those units (groups of units).

IAS 36.135 If the recoverable amounts of any of those units (groups of units) are based on the same key assumption(s) and the aggregate carrying amount of goodwill or intangible assets with indefinite useful lives allocated to them is significant in comparison with the entity's total carrying amount of goodwill or intangible assets with indefinite useful lives, then disclose that fact, together with:

IAS 36.135(a) a. the aggregate carrying amount of goodwill allocated to those units (groups of units);

IAS 36.135(b) b. the aggregate carrying amount of intangible assets with indefinite useful lives allocated to those units (groups of units);

IAS 36.135(c) c. a description of the key assumption(s);

IAS 36.135(d) d. a description of management's approach to determining the value(s) assigned to the key assumption(s), whether those value(s) reflect past experience or, if appropriate, are consistent with external sources of information, and, if not, how and why they differ from past experience or external sources of information; and

IAS 36.135(e) e. if a reasonably possible change in the key assumption(s) would cause the aggregate of the units' (groups of units') carrying amounts to exceed the aggregate of their recoverable amounts:

IAS 36.135(e)(i) i. the amount by which the aggregate of the units' (groups of units') recoverable amounts exceeds the aggregate of their carrying amounts;

IAS 36.135(e)(ii) ii. the value(s) assigned to the key assumption(s); and

IAS 36.135(e)(iii) iii. the amount by which the value(s) assigned to the key assumption(s) needs to change, after incorporating any consequential effects of the change on the other variables used to measure recoverable amount, in order for the aggregate of the units' (groups of units') recoverable amounts to be equal to the aggregate of their carrying amounts.

Insights 3.10.870.30 *In our experience, the disclosures related to goodwill are the most challenging, requiring information about key assumptions made in estimating recoverable amount and a sensitivity analysis dealing with key assumptions that might reasonably change and thereby trigger an impairment loss.* These disclosures are illustrated in our Guides to financial statements – Illustrative disclosures.

Insights 3.10.870.40 *Although IAS 36 specifically requires disclosures in respect of discount rates and growth rates, disclosures about key assumptions are not limited to these two items. Management needs to apply its judgement in determining the level of disclosures, to ensure that the level of aggregation in providing the disclosures – e.g. averages or ranges – does not obscure information that would be useful to users of the financial statements. In particular, the standard requires disclosure in respect of each individual CGU for which the carrying amount of goodwill or intangible asset with indefinite useful lives allocated to the CGU is significant in comparison to its carrying amount.*

2.9 Equity

Capital disclosures

IAS 1.134–135 To enable users of financial statements to evaluate the entity's objectives, policies and processes for managing capital, disclose based on information provided to key management personnel:

IAS 1.135(a) a. qualitative information about objectives, policies and processes for managing capital, including:

IAS 1.135(a)(i) i. a description of what is managed as capital;

IAS 1.135(a)(ii) ii. when the entity is subject to externally imposed capital requirements, the nature of those requirements and how those requirements are incorporated into the management of capital; and

IAS 1.135(a)(iii) iii. how the objectives for managing capital are met;

IAS 1.135(b) b. summary quantitative data about the capital that is managed;

IAS 1.135(c) c. any changes in information disclosed under IAS 1.135(a)–(b) from the previous period;

IAS 1.135(d) d. whether during the period the entity complied with any externally imposed capital requirements to which it is subject; and

IAS 1.135(e) e. when the entity has not complied with such externally imposed capital requirements, the consequences of such non-compliance.

IAS 1.136 When an aggregate disclosure of capital requirements and how capital is managed would not provide useful information or distorts a financial statement user's understanding of the entity's capital resources, disclose separate information for each capital requirement to which the entity is subject.

IAS 1.137, 10.13 Disclose in the notes:

IAS 1.137(a) a. the amount of dividends proposed or declared before the financial statements were authorised for issue but not recognised as a distribution to owners during the period and the related amount per share; and

IAS 1.137(b) b. the amount of any cumulative preference dividends not recognised.

IFRIC 2.13 When a change in a prohibition against the redemption of a financial instrument leads to a transfer between financial liabilities and equity, disclose separately the amount, timing and reason for the transfer.

2.10 Provisions

IAS 37.84 For each class of provision, disclose:

IAS 37.84(a) a. the carrying amount at the beginning and end of the period;

IAS 37.84(b) b. additional provisions made in the period, including increases to existing provisions;

IAS 37.84(c) c. amounts used (i.e. incurred and charged against the provision) during the period;

IAS 37.84(d) d. unused amounts reversed during the period; and

IAS 37.84(e) e. the increase during the period in the discounted amount arising from the passage of time and the effect of any change in the discount rate.

IAS 37.84 Comparative information is not required.

IAS 37.85 For each class of provision, disclose:

IAS 37.85(a) a. a brief description of the nature of the obligation and the expected timing of any resulting outflows of economic benefits;

IAS 37.85(b)
b. an indication of the uncertainties about the amount or timing of those outflows. When necessary to provide adequate information, disclose the major assumptions made concerning future events, as addressed in IAS 37.48; and

IAS 37.85(c)
c. the amount of any expected reimbursement, stating the amount of any asset that has been recognised for that expected reimbursement.

Insights 3.12.800.15
An entity discloses the major assumptions concerning future events in accordance with IAS 37.48 if it is necessary to provide adequate information. The disclosure of uncertainties may be general in nature. In our view, for a legal claim it would normally be sufficient to say that the outcome depends on court proceedings.

IAS 37.88
When a provision and a contingent liability arise from the same set of circumstances, disclose information required by IAS 37.84–86 in a way that shows the link between the provision and the contingent liability.

IAS 37.92
In extremely rare cases, disclosure of some or all of the information required by IAS 37.84 and 85 can be expected to prejudice seriously the position of the entity in a dispute with other parties on the subject matter of the provision. In such cases, the entity need not disclose the information, but discloses the general nature of the dispute, together with the fact that, and reason why, the information has not been disclosed.

Rights to interests arising from decommissioning, restoration and environmental rehabilitation funds

IFRIC 5.11
Disclose the nature of any interest in a decommissioning, restoration or environmental rehabilitation fund and any restrictions on access to the assets in the fund.

IFRIC 5.12, IAS 37.86
When there is an obligation to make potential additional contributions that is treated as a contingent liability (see IFRIC 5.10 and guidance), give the disclosures required by IAS 37.86 (see Chapter 2.12 'Contingent assets and liabilities').

IFRIC 5.13, IAS 37.85(c)
When the interest in the fund is accounted for in accordance with IFRIC 5.9, disclose the amount of any expected reimbursement, stating the amount of any asset that has been recognised for that expected reimbursement.

2.11 Income taxes

General

IAS 12.79–80
Disclose separately the major components of tax expense (income) included in the determination of the profit (loss) for the period. Such components may include the following:

IAS 12.80(a)
a. current tax expense (income);

IAS 12.80(b)
b. any adjustments recognised in the period for current tax of prior periods;

IAS 12.80(c)
c. the amount of deferred tax expense (income) relating to the origination and reversal of temporary differences;

IAS 12.80(d)
d. the amount of deferred tax expense (income) relating to changes in tax rates or the imposition of new taxes;

IAS 12.80(e)
e. the amount of the benefit arising from a previously unrecognised tax loss, tax credit or temporary difference of a prior period that is used to reduce current tax expense;

IAS 12.80(f)	f. the amount of the benefit arising from a previously unrecognised tax loss, tax credit or temporary difference of a prior period that is used to reduce deferred tax expense;
IAS 12.80(g)	g. deferred tax expense arising from the write-down, or reversal of a previous write-down, of a deferred tax asset (see IAS 12.56); and
IAS 12.80(h)	h. the amount of tax expense (income) relating to those changes in accounting policies and errors that are included in the determination of profit or loss in accordance with IAS 8 because they cannot be accounted for retrospectively.
IAS 12.81	Disclose separately:
IAS 12.81(a)	a. the aggregate current and deferred tax relating to items that are charged or credited to equity (see IAS 12.62A);
Insights 7.3.500.10–15	*Current tax and deferred tax that relate to items that are recognised directly in equity are generally recognised directly in equity. The amount of current and deferred tax recognised directly in equity is disclosed separately. There is no requirement to present the tax impact of items recognised in equity separately in the statement of changes in equity. In our experience, these tax effects are often disclosed in the notes to the financial statements.*
IAS 12.81(ab)	b. the amount of income tax relating to each component of OCI (see IAS 12.62 and IAS 1);
IAS 12.81(c)	c. an explanation of the relationship between tax expense (income) and accounting profit in either or both of the following forms:
IAS 12.81(c)(i)	i. a numerical reconciliation between tax expense (income) and the product of accounting profit multiplied by the applicable tax rate(s), also disclosing the basis on which the applicable tax rate(s) is (are) computed; or
IAS 12.81(c)(ii)	ii. a numerical reconciliation between the average effective tax rate and the applicable tax rate, also disclosing the basis on which the applicable tax rate is computed;
IAS 12.81(d)	d. an explanation of changes in the applicable tax rate(s) compared to the previous accounting period;
IAS 12.81(e)	e. the amount (and expiry date, if any) of deductible temporary differences, unused tax losses and unused tax credits for which no deferred tax asset is recognised in the statement of financial position;
Insights 3.13.640.70	*In our view, it is not appropriate to disclose the tax effects of both recognised and unrecognised deferred tax assets as a single amount – e.g. similar to the 'gross' approach under US GAAP – because, under IFRS Accounting Standards, it is recognised deferred tax assets that are required to be disclosed.*
IAS 12.81(f)	f. the aggregate amount of temporary differences associated with investments in subsidiaries, branches and associates and interests in joint arrangements, for which deferred tax liabilities have not been recognised (see IAS 12.39);
IAS 12.81(g)	g. in respect of each type of temporary difference, and in respect of each type of unused tax losses and unused tax credits:
IAS 12.81(g)(i)	i. the amount of the deferred tax assets and liabilities recognised in the statement of financial position for each period presented; and
IAS 12.81(g)(ii)	ii. the amount of the deferred tax income or expense recognised in profit or loss, if this is not apparent from the changes in the amounts recognised in the statement of financial position;
Insights 3.13.640.60	*An entity is required to disclose, in respect of each* type *of temporary difference, the amount of deferred tax assets and liabilities recognised in the statement of financial position. In our view, this could be interpreted in one of two ways.*

- *Disclosure based on the statement of financial position captions – e.g. disclosure of deferred tax assets and deferred tax liabilities (separately) in respect of property, plant and equipment.* This method of presentation is shown in our Guides to financial statements – Illustrative disclosures.
- *Disclosure based on the reason for the temporary difference – e.g. excess of wear and tear tax deductions over depreciation and amortisation.*

IAS 12.81(h) h. in respect of discontinued operations, the tax expense relating to:

IAS 12.81(h)(i) i. the gain or loss on discontinuance; and

IAS 12.81(h)(ii) ii. the profit or loss from the ordinary activities of the discontinued operation for the period, together with the corresponding amounts for each prior period presented;

IAS 12.81(i) i. the amount of income tax consequences of dividends to shareholders that were proposed or declared before the financial statements were authorised for issue, but are not recognised as a liability in the financial statements;

IAS 12.81(j) j. if a business combination in which the entity is the acquirer causes a change in the amount recognised for its pre-acquisition deferred tax asset (see IAS 12.67), the amount of that change; and

IAS 12.81(k) k. if the deferred tax benefits acquired in a business combination are not recognised at the acquisition date, but are recognised after the acquisition date (see IAS 12.68), a description of the event or change in circumstances that caused the deferred tax benefits to be recognised.

IAS 12.82 Disclose the amount of a deferred tax asset and the nature of the evidence supporting its recognition when:

IAS 12.82(a) a. its utilisation is dependent on future taxable profits in excess of the profits arising from the reversal of existing taxable temporary differences; and

IAS 12.82(b) b. the entity has suffered a loss in either the current or preceding period in the tax jurisdiction to which the deferred tax asset relates.

IAS 12.82A When income taxes are payable at a higher or lower rate, or are payable or refundable, if part or all of the net profit or retained earnings is paid out as dividend to shareholders (see IAS 12.52A), disclose the nature of the potential income tax consequences that would result from the payment of dividends to shareholders. Disclose the amounts of the potential income tax consequences practicably determinable and whether there are any potential income tax consequences not practicably determinable.

IAS 12.87A Disclose the important features of the income tax systems and the factors that will affect the amount of the potential income tax consequences of dividends.

IAS 12.87 The entity is encouraged, but not required, to disclose amounts of unrecognised deferred tax liabilities arising from investments in subsidiaries, branches and associates and interests in joint arrangements.

Uncertainty over income tax treatments

IFRIC 23.A4 When there is uncertainty over income tax treatments, determine whether to disclose:

a. judgements made in determining taxable profit (tax loss), tax bases, unused tax losses, unused tax credits and tax rates applying IAS 1.122; and
b. information about the assumptions made and other estimates used in determining taxable profit (tax loss), tax bases, unused tax losses, unused tax credits and tax rates applying IAS 1.125–129.

IFRIC 23.A5	If it is probable that a taxation authority will accept an uncertain tax treatment, determine whether to disclose the potential effect of the uncertainty as a tax-related contingency applying IAS 12.88.	
Insights 3.12.760.10, 3.13.667.10	*Obligations for possible income tax exposures are uncertain income tax treatments in the scope of IFRIC 23 and not provisions.*	
	Uncertain tax treatments are reflected in the measurement of the current or deferred tax liabilities (assets) and are presented as such in the statement of financial position. Uncertain tax treatments cannot be presented as part of provisions.	
	International tax reform – Pillar Two model rules	
IAS 12.88A	Disclose that the exception to recognising and disclosing information about deferred tax assets and liabilities related to Pillar Two income taxes has been applied (see IAS 12.4A).	
IAS 12.88B	Disclose separately the current tax expense (income) related to Pillar Two income taxes.	
IAS 12.88C–88D	In periods in which Pillar Two legislation is enacted or substantively enacted but not yet in effect, disclose known or reasonably estimable qualitative and quantitative information about the exposure to Pillar Two income taxes at the end of the reporting period. This information does not have to reflect all the specific requirements of the Pillar Two legislation and can be provided in the form of an indicative range. To the extent information is not known or reasonably estimable, instead disclose a statement to that effect and disclose information about the progress in assessing its exposure.	
Insights 3.13.645.50	*IAS 12 does not specify whether or how to apply the disclosure requirements related to Pillar Two taxes in the consolidated financial statements of intermediate parent entities or separate financial statements of group entities – i.e. whether each entity in the group that may be subject to the top-up tax should disclose the group's or its own exposure to Pillar Two taxes. In our view, in determining which disclosures to provide, an entity should consider the information relevant to the users of a specific set of financial statements in understanding its potential exposure as a result of the Pillar Two tax laws. For example, information provided by entities which expect to be liable for top-up tax (either during the transition period or when the new rules are 'business as usual' around the world), or expect to trigger top-up tax may be relevant to the users of their separate financial statements. Conversely, if a group entity expects neither to be liable for top-up tax nor to trigger it, then disclosures on Pillar Two taxes in its separate financial statements about other group entities may obscure the relevant information.*	

2.12 Contingent assets and liabilities

IAS 37.86	Unless the possibility of any outflow in settlement is remote, disclose for each class of contingent liability at the reporting date a brief description of the nature of the contingent liability and, when practicable:	
IAS 37.86(a)	a. an estimate of its financial effect;	
IAS 37.86(b)	b. an indication of the uncertainties relating to the amount or timing of any outflow; and	
IAS 37.86(c)	c. the possibility of any reimbursement.	

IAS 37.88	If a provision and a contingent liability arise from the same set of circumstances, then disclose information required by IAS 37.84–86 in a way that shows the link between the provision and the contingent liability.
IAS 37.89	If an inflow of economic benefits is probable, then disclose a brief description of the nature of the contingent assets at the reporting date and, when practicable, an estimate of their financial effect.
IAS 37.91	If any of the information required by IAS 37.86 and 89 is not disclosed because it is not practicable to do so, then disclose that fact.
IAS 37.92	In extremely rare cases, disclosure of some or all of the information required by IAS 37.86–89 can be expected to prejudice seriously the position of the entity in a dispute with other parties on the subject matter of the contingent liability or contingent asset. In such cases, the entity need not disclose the information, but discloses the general nature of the dispute, together with the fact that, and reason why, the information has not been disclosed.

Specific contingencies required to be disclosed by other standards

IAS 12.88	Disclose the information required by IAS 37 for any tax-related contingent liabilities and contingent assets. Contingent liabilities and contingent assets may arise, for example, from unresolved disputes with the taxation authorities.
IAS 19.152	Disclose the information required by IAS 37 for any contingent liabilities arising from post-employment benefit obligations.
IFRS 3.B67(c)	For contingent liabilities recognised by the acquirer in a business combination, disclose the information required by IAS 37.84 and 85 for each class of provision for each material business combination or in aggregate for individually immaterial business combinations that are material collectively.

Contingent consideration

IFRS 3.B67(b)	For contingent consideration assets acquired and contingent consideration liabilities assumed in a business combination the acquirer discloses for each reporting period after the acquisition date until the entity collects, sells or otherwise loses the right to a contingent consideration asset, or until the entity settles a contingent consideration liability or the liability is cancelled or expires:
IFRS 3.B67(b)(i)	a. any changes in the recognised amounts, including any differences arising upon settlement;
IFRS 3.B67(b)(ii)	b. any changes in the range of outcomes (undiscounted) and the reasons for those changes; and
IFRS 3.B67(b)(iii)	c. the valuation techniques and key model inputs used to measure contingent consideration.
IFRS 3.B67	The information required to be disclosed by IFRS 3.B67(b) is disclosed for each material business combination or in aggregate for individually immaterial business combinations that are material collectively.

3 Statement of profit or loss and OCI

3.1 Revenue

General

IFRS 15.110 Disclose sufficient information to enable users of financial statements to understand the nature, amount, timing and uncertainty of revenue and cash flows arising from contracts with customers. To achieve that objective, disclose qualitative and quantitative information about:

IFRS 15.110(a) a. its contracts with customers (IFRS 15.113–122);

IFRS 15.110(b) b. the significant judgements, and changes in the judgements, made in applying IFRS 15 to those contracts (IFRS 15.123–126); and

IFRS 15.110(c) c. any assets recognised from the costs to obtain or fulfil a contract with a customer in accordance with IFRS 15.91 or 95 (IFRS 15.127–128).

IFRS 15.111 Aggregate or disaggregate disclosures so that useful information is not obscured by either the inclusion of a large amount of insignificant detail or the aggregation of items that have substantially different characteristics.

IFRS 15.112 The entity need not disclose information in accordance with IFRS 15 if it has provided the information in accordance with another standard.

Contracts with customers

IFRS 15.113 Disclose all of the following amounts for the reporting period unless those amounts are presented separately in the statement of profit or loss and OCI in accordance with other standards:

IFRS 15.113(a) a. revenue recognised from contracts with customers, which the entity needs to disclose separately from its other sources of revenue; and

IFRS 15.113(b) b. any impairment losses recognised (in accordance with IFRS 9) on any receivables or contract assets arising from the entity's contracts with customers, which the entity needs to disclose separately from impairment losses from other contracts.

This disclosure requirement is repeated in Chapter 1.1 'Presentation of Financial Statements' above.

Insights 4.2.560.25 *In our view, an entity is not required to present revenue from contracts with customers as a separate line item in the statement of profit or loss and may aggregate it with other types of revenue considering the requirements in IAS 1. However, in providing a separate disclosure of revenue from contracts with customers – either in the notes or in the statement of profit or loss – we believe that an entity should not include amounts that do not fall in the scope of IFRS 15.*

Disaggregation of revenue

IFRS 15.114 Disaggregate revenue recognised from contracts with customers into categories that depict how the nature, amount, timing and uncertainty of revenue and cash flows are affected by economic factors. Apply the guidance in IFRS 15.B87–B89 when selecting the categories to use to disaggregate revenue.

IFRS 15.115 Disclose sufficient information to enable users of financial statements to understand the relationship between the disclosure of disaggregated revenue (in accordance with IFRS 15.114) and revenue information that is disclosed for each reportable segment, if the entity applies IFRS 8 *Operating Segments*.

Contract balances

IFRS 15.116 Disclose all of the following:

IFRS 15.116(a) a. the opening and closing balances of receivables, contract assets and contract liabilities from contracts with customers, if not otherwise separately presented or disclosed;

IFRS 15.116(b) b. revenue recognised in the reporting period that was included in the contract liability balance at the beginning of the period; and

IFRS 15.116(c) c. revenue recognised in the reporting period from performance obligations satisfied (or partially satisfied) in previous periods (e.g. changes in transaction price).

IFRS 15.117 Explain how the timing of satisfaction of performance obligations (see IFRS 15.119(a)) relates to the typical timing of payment (see IFRS 15.119(b)) and the effect that those factors have on the contract asset and the contract liability balances. The explanation provided may use qualitative information.

IFRS 15.118 Provide an explanation of the significant changes in the contract asset and the contract liability balances during the reporting period. The explanation includes qualitative and quantitative information. Examples of changes in the entity's balances of contract assets and contract liabilities include any of the following:

IFRS 15.118(a) a. changes due to business combinations;

IFRS 15.118(b) b. cumulative catch-up adjustments to revenue that affect the corresponding contract asset or contract liability, including adjustments arising from a change in the measure of progress, a change in an estimate of the transaction price (including any changes in the assessment of whether an estimate of variable consideration is constrained) or a contract modification;

IFRS 15.118(c) c. impairment of a contract asset;

IFRS 15.118(d) d. a change in the time frame for a right to consideration to become unconditional (i.e. for a contract asset to be reclassified to a receivable); and

IFRS 15.118(e) e. a change in the time frame for a performance obligation to be satisfied (i.e. for the recognition of revenue arising from a contract liability).

Performance obligations

IFRS 15.119 Disclose information about performance obligations in contracts with customers, including a description of all of the following:

IFRS 15.119(a) a. when the entity typically satisfies its performance obligations (e.g. upon shipment, upon delivery, as services are rendered or upon completion of service), including when performance obligations are satisfied in a bill-and-hold arrangement;

IFRS 15.119(b) b. the significant payment terms (e.g. when payment is typically due, whether the contract has a significant financing component, whether the consideration amount is variable and whether the estimate of variable consideration is typically constrained in accordance with IFRS 15.56–58);

IFRS 15.119(c) c. the nature of the goods or services that the entity has promised to transfer, highlighting any performance obligations to arrange for another party to transfer goods or services (i.e. if the entity is acting as an agent);

IFRS 15.119(d) d. obligations for returns, refunds and other similar obligations; and

IFRS 15.119(e) e. types of warranties and related obligations.

Transaction price allocated to the remaining performance obligations

IFRS 15.120	Disclose the following information about remaining performance obligations:
IFRS 15.120(a)	a. the aggregate amount of the transaction price allocated to the performance obligations that are unsatisfied (or partially unsatisfied) as of the end of the reporting period; and
IFRS 15.120(b)	b. an explanation of when the entity expects to recognise as revenue the amount disclosed in accordance with IFRS 15.120(a), which the entity discloses in either of the following ways:
IFRS 15.120(b)(i)	i. on a quantitative basis using the time bands that would be most appropriate for the duration of the remaining performance obligations; or
IFRS 15.120(b)(ii)	ii. by using qualitative information.
IFRS 15.121	As a practical expedient, the entity need not disclose the information in IFRS 15.120 for a performance obligation if either of the following conditions is met:
IFRS 15.121(a)	a. the performance obligation is part of a contract that has an original expected duration of one year or less; or
IFRS 15.121(b)	b. the entity recognises revenue from the satisfaction of the performance obligation in accordance with IFRS 15.B16.
IFRS 15.122	Explain qualitatively whether it is applying the practical expedient in IFRS 15.121 and whether any consideration from contracts with customers is not included in the transaction price and, therefore, not included in the information disclosed in accordance with IFRS 15.120. For example, an estimate of the transaction price would not include any estimated amounts of variable consideration that are constrained (see IFRS 15.56–58).

Significant judgements in the application of IFRS 15

IFRS 15.123	Disclose the judgements, and changes in the judgements, made in applying IFRS 15 that significantly affect the determination of the amount and timing of revenue from contracts with customers. In particular, explain the judgements, and changes in the judgements, used in determining both of the following:
IFRS 15.123(a)	a. the timing of satisfaction of performance obligations (see IFRS 15.124–125); and
IFRS 15.123(b)	b. the transaction price and the amounts allocated to performance obligations (see IFRS 15.126).

Determining the timing of satisfaction of performance obligations

IFRS 15.124	For performance obligations that the entity satisfies over time, disclose both of the following:
IFRS 15.124(a)	a. the methods used to recognise revenue (e.g. a description of the output methods or input methods used and how those methods are applied); and
IFRS 15.124(b)	b. an explanation of why the methods used provide a faithful depiction of the transfer of goods or services.
IFRS 15.125	For performance obligations satisfied at a point in time, disclose the significant judgements made in evaluating when a customer obtains control of promised goods or services.

Determining the transaction price and the amounts allocated to performance obligations

IFRS 15.126 Disclose information about the methods, inputs and assumptions used for all of the following:

IFRS 15.126(a) a. determining the transaction price, which includes, but is not limited to, estimating variable consideration, adjusting the consideration for the effects of the time value of money and measuring non-cash consideration;

IFRS 15.126(b) b. assessing whether an estimate of variable consideration is constrained;

IFRS 15.126(c) c. allocating the transaction price, including estimating stand-alone selling prices of promised goods or services and allocating discounts and variable consideration to a specific part of the contract (if applicable); and

IFRS 15.126(d) d. measuring obligations for returns, refunds and other similar obligations.

Assets recognised from the costs to obtain or fulfil a contract with a customer

IFRS 15.127 Describe both of the following:

IFRS 15.127(a) a. the judgements made in determining the amount of the costs incurred to obtain or fulfil a contract with a customer (in accordance with IFRS 15.91 or IFRS 15.95); and

IFRS 15.127(b) b. the method it uses to determine the amortisation for each reporting period.

IFRS 15.128 Disclose all of the following:

IFRS 15.128(a) a. the closing balances of assets recognised from the costs incurred to obtain or fulfil a contract with a customer (in accordance with IFRS 15.91 or IFRS 15.95), by main category of asset (e.g. costs to obtain contracts with customers, pre-contract costs and setup costs); and

IFRS 15.128(b) b. the amount of amortisation and any impairment losses recognised in the reporting period.

Practical expedients

IFRS 15.129 If the entity elects to use the practical expedient in either IFRS 15.63 (about the existence of a significant financing component) or IFRS 15.94 (about the incremental costs of obtaining a contract), disclose that fact.

3.2 Government grants

IAS 20.24

Present government grants related to assets (including non-monetary grants at fair value) either:

a. as deferred income; or

b. as a deduction in arriving at the carrying amount of the asset.

IAS 20.29

Present government grants related to income as part of profit or loss, either:

a. separately or under a general heading such as 'Other income'; or

b. as a deduction in reporting the related expense.

IAS 20.31

Disclosure of the grant may be necessary for a proper understanding of the financial statements. Disclosure of the effect of the grants on any item of income or expense, which is required to be disclosed separately, is usually appropriate.

IAS 20.39

Disclose:

IAS 20.39(b)

a. the nature and extent of government grants recognised in the financial statements and an indication of other forms of government assistance from which the entity has benefited directly; and

IAS 20.39(c)

b. unfulfilled conditions and other contingencies attaching to government assistance that has been recognised.

3.3 Employee benefits

Short-term employee benefits

IAS 19.25

Although IAS 19 does not require specific disclosures about short-term employee benefits, other IFRSs may require disclosures. For example, IAS 24 requires disclosures about employee benefits for key management personnel. IAS 1 requires disclosure of employee benefits expense.

Defined contribution plans

IAS 19.53

Disclose the amount recognised as an expense for defined contribution plans.

IAS 19.54

When required by IAS 24, disclose information about contributions to defined contribution plans for key management personnel.

Defined benefit plans

IAS 19.133

Some entities distinguish current assets and liabilities from non-current assets and liabilities. IAS 19 does not specify whether an entity should distinguish current and non-current portions of assets and liabilities arising from post-employment benefits.

IAS 19.134

IAS 19.120 requires the entity to recognise service cost and net interest on the net defined benefit liability (asset) in profit or loss. IAS 19 does not specify how the entity should present service cost and net interest on the net defined benefit liability (asset). Presents those components in accordance with IAS 1.

IAS 19.135 Disclose information that:

IAS 19.135(a) a. explains the characteristics of the defined benefit plans and risks associated with them;

IAS 19.135(b) b. identifies and explains the amounts in the financial statements arising from the defined benefit plans; and

IAS 19.135(c) c. describes how the defined benefit plans may affect the amount, timing and uncertainty of the entity's future cash flows.

IAS 19.136 To meet the objectives in IAS 19.135, consider all of the following:

IAS 19.136(a) a. the level of detail necessary to satisfy the disclosure requirements;

IAS 19.136(b) b. how much emphasis to place on each of the various requirements;

IAS 19.136(c) c. how much aggregation or disaggregation to undertake; and

IAS 19.136(d) d. whether users of financial statements need additional information to evaluate the quantitative information disclosed.

IAS 19.137 If the disclosures provided in accordance with the requirements in IAS 19 and other IFRSs are insufficient to meet the objectives in IAS 19.135, then disclose additional information necessary to meet those objectives. For example, the entity may present an analysis of the present value of the defined benefit obligation that distinguishes the nature, characteristics and risks of the obligation. Such a disclosure could distinguish:

IAS 19.137(a) a. between amounts owing to active members, deferred members and pensioners;

IAS 19.137(b) b. between vested benefits and accrued but not vested benefits; and

IAS 19.137(c) c. between conditional benefits, amounts attributable to future salary increases and other benefits.

IAS 19.138 The entity assesses whether all or some disclosures should be disaggregated to distinguish plans or groups of plans with materially different risks. For example, the entity may disaggregate disclosure about plans showing one or more of the following features:

IAS 19.138(a) a. different geographical locations;

IAS 19.138(b) b. different characteristics such as flat salary pension plans, final salary pension plans or post-employment medical plans;

IAS 19.138(c) c. different regulatory environments;

IAS 19.138(d) d. different reporting segments; and

IAS 19.138(e) e. different funding arrangements (e.g. wholly unfunded, wholly or partly funded).

Characteristics of defined benefit plans and risks associated with them

IAS 19.139 Disclose:

IAS 19.139(a) a. information about the characteristics of its defined benefit plans, including:

IAS 19.139(a)(i) i. the nature of the benefits provided by the plan (e.g. final salary defined benefit plan or contribution-based plan with guarantee);

IAS 19.139(a)(ii) ii. a description of the regulatory framework in which the plan operates – e.g. the level of any minimum funding requirements and any effect of the regulatory framework on the plan, such as the asset ceiling (see IAS 19.64); and

IAS 19.139(a)(iii) iii. a description of any other entity's responsibilities for the governance of the plan – e.g. responsibilities of trustees or of board members of the plan;

IAS 19.139(b)	b. a description of the risks to which the plan exposes the entity, focused on any unusual, entity-specific or plan-specific risks, and of any significant concentrations of risk. For example, if plan assets are invested primarily in one class of investments – e.g. property, the plan may expose the entity to a concentration of property market risk; and	
IAS 19.139(c)	c. a description of any plan amendments, curtailments and settlements.	

Explanation of amounts in the financial statements

IAS 19.140	Provide a reconciliation from the opening balance to the closing balance for each of the following, if applicable:	
IAS 19.140(a)	a. the net defined benefit liability (asset), showing separate reconciliations for:	
IAS 19.140(a)(i)	i. plan assets;	
IAS 19.140(a)(ii)	ii. the present value of the defined benefit obligation; and	
IAS 19.140(a)(iii)	iii. the effect of the asset ceiling; and	
IAS 19.140(b)	b. any reimbursement rights.	
IAS 19.140(b)	Describe the relationship between any reimbursement right and the related obligation.	
IAS 19.141	Show, if applicable, in each reconciliation listed in IAS 19.140:	
IAS 19.141(a)	a. current service cost;	
IAS 19.141(b)	b. interest income or expense;	
IAS 19.141(c)	c. remeasurements of the net defined benefit liability (asset), showing separately:	
IAS 19.141(c)(i)	i. the return on plan assets, excluding amounts included in interest in IAS 19.141(b);	
IAS 19.141(c)(ii)	ii. actuarial gains and losses arising from changes in demographic assumptions (see IAS 19.76(a));	
IAS 19.141(c)(iii)	iii. actuarial gains and losses arising from changes in financial assumptions (see IAS 19.76(b)); and	
IAS 19.141(c)(iv)	iv. changes in the effect of limiting a net defined benefit asset to the asset ceiling, excluding amounts included in interest in IAS 19.141(b). Also disclose how the entity determined the maximum economic benefit available – i.e. whether those benefits would be in the form of refunds, reductions in future contributions or a combination of both;	
IAS 19.141(d)	d. past service cost and gains and losses arising from settlements. As permitted by IAS 19.100, past service cost and gains and losses arising from settlements need not be distinguished if they occur together;	
IAS 19.141(e)	e. the effect of changes in foreign exchange rates;	
IAS 19.141(f)	f. contributions to the plan, showing separately those by the employer and by plan participants;	
IAS 19.141(g)	g. payments from the plan, showing separately the amount paid in respect of any settlements; and	
IAS 19.141(h)	h. the effects of business combinations and disposals.	
Insights 4.4.980.50	*Administration costs other than the costs of managing plan assets and the costs of handling medical claims are recognised when the related administration services are provided to the entity and in our view they should be treated as an expense within profit or loss.*	

IAS 19.142 Disaggregate the fair value of the plan assets into classes that distinguish the nature and risks of those assets, subdividing each class of plan asset into those that have a quoted market price in an active market (see IFRS 13) and those that do not. For example, and considering the level of disclosure discussed in IAS 19.136, the entity could distinguish between:

IAS 19.142(a) a. cash and cash equivalents;

IAS 19.142(b) b. equity instruments (segregated by industry type, company size, geography etc);

IAS 19.142(c) c. debt instruments (segregated by type of issuer, credit quality, geography etc);

IAS 19.142(d) d. real estate (segregated by geography etc);

IAS 19.142(e) e. derivatives (segregated by type of underlying risk in the contract – e.g. interest rate contracts, foreign exchange contracts, equity contracts, credit contracts, longevity swaps etc);

IAS 19.142(f) f. investment funds (segregated by type of fund);

IAS 19.142(g) g. asset-backed securities; and

IAS 19.142(h) h. structured debt.

IAS 19.143 Disclose the fair value of the entity's own transferable financial instruments held as plan assets and the fair value of plan assets that are property occupied by, or other assets used by, the entity.

IAS 19.144 Disclose the significant actuarial assumptions used to determine the present value of the defined benefit obligation (see IAS 19.76). Such disclosure is required to be in absolute terms (e.g. as an absolute percentage and not just as a margin between different percentages and other variables). When the entity provides disclosures in total for a grouping of plans, then provide such disclosures in the form of weighted averages or relatively narrow ranges.

Insights 4.4.540.20 *In our view, in measuring the defined benefit obligation, current service cost, and interest cost, an entity might instead use different weighted-average discount rates derived from the same yield curve for different categories of plan members in order to match more closely the expected timing of the benefit payments for each category.*

Insights 4.4.540.100 *In addition, if an entity applies an approach that results in different overall weighted-average discount rates effectively being used to measure the defined benefit obligation and current service cost for the entire plan, then it considers whether separate disclosure should be made of the different weighted-average rates effectively applied for the defined benefit obligation and current service cost.*

Insights 4.4.540.110 *In our experience, entities generally determine discount rates for defined benefit plans using methodologies and data sources that are consistent from period to period. It may be appropriate, in certain circumstances, to consider the appropriateness of previously used methodologies, especially in response to any significant changes in market conditions. In our view, a change in the method used to select a discount rate may be appropriate when that change results in a more reliable estimate. We believe that this would be a change in an accounting estimate as opposed to a change in accounting policy in accordance with IAS 8. If an entity changes its approach to determining a discount rate, then it provides disclosures under IAS 8. In such cases, an entity discloses the nature and amount of a change in an accounting estimate that affects the current period or is expected to have an impact on future periods.* *See Chapter 1.9 'Accounting policies, errors and estimates'.*

Amount, timing and uncertainty of future cash flows

IAS 19.145	Disclose:
IAS 19.145(a)	a. a sensitivity analysis for each significant actuarial assumption (see IAS 19.144) as of the reporting date, showing how the defined benefit obligation would have been affected by changes in the relevant actuarial assumption that were reasonably possible at that date;
IAS 19.145(b)	b. the methods and assumptions used in preparing the sensitivity analyses required by IAS 19.145(a) and the limitations of those methods; and
IAS 19.145(c)	c. changes from the previous period in the methods and assumptions used in preparing the sensitivity analyses, and the reasons for such changes.
IAS 19.173(b)	Despite the requirement to apply IAS 19 retrospectively in accordance with IAS 8, in financial statements for periods beginning before 1 January 2014, the entity need not present comparative information for the disclosures required by IAS 19.145 about the sensitivity of the defined benefit obligation.
IAS 19.146	Disclose a description of any asset-liability matching strategies used by the plan or the entity, including the use of annuities and other techniques, such as longevity swaps, to manage risk.
IAS 19.147	To provide an indication of the effect of the defined benefit plan on the entity's future cash flows, disclose:
IAS 19.147(a)	a. a description of any funding arrangements and funding policy that affect future contributions;
IAS 19.147(b)	b. the expected contributions to the plan for the next annual reporting period; and
IAS 19.147(c)	c. information about the maturity profile of the defined benefit obligation. This will include the weighted-average duration of the defined benefit obligation and may include other information about the distribution of the timing of benefit payments, such as a maturity analysis of the benefit payments.

Multi-employer plans

IAS 19.148	If the entity participates in a multi-employer defined benefit plan, then disclose:
IAS 19.148(a)	a. a description of the funding arrangements, including the method used to determine the entity's rate of contributions and any minimum funding requirements;
IAS 19.148(b)	b. a description of the extent to which the entity can be liable to the plan for other entities' obligations under the terms and conditions of the multi-employer plan;
IAS 19.148(c)	c. a description of any agreed allocation of a deficit or surplus on:
IAS 19.148(c)(i)	i. wind-up of the plan; or
IAS 19.148(c)(ii)	ii. the entity's withdrawal from the plan;
IAS 19.148(d)	d. if the entity accounts for that plan as if it were a defined contribution plan in accordance with IAS 19.34, then disclose the following, in addition to the information required by IAS 19.148(a)–(c) and instead of the information required by IAS 19.139–147:
IAS 19.148(d)(i)	i. the fact that the plan is a defined benefit plan;
IAS 19.148(d)(ii)	ii. the reason why sufficient information is not available to enable the entity to account for the plan as a defined benefit plan;
IAS 19.148(d)(iii)	iii. the expected contributions to the plan for the next annual reporting period;

IAS 19.148(d)(iv) iv. information about any deficit or surplus in the plan that may affect the amount of future contributions, including the basis used to determine that deficit or surplus and the implications, if any, for the entity; and

IAS 19.148(d)(v) v. an indication of the level of participation of the entity in the plan compared with other participating entities. Examples of measures for such an indication include the entity's proportion of the total contributions to the plan or the entity's proportion of the total number of active members, retired members and former members entitled to benefits, if that information is available.

Group plans (defined benefit plans that share risks between entities under common control)

IAS 19.149 If the entity participates in a defined benefit plan that shares risks between entities under common control, then disclose:

IAS 19.149(a) a. the contractual agreement or stated policy for charging the net defined benefit cost or the fact that there is no such policy;

IAS 19.149(b) b. the policy for determining the contribution to be paid by the entity;

IAS 19.149(c) c. if the entity accounts for an allocation of the net defined benefit cost as noted in IAS 19.41, all the information about the plan as a whole required by IAS 19.135–147; and

IAS 19.149(d) d. if the entity accounts for the contribution payable for the period as noted in IAS 19.41, the information about the plan as a whole required by IAS 19.135–137, 139, 142–144 and 147(a)–(b).

IAS 19.150 The information required by IAS 19.149(c)–(d) can be disclosed by cross-reference to disclosures in another group entity's financial statements if:

IAS 19.150(a) a. that group entity's financial statements separately identify and disclose the information required about the plan; and

IAS 19.150(b) b. that group entity's financial statements are available to users of the financial statements on the same terms as the financial statements of the entity and at the same time as, or earlier than, the financial statements of the entity.

Related party transactions

IAS 19.151 When required by IAS 24, disclose information about:

IAS 19.151(a) a. related party transactions with post-employment benefit plans; and

IAS 19.151(b) b. post-employment benefits for key management personnel.

Contingent liabilities

IAS 19.152 When required by IAS 37, disclose information about contingent liabilities arising from post-employment benefit obligations.

Other long-term employee benefits

IAS 19.158 Although IAS 19 does not require specific disclosures about other long-term employee benefits, other IFRSs may require disclosures. For example, IAS 24 requires disclosures about employee benefits for key management personnel. IAS 1 requires disclosure of employee benefits expense.

Termination benefits

IAS 19.171

Although IAS 19 does not require specific disclosures about termination benefits, other IFRSs may require disclosures. For example, IAS 24 requires disclosures about employee benefits for key management personnel. IAS 1 requires disclosure of employee benefits expense.

3.4 Share-based payments

IFRS 2.44

Disclose information that enables users of the financial statements to understand the nature and extent of share-based payment arrangements that existed during the period.

IFRS 1.D2, 2.56

IFRS 2 is not required to be applied for certain equity-settled share-based payment transactions (e.g. grants made before 7 November 2002 where the fair value was not disclosed at that time). However, the disclosure requirements in IFRS 2.44–45 apply to equity-settled grants whether or not they are accounted for according to IFRS 2.

IFRS 2.44–45

Disclose:

IFRS 2.44–45(a)

a. a description of each type of share-based payment arrangement that existed at any time during the period, including the general terms and conditions of each arrangement, such as vesting requirements, the maximum term of options granted and the method of settlement (e.g. whether in cash or equity). Substantially similar types of share-based payment arrangements may aggregate this information, unless separate disclosure of each arrangement is necessary to understand the nature and extent of share-based payment arrangements that existed during the period;

IFRS 2.44, 45(b)

b. the number and weighted-average exercise prices of share options for each of the following groups of options:

IFRS 2.44, 45(b)(i) i. outstanding at the beginning of the period;

IFRS 2.44, 45(b)(ii) ii. granted during the period;

IFRS 2.44, 45(b)(iii) iii. forfeited during the period;

IFRS 2.44, 45(b)(iv) iv. exercised during the period;

IFRS 2.44, 45(b)(v) v. expired during the period;

IFRS 2.44, 45(b)(vi) vi. outstanding at the end of the period; and

IFRS 2.44, 45(b)(vii) vii. exercisable at the end of the period;

IFRS 2.44, 45(c)

c. for share options exercised during the period, disclose the weighted-average share price at the date of exercise. If options were exercised on a regular basis throughout the period, then the entity may instead disclose the weighted-average share price during the period; and

IFRS 2.44, 45(d)

d. for share options outstanding at the end of the period, disclose the range of exercise prices and weighted-average remaining contractual life. If the range of exercise prices is wide, then the outstanding options are divided into ranges that are meaningful for assessing the number and timing of additional shares that may be issued and the cash that may be received upon exercise of those options.

Insights 4.5.1120.10, 30, IFRS 2.35

We believe that an arrangement that provides the employee with a choice of two settlement alternatives that are mutually exclusive, and in which only one of the alternatives would be accounted for under IFRS 2, should be accounted for as a share-based payment by applying the requirements in IFRS 2 for compound instruments by analogy. […] Even if there is no equity component to account for, we believe that the disclosure requirements of IFRS 2 should be applied.

Insights 4.5.1910.80

If […] a share purchase is a share-based payment, then an […] issue is whether there is any cost to recognise if the transaction appears to be at fair value. Even if there is no cost to recognise – e.g. because the purchase price is equal to the grant-date fair value of the equity instruments granted – in our view the disclosure requirements of IFRS 2 still apply.

Fair value disclosures

IFRS 2.46

Disclose information that enables users of the financial statements to understand how the fair value of the goods or services received, or the fair value of the equity instruments granted, during the period was determined.

IFRS 2.48

If the entity has measured directly the fair value of goods or services received during the period, then disclose how that fair value was determined (e.g. whether fair value was measured at a market price for those goods or services).

Fair value measure of goods and services

IFRS 2.47

If the entity has measured the fair value of goods or services received as consideration for equity instruments of the entity indirectly, with reference to the fair value of the equity instruments granted, then disclose:

IFRS 2.47(a)

a. for share options granted during the period, the weighted-average fair value of those options at the measurement date and information on how that fair value was measured, including:

IFRS 2.47(a)(i)

   i. the option pricing model used and the inputs to that model, including the weighted-average share price, exercise price, expected volatility, option life, expected dividends, the risk-free interest rate and any other inputs to the model, including the method used and the assumptions made to incorporate the effects of expected early exercise;

IFRS 2.47(a)(ii)

   ii. how expected volatility was determined, including an explanation of the extent to which expected volatility was based on historical volatility; and

IFRS 2.47(a)(iii)

   iii. whether and how any other features of the option grant were incorporated into the measurement of fair value, such as a market condition;

IFRS 2.47(b)

b. for other equity instruments granted during the period (i.e. other than share options), the number and weighted-average fair value of those equity instruments at the measurement date and information on how that fair value was measured, including:

IFRS 2.47(b)(i)

   i. if fair value was not measured on the basis of an observable market price, how it was determined;

IFRS 2.47(b)(ii)

   ii. whether and how expected dividends were incorporated into the measurement of fair value; and

IFRS 2.47(b)(iii)

   iii. whether and how any other features of the equity instruments granted were incorporated into the measurement of fair value; and

IFRS 2.47(c)	c. for share-based payment arrangements that were modified during the period:	
IFRS 2.47(c)(i)	i. an explanation of those modifications;	___
IFRS 2.47(c)(ii)	ii. the incremental fair value granted (as a result of those modifications); and	___
IFRS 2.47(c)(iii)	iii. information on how the incremental fair value granted was measured, consistently with the requirements set out in IFRS 2.47(a)–(b), when applicable.	___
Insights 4.5.1000.10	*There are specific disclosure requirements on the measurement of fair value for share options. In our view, such disclosures should also be provided for cash-settled share-based payments – e.g. share appreciation rights. We believe that for cash-settled share-based payments, the following disclosures on measurement of fair value should be provided.*	
	• Awards granted during the period: *Disclosures on the measurement of fair value at grant date and at the reporting date.*	___
	• Awards granted in previous periods but unexercised at the reporting date: *Disclosures on the measurement of fair value at the reporting date.*	___
IFRS 2.49	If the entity has rebutted the presumption in IFRS 2.13, that the fair value of the goods or services can be measured reliably, then disclose that fact and give an explanation of why the presumption was rebutted.	___

Effect of share-based payment transactions on profit or loss, financial position and equity

IFRS 2.50–51	Disclose information that enables users of the financial statements to understand the effect of share-based payment transactions on the entity's profit or loss for the period and on its financial position. Disclose:	
IFRS 2.51(a)	a. the total expense recognised for the period arising from share-based payment transactions in which the goods or services received did not qualify for recognition as assets and hence were recognised immediately as an expense, including separate disclosure of that portion of the total expense that arises from transactions accounted for as equity-settled share-based payment transactions; and	___
IFRS 2.51(b)	b. for liabilities arising from share-based payment transactions:	
IFRS 2.51(b)(i)	i. the total carrying amount at the end of the period; and	___
IFRS 2.51(b)(ii)	ii. the total intrinsic value at the end of the period of liabilities for which the counterparty's right to cash or other assets had vested by the end of the period (e.g. vested share appreciation rights).	___
Insights 4.5.900.20	*Except for those share-based payment transactions in which equity instruments of a subsidiary have been granted, the Accounting Standards do not address whether an increase in equity recognised in connection with a share-based payment transaction should be presented in a separate component within equity or within retained earnings. In our view, either approach is allowed under the Accounting Standards. If a separate component is presented, then the nature of the reserve should be disclosed.*	___

Other

IFRS 2.52

If the information required to be disclosed by IFRS 2 does not satisfy the principles described in IFRS 2.44, 46 and 50, then disclose such additional information as is necessary to satisfy these principles. For example, if an entity has classified any share-based payment transactions as equity-settled in accordance with paragraph 33F of IFRS 2, then disclose an estimate of the amount that it expects to transfer to the tax authority to settle the employee's tax obligation when it is necessary to inform users about the future cash flow effects associated with the share-based payment arrangement.

3.5 Borrowing costs

IAS 23.26 Disclose:

IAS 23.26(a) a. the amount of borrowing costs capitalised during the period; and

IAS 23.26(b) b. the capitalisation rate used to determine the amount of borrowing costs eligible for capitalisation.

4 Special topics

4.1 Leases

General

IFRS 16.51, 89 Disclose information in the notes that, together with the information provided in the statement of financial position, statement of profit or loss and statement of cash flows, provides a basis for users of financial statements to assess the effects that leases have on the financial position, financial performance and cash flows.

Lessee

Information to be presented either in the statement of financial position or in the notes

IFRS 16.47 Present, either in the statement of financial position or in the notes:

IFRS 16.47(a) a. right-of-use assets that do not meet the definition of investment property separately from other assets. If the lessee does not present right-of-use assets separately in the statement of financial position, then:

IFRS 16.47(a)(i) i. include right-of-use assets within the same line item as that within which the corresponding underlying assets would be presented if they were owned; and

IFRS 16.47(a)(ii) ii. disclose which line items in the statement of financial position include those right-of-use assets; and

IFRS 16.47(b) b. lease liabilities separately from other liabilities. If the lessee does not present lease liabilities separately in the statement of financial position, then disclose which line items in the statement of financial position include those liabilities.

IFRS 16.48, 56 If right-of-use assets meet the definition of investment property, then present it in the statement of financial position as investment property and apply the disclosure requirements in IAS 40. The lessee is not required to provide the disclosures in IFRS 16.53(a), (f), (h) or (j) for those right-of-use assets.

Information to be presented in the statement of profit or loss and OCI

IFRS 16.49 Present the interest expenses on the lease liability separately from the depreciation charge for the right-to-use asset in the statement of profit or loss and OCI. Interest expense on the lease liability is a component of finance costs, which paragraph 82(b) of IAS 1 *Presentation of Financial Statements* requires to be presented separately in the statement of profit or loss and OCI.

Classification in the statement of cash flows

IFRS 16.50 In the statement of cash flows, classify:

IFRS 16.50(a), IAS 7.17(e) a. cash payments for the principal portion of the lease liability within financing activities;

IFRS 16.50(b) b. cash payments for the interest portion of the lease liability applying the requirements in IAS 7 for interest paid; and

IFRS 16.50(c) c. short-term lease payments, payments for leases of low-value assets and variable lease payments not included in the measurement of the lease liability within operating activities.

Insights 2.3.90.10 *Some lease contracts may require full payment up-front – i.e. before or at the lease commencement date. In our experience, this may often be the case in leases of land – e.g. if there is a large up-front payment and a small notional amount for the annual lease payment. In our view, if a lessee makes such an up-front payment, then the lessee should classify the related cash outflow within investing activities because the nature of the activity to which this cash flow relates is the acquisition of the right-of-use asset.*

Insights 2.3.100.10 *Initial direct costs are incremental costs of obtaining a lease that otherwise would not have been incurred. A lessee includes these costs in the cost of the right-of-use asset at the commencement date. In our view, a lessee should classify initial direct costs within investing activities because the nature of the activity to which this cash outflow relates is the acquisition of the right-of-use asset.*

Insights 2.3.110.10 *If in a sale-and-leaseback transaction the fair value of consideration received on sale of the underlying asset is higher than the fair value of the underlying asset, then the seller-lessee recognises the sale proceeds at fair value and accounts for the above-market terms as additional financing provided by the buyer-lessor. A question arises about how to classify the cash flows relating to the consideration received in the statement of cash flows. In our view, the seller-lessee should classify cash flows relating to the additional financing component as financing activities. We believe that the seller-lessee should adopt an accounting policy, to be applied consistently, to classify the cash flows relating to the component that represents the fair value of the asset using one of the following approaches.*

- *Approach 1: Classify all cash flows relating to the component that represents the fair value of the asset as investing activities.*
- *Approach 2: Classify cash flows relating to the rights transferred as investing activities and those relating to the rights retained as financing activities.*

Insights 2.3.120.10 *If the transfer of an asset by a seller-lessee does not satisfy the requirements of IFRS 15 to be accounted for as a sale of the asset – i.e. it is a 'failed' sale – then the seller-lessee and the buyer-lessor account for the transaction as a financing applying IFRS 9, not as a sale-and-leaseback transaction. In our view, the consideration received by the seller-lessee in the transaction should be classified within financing activities.*

Insights 2.3.130.10 *An intermediate lessor in a sub-lease accounts for the head lease and the sub-lease as two different contracts, applying both the lessee and the lessor accounting requirements. Therefore, in our view the cash flows from sub-leases should not be netted against those from the head leases in the intermediate lessor's statement of cash flows.*

Lessee – Other disclosure

IFRS 16.52 Disclose information about leases for which the entity is a lessee in a single note or separate section in the financial statements. However, a lessee does not need to duplicate information that is already presented elsewhere in the financial statements, provided that the information is incorporated by cross-reference in the single note or separate section about leases.

IFRS 16.53–54 Disclose, in a tabular format unless another format is more appropriate, the following amounts during the reporting period:

IFRS 16.53(a) a. depreciation charge for right-of-use assets by class of underlying asset;

IFRS 16.53(b) b. interest expense on lease liabilities;

IFRS 16.53(c)	c. the expense relating to short-term leases accounted for applying IFRS 16.6. This expense need not include the expense relating to leases with a lease term of one month or less;
IFRS 16.53(d)	d. the expense relating to leases of low-value assets accounted for applying IFRS 16.6. This expense should not include the expense relating to short-term leases of low-value assets included in IFRS 16.53(c);
IFRS 16.53(e)	e. the expense relating to variable lease payments not included in the measurement of lease liabilities;
IFRS 16.53(f)	f. income from subleasing right-of-use assets;
IFRS 16.53(g)	g. total cash outflow for leases;
IFRS 16.53(h)	h. additions to right-of-use assets;
IFRS 16.53(i)	i. gains or losses arising from sale-and-leaseback transactions; and
IFRS 16.53(j)	j. the carrying amount of right-of-use assets at the end of the reporting period by class of underlying asset.
IFRS 16.54	Include costs that the lessee has included in the carrying amount of another asset during the reporting period in the amounts disclosed in accordance with IFRS 16.53.
IFRS 16.55	Disclose the amount of short-term lease commitments accounted for applying the exemption for short-term leases under IFRS 16.6 if the portfolio of short-term lease commitments at the end of the reporting period is dissimilar to the portfolio to which the disclosures under IFRS 16.53(c) relate.
IFRS 16.57	If right-of-use assets are measured at revalued amounts applying IAS 16, then disclose the information required by IAS 16.77 for those right-of-use assets.
IFRS 16.58	Disclose a maturity analysis of lease liabilities applying IFRS 7.39 and B11 separately from the maturity analyses of other financial liabilities.
IFRS 16.59, B48–B52	Disclose additional qualitative and quantitative information about the lessee's leasing activities necessary to meet the disclosure objective in IFRS 16.51. This additional information may include, but is not limited to, information that helps users of financial statements to assess:
IFRS 16.59(a)	a. the nature of the lessee's leasing activities;
IFRS 16.59(b)	b. future cash outflows to which the lessee is potentially exposed that are not reflected in the measurement of lease liabilities. This includes exposure arising from:
IFRS 16.59(b)(i)	i. variable lease payments (as described in IFRS 16.B49);
IFRS 16.59(b)(ii)	ii. extension options and termination options (as described in IFRS 16.B50);
IFRS 16.59(b)(iii)	iii. residual value guarantees (as described in IFRS 16.B51); and
IFRS 16.59(b)(iv)	iv. leases not yet commenced to which the lessee is committed;
IFRS 16.59(c)	c. restrictions or covenants imposed by leases; and
IFRS 16.59(d)	d. sale and leaseback transactions (as described in IFRS 16.B52).
IFRS 16.60	If the lessee accounts for short-term leases or leases of low-value assets applying the recognition exemptions in IFRS 16.6, then disclose that fact.

Lessor

IFRS 16.92	Disclose additional qualitative and quantitative information about the lessor's leasing activities necessary to meet the disclosure objective in IFRS 16.89. This additional information may include, but is not limited to, information that helps users of financial statements to assess:

IFRS 16.92(a) a. the nature of the lessor's leasing activities; and

IFRS 16.92(b) b. how the lessor manages the risk associated with any rights it retains in underlying assets, by disclosing its risk management strategy for the rights it retains in underlying assets, including any means by which the lessor reduces that risk – e.g.:
   i. buy-back agreements;
   ii. residual value guarantees; or
   iii. variable lease payments for use in excess of specified limits.

Finance leases

IFRS 16.90(a), 91 Disclose, in a tabular format unless another format is more appropriate, the following amounts during the reporting period:

IFRS 16.90(a)(i) a. selling profit or loss;

IFRS 16.90(a)(ii) b. finance income on the net investment in the lease; and

IFRS 16.90(a)(iii) c. income relating to variable lease payments not included in the measurement of the net investment in the lease.

IFRS 16.93 Provide a qualitative and quantitative explanation of the significant changes in the carrying amount of the net investment in finance leases.

IFRS 16.94 Disclose:

a. a maturity analysis of lease payment receivable, showing the undiscounted lease payments to be received on an annual basis for a minimum of each of the first five years and a total of the amounts for the remaining years; and

b. a reconciliation between the undiscounted lease payments and the net investment in the lease, identifying the unearned finance income relating to the lease payments receivable and any discounted unguaranteed residual value.

Operating leases

IFRS 16.88 Present the underlying assets subject to operating leases in the statement of financial position according to the nature of the underlying asset.

IFRS 16.90(b), 91 Disclose, in a tabular format unless another format is more appropriate, lease income during the reporting period, separately identifying lease income relating to variable lease payments that do not depend on an index or a rate.

IFRS 16.95 For items of property, plant and equipment subject to an operating lease, apply the disclosure requirements of IAS 16 and disaggregate each class of property, plant and equipment into assets subject to operating leases and assets not subject to operating leases. Provide the disclosures required by IAS 16 for assets subject to an operating lease (by class of underlying asset) separately from owned assets held and used by the lessor.

IFRS 16.96 For assets subject to an operating lease, apply the disclosure requirements of IAS 36, IAS 38, IAS 40 and IAS 41.

IFRS 16.97 Disclose a maturity analysis of lease payments, showing the undiscounted lease payments to be received on an annual basis for a minimum of each of the first five years and a total of the amounts for the remaining years.

4.2 Service concession arrangements

SIC-29.6–7	Consider all aspects of a service concession arrangement in determining the appropriate disclosures. In the case of an operator and a grantor, disclose individually for each service concession arrangement, or in aggregate for each class of service concession arrangements:	
SIC-29.6(a)	a. a description of the arrangement;	___
SIC-29.6(b)	b. significant terms of the arrangement that may affect the amount, timing and certainty of future cash flows (e.g. the period of the concession, repricing dates and the basis upon which repricing or renegotiation is determined);	___
SIC-29.6(c)	c. the nature and extent (e.g. quantity, time period or amount as appropriate) of:	
SIC-29.6(c)(i)	i. rights to use specified assets;	___
SIC-29.6(c)(ii)	ii. obligations to provide or rights to expect provision of services;	___
SIC-29.6(c)(iii)	iii. obligations to acquire or build items of property, plant and equipment;	___
SIC-29.6(c)(iv)	iv. obligations to deliver or rights to receive specified assets at the end of the concession period;	___
SIC-29.6(c)(v)	v. renewal and termination options; and	___
SIC-29.6(c)(vi)	vi. other rights and obligations (e.g. major overhauls);	___
SIC-29.6(d)	d. changes in the arrangement during the period; and	___
SIC-29.6(e)	e. how the service arrangement has been classified.	___
SIC-29.6A	Disclose revenue and profits or losses recognised on exchanging construction services for a financial asset or an intangible asset.	___

4.3 Operating segments

IFRS 8 Operating Segments *should be applied by entities whose equity or debt securities are traded in a public market and by entities that are in the process of issuing equity or debt securities in public securities markets. If the entity that is not required to apply this standard chooses to disclose segment information voluntarily in financial statements that comply with IFRS Accounting Standards, that entity should comply fully with the requirements of IFRS 8.*

IFRS 8.20	Disclose information to enable users of financial statements to evaluate the nature and financial effects of the business activities in which the entity engages and the economic environments in which it operates.	___

General information

IFRS 8.22	Disclose the following general information:	
IFRS 8.22(a)	a. factors used to identify the entity's reportable segments, including the basis of organisation – e.g. whether management has chosen to organise the entity around differences in products and services, geographical areas, regulatory environments, or a combination of factors and whether operating segments have been aggregated;	___
IFRS 8.22(aa)	b. judgements made by management in applying the aggregation criteria in IFRS 8.12. This includes a brief description of the operating segments that have been aggregated in this way and the economic indicators that have been assessed in determining that the aggregated operating segments share similar economic characteristics; and	___
IFRS 8.22(b)	c. types of products and services from which each reportable segment derives its revenues.	___

Information about profit or loss, assets and liabilities

IFRS 8.23 Disclose the measure of profit or loss for each reportable segment.

IFRS 8.23 Disclose the measure of total assets and liabilities for each reportable segment if such amounts are regularly provided to the chief operating decision maker.

IFRS 8.23 Disclose the following about each reportable segment if the specified amounts are included in the measure of segment profit or loss reviewed by the chief operating decision maker, or are otherwise regularly provided to the chief operating decision maker, even if not included in that measure of segment profit or loss:

IFRS 8.23(a) a. revenues from external customers;
IFRS 8.23(b) b. revenues from transactions with other operating segments of the same entity;
IFRS 8.23(c) c. interest revenue;
IFRS 8.23(d) d. interest expense;
IFRS 8.23(e) e. depreciation and amortisation;
IFRS 8.23(f) f. material items of income and expense disclosed in accordance with IAS 1.97;
IFRS 8.23(g) g. the entity's interest in the profit or loss of associates and joint ventures accounted for by the equity method;
IFRS 8.23(h) h. income tax expense or income; and
IFRS 8.23(i) i. material non-cash items other than depreciation and amortisation.

IFRS 8.23 Disclose interest revenue separately from interest expense for each reportable segment unless a majority of the segment's revenues are from interest and the chief operating decision maker relies primarily on net interest revenue to assess the performance of the segment and make decisions about resources to be allocated to the segment. In that situation, the entity may report that segment's interest revenue net of its interest expense and disclose that it has done so.

IFRS 8.24 Disclose the following about each reportable segment if the specified amounts are included in the measure of segment assets reviewed by the chief operating decision maker or are otherwise regularly provided to the chief operating decision maker, even if not included in the measure of segment assets:

IFRS 8.24(a) a. the amount of investment in associates and joint ventures accounted for by the equity method; and
IFRS 8.24(b) b. the amounts of additions to non-current assets (for assets classified according to a liquidity presentation, amounts expected to be recovered more than 12 months after the reporting date) other than financial instruments, deferred tax assets, post-employment benefit assets and rights arising under insurance contracts.

IU 06-24, Insights 5.2.200.25-27 *The IFRS Interpretations Committee discussed the meaning of 'material items of income and expense' in the context of paragraph 97 of IAS 1. The Committee noted that in determining the material items of income and expense to be disclosed for each reportable segment an entity considers the following:*

- *whether information about an item is material in the context of its financial statements taken as a whole because of its size or nature, or a combination of both;*
- *the requirements on how to aggregate information in the financial statements; and*
- *circumstances including, but not limited to, those in paragraph 98 of IAS 1.*

The Committee observed that an entity is not required to disclose by reportable segment each item of income and expense presented in its statement of profit or loss or disclosed in the notes. An entity applies judgement and considers the core principle of IFRS 8 in determining what information to disclose for each reportable segment.

Insights 5.2.203.20–30 *If the investee is identified as a reportable segment and the chief operating decision maker (CODM) receives financial statements of the investee, then the entity discloses the investee's revenue, a measure of profit or loss, assets and other amounts required by IFRS 8, as reported in the investee's financial statements. The difference between the amounts reported in the segment disclosure to the proportionate amounts reported in the entity's financial statements will be included in the reconciliation items (see IFRS 8.28). In contrast, there might be situations in which the CODM only receives information about the investee that represents the entity's proportionate share in the investee's revenue, profit or loss, assets and other information. In those instances, in our view the entity should disclose the segment information of the investee using the proportionate amounts.*

Explanation of segment profit or loss, segment assets and liabilities

IFRS 8.27 Provide an explanation of the measurements of segment profit or loss, segment assets and segment liabilities for each reportable segment. As a minimum disclose:

IFRS 8.27(a) a. the basis of accounting for any transactions between reportable segments;

IFRS 8.27(b) b. the nature of any differences between the measurements of the reportable segments' profits or losses and the entity's profit or loss before income tax expense or income and discontinued operations (if not apparent from the reconciliations described in IFRS 8.28); those differences could include accounting policies and policies for allocation of centrally incurred costs that are necessary for an understanding of the reported segment information;

IFRS 8.27(c) c. the nature of any differences between the measurements of the reportable segments' assets and the entity's assets (if not apparent from the reconciliations described in IFRS 8.28); those differences could include accounting policies and policies for allocation of jointly used assets that are necessary for an understanding of the reported segment information;

IFRS 8.27(d) d. the nature of any differences between the measurements of the reportable segments' liabilities and the entity's liabilities (if not apparent from the reconciliations described in IFRS 8.28); those differences could include accounting policies and policies for allocation of jointly utilised liabilities that are necessary for an understanding of the reported segment information;

IFRS 8.27(e) e. the nature of any changes from prior periods in the measurement methods used to determine reported segment profit or loss and the effect, if any, of those changes on the measure of segment profit or loss; and

IFRS 8.27(f) f. the nature and effect of any asymmetrical allocations to reportable segments – e.g. the entity might allocate depreciation expense to a segment without allocating the related depreciable assets to that segment.

Reconciliations

IFRS 8.21 Reconciliations of the amounts in the statement of financial position for reportable segments to the amounts in the entity's statement of financial position are required for each date at which a statement of financial position is presented.

IFRS 8.28	Provide reconciliations of the following:	
IFRS 8.28(a)	a. the total of the reportable segments' revenues to the entity's revenue;	________
IFRS 8.28(b)	b. the total of the reportable segments' measures of profit or loss to the entity's profit or loss before tax expense (tax income) and discontinued operations; however, if the entity allocated to reportable segments items such as tax expense (tax income), then it may reconcile the total of the segments' measures of profit or loss to the entity's profit or loss after those items;	________
IFRS 8.28(c)	c. the total of the reportable segments' assets to the entity's assets if the segment assets are reported in accordance with IFRS 8.23;	________
IFRS 8.28(d)	d. the total of the reportable segments' liabilities to the entity's liabilities if segment liabilities are reported in accordance with IFRS 8.23; and	________
IFRS 8.28(e)	e. the total of the reportable segments' amounts for every other material item of information disclosed to the corresponding amount for the entity.	________
IFRS 8.28	All material reconciling items are identified separately and described – i.e. the amount of each material adjustment needed to reconcile reportable segment profit or loss to the entity's profit or loss arising from different accounting policies is identified separately and described.	________
	Restatement of previously reported information	
IFRS 8.29	Following a change in the composition of the reportable segments, the corresponding items of segment information for earlier periods is restated unless the information is not available and the cost to develop it would be excessive.	________
IFRS 8.30	If the entity has changed the structure of its internal organisation in a manner that causes the composition of its reportable segments to change and if segment information for earlier periods, including interim periods, is not restated to reflect the change, then in the year in which the change occurs disclose segment information for the current period on both the old basis and the new basis of segmentation, unless the necessary information is not available and the cost to develop it would be excessive.	________
Insights 5.2.250.20	*IFRS 8 does not provide guidance on whether prior year amounts in entity-wide disclosures need to be restated if there is a change in the current year – e.g. a previously immaterial country representing 3 percent of the external revenues included in the entity-wide geographical disclosures now represents 15 percent of external revenues. In our view, the prior year information should be restated, if practicable, so that the disclosures from year to year are comparable.*	________
	Entity-wide disclosures	
IFRS 8.31	Entity-wide disclosures are required even if the entity has only one reportable segment. Information required by IFRS 8.32–34 is provided only if it is not provided as part of the reportable segment information required by IFRS 8.	________
IFRS 8.32	Disclose the revenues from external customers for each product and service, or each group of similar products and services, unless the necessary information is not available and the cost to develop it would be excessive, in which case that fact is disclosed. The amounts of revenues reported are based on the financial information used to produce the entity's financial statements.	________

IFRS 8.33	Disclose the following geographical information, unless the necessary information is not available and the cost to develop it would be excessive:	
IFRS 8.33(a)	a. revenues from external customers:	
	i. attributed to the entity's country of domicile; and	
	ii. attributed to all foreign countries in total from which the entity derives revenues. If revenues from external customers attributed to an individual foreign country are material, then those revenues are disclosed separately. Disclose the basis for attributing revenues from external customers to individual countries; and	
IFRS 8.33(b)	b. non-current assets (for assets classified according to a liquidity presentation, amounts expected to be recovered more than 12 months after the reporting date) other than financial instruments, deferred tax assets, post-employment benefit assets and rights arising under insurance contracts:	
	i. located in the entity's country of domicile; and	
	ii. located in all foreign countries in total in which the entity holds assets. If assets in an individual foreign country are material, then those assets are disclosed separately.	
Insights 5.2.220.20	*The information in IFRS 8.33 is provided by both the entity's country of domicile and by an individual foreign country, if material. In our view, disclosing such information by region – e.g. Europe or Asia – does not meet the requirement to disclose information by an individual foreign country, if material. Such information is disclosed by an individual foreign country – e.g. France, the Netherlands or Singapore – when material.*	
IFRS 8.33	The amounts reported are based on the financial information that is used to produce the entity's financial statements. If the necessary information is not available and the cost to develop it would be excessive, then disclose that fact.	
IFRS 8.33	The entity may disclose, in addition to the information required by IFRS 8.33, subtotals of geographical information about groups of countries.	
IFRS 8.34	Disclose information about the extent of reliance on major customers.	
IFRS 8.34	If revenues from transactions with a single external customer amount to 10 percent or more of the entity's revenues, then disclose that fact along with the total amount of revenues from each such customer and the identity of the segment(s) reporting the revenues.	
IFRS 8.36	Segment information for prior years that is reported as comparative information in the year of application is restated to conform to the requirements of IFRS 8, unless the necessary information is not available and the cost to develop it would be excessive.	

4.4 Earnings per share

IAS 33 Earnings per Share should be applied by entities whose ordinary shares or potential ordinary shares are traded in a public market and by entities that are in the process of issuing ordinary shares or potential ordinary shares in public markets and by any entity that discloses earnings per share.

Insights 5.3.10.70 — *If an entity's ordinary shares are untraded at the reporting date but are publicly traded by the time that the financial statements are authorised for issue, then the entity would generally have been in the process of filing its financial statements with a securities commission or other regulatory organisation for this purpose at the reporting date. Accordingly, we believe that the entity should disclose earnings per share information in its financial statements.*

Insights 5.3.10.80 — *An entity's ordinary shares or potential ordinary shares may be publicly traded for only a portion of the current period – e.g. because the entity's ordinary shares or potential ordinary shares were listed for the first time during the period. In our view, in this situation the entity should present earnings per share information for all periods for which statements of profit or loss and OCI are presented, and not only for the periods during which the entity's ordinary or potential ordinary shares were publicly traded.*

IAS 33.4 — If the entity chooses to disclose earnings per share information in its separate financial statements, then present such earnings per share information only in its separate statement of profit or loss and OCI and not in the consolidated financial statements.

IAS 33.4A — If components of profit or loss are presented in a separate statement of profit or loss as described in IAS 1.10A, then present earnings per share only in that separate statement.

IAS 33.66 — Present in the statement of profit or loss and OCI basic and diluted earnings per share for profit or loss from continuing operations attributable to the ordinary equity holders of the parent entity, and for profit or loss attributable to the ordinary equity holders of the parent entity for the period, for each class of ordinary shares that has a different right to share in profit for the period.

Insights 5.3.40.30 — *In our view, an entity is not required to present separate earnings per share information for participating preference shares that are not considered to be a separate class of ordinary shares.*

Insights 5.3.40.60 — *In our view, puttable instruments that qualify for equity classification instead of financial liability classification under IAS 32 are not ordinary shares for the purposes of IAS 33. [...] Accordingly, we believe that earnings per share presentation is not required for, or as a result of the existence of, such instruments.*

IAS 33.69 — Present basic and diluted earnings per share, even if the amounts are negative (i.e. a loss per share).

IAS 33.66 — Equal prominence is given to the basic and diluted earnings per share ratios for all periods presented.

IAS 33.64	When earnings per share calculations reflect changes in the number of shares due to events that happened after the reporting date, disclose that fact.	
IAS 33.70	Disclose:	
IAS 33.70(a)	a. the amounts used as the numerators in calculating basic and diluted earnings per share, and a reconciliation of those amounts to the profit or loss attributable to the parent entity for the period. The reconciliation includes the individual effect of each class of instruments that affect earnings per share;	
IAS 33.70(b)	b. the weighted-average number of ordinary shares used as the denominator in calculating basic and diluted earnings per share, and a reconciliation of these denominators to each other. The reconciliation includes the individual effect of each class of instruments that affect earnings per share;	
IAS 33.70(c)	c. instruments (including contingently issuable shares) that could potentially dilute basic earnings per share in the future, but were not included in the calculation of diluted earnings per share because they were anti-dilutive for the period(s) presented; and	
IAS 33.70(d)	d. a description of ordinary share transactions or potential ordinary share transactions, other than those accounted for in accordance with IAS 33.64, that occur after the reporting date and that would have changed significantly the number of ordinary shares or potential ordinary shares outstanding at the end of the period if those transactions had occurred before the reporting date.	
Insights 5.3.270.80	*In our view, if there is no active market for ordinary shares, then an entity should determine fair value using valuation techniques. We believe that an entity should apply the guidance for measuring the fair value of financial instruments to determine the fair value of unquoted equity instruments to estimate the average market price for the ordinary shares. Specialist expertise may be required in this assessment. In our view, the method used to determine the average market price should be disclosed in the notes to the financial statements.*	
IAS 33.72	Unless required by another standard, it is encouraged, but not required, to disclose the terms and conditions of financial instruments and other contracts that affect the measurement of earnings per share.	
IAS 33.73	The entity may disclose, in addition to basic and diluted earnings per share, per share amounts using a reported component of the statement of profit or loss and OCI other than one required by IAS 33. When such additional amounts per share are presented, disclose in the notes and not in the statement of profit or loss and OCI: a. basic and diluted earnings per share relating to such a component with equal prominence;	
	b. the basis on which the numerator(s) is (are) determined, including whether amounts per share are before tax or after tax; and	
	c. if a component of statement of profit or loss and OCI is used that is not reported as a line item in the statement of profit or loss and OCI, then a reconciliation between the component used and a line item that is reported in the statement of profit or loss and OCI.	

4.5 Non-current assets held for sale or held for distribution

General

IFRS 5.5A

The classification, presentation and measurement requirements in IFRS 5 applicable to a non-current asset (or disposal group) that is classified as held-for-sale also apply to a non-current asset that is held for distribution.

IFRS 5.5B

If the entity has non-current assets (or disposal groups) classified as held-for-sale, then disclose the information required by IFRS 5. Disclosures in other IFRSs do not apply to such assets (or disposal groups) unless those IFRSs require:

IFRS 13.93, IAS 33.68

a. specific disclosures in respect of non-current assets (or disposal groups) classified as held-for-sale. This includes the disclosure of earnings per share for a discontinued operation that is classified as held-for-sale and disclosures required under IFRS 13, which are applicable when a non-current asset or disposal group held for sale is measured at fair value less costs to sell; or
b. disclosures about measurement of assets and liabilities within a disposal group that are not within the scope of the measurement requirement of IFRS 5 (e.g. investment property measured at fair value) and such disclosures are not already provided in other notes to the financial statements.

IFRS 5.30

Present and disclose information that enables users of the financial statements to evaluate the financial effects of non-current assets (or disposal groups).

Insights 5.4.230.40

In our view, considering that IFRS 5 does not specify how the elimination should be attributed to continuing and discontinued operations, an entity may present transactions between the continuing and discontinued operations in a way that reflects the continuance of those transactions, when that is useful to the users of the financial statements. It may be appropriate to present additional disclosure either on the face of the statement of profit or loss and OCI or in the notes. In our experience, if the additional disclosure is provided in the statement of profit or loss and OCI, then judgement may be required whether the disaggregated information should be presented as part of the statement itself or as an additional disclosure alongside the totals in that statement. Clear disclosure of the approach taken to the elimination of intra-group transactions will be relevant, including an explanation of any additional analysis of discontinued operations in the notes to the statement of profit or loss and OCI.

IFRS 5.38

Present separately any cumulative income or expense recognised directly in OCI relating to a non-current asset (or disposal group) classified as held-for-sale.

IFRS 5.38–39

For a non-current asset or disposal group classified as held-for-sale, disclose the major classes of assets and liabilities classified as held-for-sale separately from other assets, either in the statement of financial position or in the notes (not required if the disposal group is a newly acquired subsidiary that meets the criteria to be classified as held-for-sale on acquisition).

Insights 5.4.110.30	*In our view, non-current assets, assets of disposal groups and liabilities of disposal groups classified as held-for-sale or held-for-distribution should be classified as current in the statement of financial position. Consequently, it would not generally be appropriate to present a three-column statement of financial position with the headings 'Assets/Liabilities not for sale', 'Assets/Liabilities held for sale' and 'Total' with the assets and liabilities held for sale or distribution included in non-current line items.*	
Insights 5.4.110.25	*The Accounting Standards do not specifically address the presentation of NCI in a disposal group classified as held-for-sale or held-for-distribution. In our view, NCI in a disposal group classified as held-for-sale or held-for-distribution should continue to be presented within equity consistent with the requirement in IFRS 10 and should not be reclassified as a liability (see 2.5.530.30).*	
IFRS 5.12, 41	In the period in which a non-current asset or disposal group has been either classified as held-for-sale or sold, disclose:	
IFRS 5.41(a)	a. a description of the non-current asset or disposal group;	
IFRS 5.41(b)	b. a description of the facts and circumstances of the disposal, or leading to the expected disposal, and the expected manner and timing of that disposal;	
IFRS 5.41(c)	c. the gain or loss recognised in accordance with IFRS 5.20–22 and, if not separately presented in the statement of profit or loss and OCI, the caption in the statement of profit or loss and OCI that includes that gain or loss; and	
IFRS 5.41(d)	d. if applicable, the reportable segment in which the non-current asset or disposal group is presented in accordance with IFRS 8.	
IFRS 5.42	If there are changes to a plan of sale and either IFRS 5.26 or 29 applies, then disclose, in the period of the decision to change the plan to sell or distribute the non-current asset (or disposal group) to owners, a description of the facts and circumstances leading to the decision and the effect of the decision on the results of operations for the period and any prior periods presented.	
IFRIC 17.15	When a dividend payable relating to the obligation to distribute non-cash assets to owners is settled, present as a separate line item in profit or loss any difference between the carrying amount of the assets distributed and the carrying amount of the dividend payable.	
IFRS 12.5A, B17	When the entity's interest in a subsidiary, a joint venture or an associate (or a portion of its interest in a joint venture or an associate) is classified (or included in a disposal group that is classified) as held for sale in accordance with IFRS 5, the entity is not required to disclose summarised financial information for that subsidiary, joint venture or associate in accordance with IFRS 12.B10–B16. Otherwise, the requirements of IFRS 12 also apply to an entity's interests in subsidiaries, joint arrangements, associates and unconsolidated structured entities that are classified (or included in a disposal group that is classified) as held for sale, held for distribution or discontinued operation in accordance with IFRS 5.	

4.6 Related party disclosures

General

IAS 24.3

Disclose related party relationships, transactions and outstanding balances, including commitments.

Insights 5.5.100.30

In our view, related party disclosures should cover the period during which transactions could have been affected by the existence of the related party relationship. The disclosure of transactions occurring after parties cease to be related parties is not required.

IAS 24.1, 5–8

It is the nature of related party relationships and transactions with such parties – rather than merely the size of related party transactions – that determines the materiality of related party disclosures.

IAS 24.19

Provide separate disclosure for each category of related party. For example, sales to subsidiaries are not aggregated with sales to joint ventures.

IAS 24.24

Disclose items of similar nature in aggregate except when separate disclosure is necessary to understand the effects of related party transactions on the financial statements.

Insights 5.5.120.50

Items of a similar nature may be disclosed in aggregate as long as aggregation does not obscure the importance of individually significant transactions. For example, in a subsidiary's own financial statements, regular purchases or sales with other fellow subsidiaries may be aggregated. However, in our view details of a significant disposal of property, plant and equipment to a subsidiary should not be included in an aggregate disclosure of regular sales of goods to subsidiaries because they are not similar in nature.

IAS 24.23

Disclose that related party transactions were made on terms equivalent to those that prevail in arm's length transactions only if such terms can be substantiated.

Insights 5.5.120.70

In [certain] situations, it is difficult to assess what information about transactions with related parties is required to be disclosed.

- *For example, a mutual fund appoints an administrator to provide management services. In our view, the fund should disclose the following as a minimum: information about the services provided by the administrator – including the terms and conditions of the management agreement; the amount of the management fee paid to the administrator during the period; how the fee is calculated; and any fees outstanding at the reporting date.*
- *In another example, a parent entity may establish a captive insurance entity to provide self-insurance for the group. The captive insurance entity may then transfer the risk of losses to a third party insurer. In our view, the relationship between the parent entity and the captive insurance entity should be disclosed in the captive insurance entity's own financial statements, including information about the nature of the insurance contracts, any outstanding balances, and revenues arising from those insurance contracts. We believe that the role of the third party insurer should also be disclosed.*

IAS 24.21	Examples of transactions that are disclosed if they are with a related party include:	
	a. purchases or sales of goods (finished or unfinished);	___
	b. purchases or sales of property and other assets;	___
	c. rendering or receiving of services;	___
	d. leases;	___
	e. transfers of research and development;	___
	f. transfers under licence agreements;	___
	g. transfers under finance arrangements (including loans and equity contributions in cash or in kind);	___
	h. provision of guarantees or collateral;	___
	i. commitments to do something if a particular event occurs or does not occur in the future, including executory contracts (recognised and unrecognised); and	___
	j. settlement of liabilities on behalf of the entity or by the entity on behalf of another party.	___
Insights 5.5.120.25	*In our view, the disclosures about commitments with related parties should not be limited to those that are specifically required to be disclosed by accounting standards other than IAS 24 – e.g. the disclosure of the amount of contractual commitments for the acquisition of property, plant and equipment, which is required by IAS 16. Therefore, to the extent material, we believe that an entity should provide disclosure of any commitments arising from its transactions with related parties, including:*	
	• *unconditional purchase or sales obligations;*	___
	• *agreements that require the contribution of funds over a specified period; and*	___
	• *commitments to contribute assets or services.*	___
IAS 32.34	If the entity reacquires its own shares from related parties, then provide disclosure in accordance with IAS 24.	___
	Control relationship	
IAS 24.13	Disclose the name of the parent and the ultimate controlling party, if different.	___
IAS 1.138(c)	Disclose the name of the ultimate parent of the group, if not disclosed elsewhere in information published within the financial statements.	___
IAS 24.13	If neither the entity's parent nor the ultimate controlling party produces consolidated financial statements available for public use, then disclose the name of the next most senior parent that does so.	___
IAS 24.13–14	Disclose related party relationships between parent and subsidiaries irrespective of whether transactions have taken place between those related parties.	___
IAS 24.19(a)	**Transactions with parent**	
IAS 24.18–19	Disclose the following regarding transactions with this related party (i.e. do not combine with disclosure for other categories of related parties):	
	a. the nature of the related party relationship; and	___
	b. information about the transactions and outstanding balances, including commitments, necessary for an understanding of the potential effect of the relationship on the financial statements.	___
IAS 24.18–19	At a minimum, disclose for this related party (i.e. do not combine with disclosure for other category of related parties):	

IAS 24.18(a) a. the amount of the transactions;
IAS 24.18(b) b. the amount of outstanding balances, including commitments, and:
IAS 24.18(b)(i) i. their terms and conditions, including whether they are secured, and the nature of the consideration to be provided in settlement; and
IAS 24.18(b)(ii) ii. details of any guarantees given or received;
IAS 24.18(c) c. provisions for doubtful debts related to the amount of outstanding balances; and
IAS 24.18(d) d. the expense recognised during the period in respect of bad or doubtful debts due from this related party.

Insights 5.5.30.40 *Although a branch is not formally defined in the Accounting Standards, in our experience it is generally understood to be an extension of an entity's activities. In our view, if a branch of an entity prepares its own financial statements, then it should disclose related party transactions and relationships, including those with its head office.*

IAS 24.19(b)

Transactions with entities with joint control of or significant influence over the entity

IAS 24.18–19 Disclose the following regarding transactions with this related party (i.e. do not combine with disclosure for other category of related parties):
a. the nature of the related party relationships; and
b. information about the transactions and outstanding balances, including commitments, necessary for an understanding of the potential effect of the relationship on the financial statements.

IAS 24.18–19 At a minimum, disclose for this related party (i.e. do not combine with disclosure for other category of related parties):
IAS 24.18(a) a. the amount of the transactions;
IAS 24.18(b) b. the amount of outstanding balances, including commitments, and:
IAS 24.18(b)(i) i. their terms and conditions, including whether they are secured, and the nature of the consideration to be provided in settlement; and
IAS 24.18(b)(ii) ii. details of any guarantees given or received;
IAS 24.18(c) c. provisions for doubtful debts related to the amount of outstanding balances; and
IAS 24.18(d) d. the expense recognised during the period in respect of bad or doubtful debts due from this related party.

IAS 24.19(c)

Transactions with subsidiaries

IAS 24.18–19 Disclose the following regarding transactions with this related party (i.e. do not combine with disclosure for other category of related parties):
a. the nature of the related party relationship; and
b. information about the transactions and outstanding balances, including commitments, necessary for an understanding of the potential effect of the relationship on the financial statements.

IAS 24.18–19 At a minimum, disclose for this related party (i.e. do not combine with disclosure for other category of related parties):
IAS 24.18(a) a. the amount of the transactions;
IAS 24.18(b) b. the amount of outstanding balances, including commitments, and:
IAS 24.18(b)(i) i. their terms and conditions, including whether they are secured, and the nature of the consideration to be provided in settlement; and
IAS 24.18(b)(ii) ii. details of any guarantees given or received;
IAS 24.18(c) c. provisions for doubtful debts related to the amount of outstanding balances; and
IAS 24.18(d) d. the expense recognised during the period in respect of bad or doubtful debts due from this related party.

Insights 5.10.290.60	*Related party transactions and balances between an investment entity and its unconsolidated subsidiaries are disclosed in the investment entity's financial statements.*

IAS 24.19(d)

Transactions with associates

IAS 24.18–19	Disclose the following regarding transactions with this related party (i.e. do not combine with disclosure for other category of related parties):
	a. the nature of the related party relationship; and
	b. information about the transactions and outstanding balances, including commitments, necessary for an understanding of the potential effect of the relationship on the financial statements.
IAS 24.18–19	At a minimum, disclose for this related party (i.e. do not combine with disclosure for other category of related parties):
IAS 24.18(a)	a. the amount of the transactions;
IAS 24.18(b)	b. the amount of outstanding balances, including commitments, and:
IAS 24.18(b)(i)	i. their terms and conditions, including whether they are secured, and the nature of the consideration to be provided in settlement; and
IAS 24.18(b)(ii)	ii. details of any guarantees given or received;
IAS 24.18(c)	c. provisions for doubtful debts related to the amount of outstanding balances; and
IAS 24.18(d)	d. the expense recognised during the period in respect of bad or doubtful debts due from this related party.

IAS 24.19(e)

Transactions with joint ventures in which the entity is a joint venturer

IAS 24.18–19	Disclose the following regarding transactions with this related party (i.e. do not combine with disclosure for other category of related parties):
	a. the nature of the related party relationship; and
	b. information about the transactions and outstanding balances, including commitments, necessary for an understanding of the potential effect of the relationship on the financial statements.
IAS 24.18–19	At a minimum, disclose for this related party (i.e. do not combine with disclosure for other category of related parties):
IAS 24.18(a)	a. the amount of the transactions;
IAS 24.18(b)	b. the amount of outstanding balances, including commitments, and:
IAS 24.18(b)(i)	i. their terms and conditions, including whether they are secured, and the nature of the consideration to be provided in settlement; and
IAS 24.18(b)(ii)	ii. details of any guarantees given or received;
IAS 24.18(c)	c. provisions for doubtful debts related to the amount of outstanding balances; and
IAS 24.18(d)	d. the expense recognised during the period in respect of bad or doubtful debts due from this related party.
Insights 5.5.120.30	*In the consolidated financial statements, intra-group transactions and the profit on transactions with associates or joint ventures to the extent of the investor's interest are eliminated. In our view, a reporting entity should disclose the portions of transactions with associates and joint ventures that are not eliminated in applying equity accounting.*

IAS 24.19(f)

Transactions with key management personnel of the entity or its parent

IAS 24.18–19

Disclose the following regarding transactions with this related party (i.e. do not combine with disclosure for other category of related parties):

a. the nature of the related party relationship; and
b. information about the transactions and outstanding balances, including commitments, necessary for an understanding of the potential effect of the relationship on the financial statements.

IAS 24.18–19

At a minimum, disclose for this related party (i.e. do not combine with disclosure for other category of related parties):

IAS 24.18(a) a. the amount of the transactions;
IAS 24.18(b) b. the amount of outstanding balances, including commitments, and:
IAS 24.18(b)(i) i. their terms and conditions, including whether they are secured, and the nature of the consideration to be provided in settlement; and
IAS 24.18(b)(ii) ii. details of any guarantees given or received;
IAS 24.18(c) c. provisions for doubtful debts related to the amount of outstanding balances; and
IAS 24.18(d) d. the expense recognised during the period in respect of bad or doubtful debts due from this related party.

IAS 24.18A

Disclose amounts incurred for the provision of key management personnel services that are provided by a separate management entity.

IAS 24.17, 19.25

In addition, disclose key management personnel compensation of the entity (not parent) in total and for each of the following categories:

IAS 24.17(a) a. short-term employee benefits;
IAS 19.151(b), 24.17(b) b. post-employment benefits, including contributions to defined contribution plans;
IAS 24.17(c) c. other long-term benefits;
IAS 24.17(d) d. termination benefits; and
IAS 24.17(e) e. share-based payments.

IAS 24.17A

If the entity obtains key management personnel services from another entity (the 'management entity'), the entity is not required to apply the requirements in IAS 24.17 to the compensation paid or payable by the management entity to the management entity's employees or directors.

Insights 5.5.110.10

In our experience, disclosure of key management personnel compensation is generally aggregated rather than presented separately for each person unless it is otherwise required – e.g. by local statutory or regulatory requirements.

Insights 5.5.110.20

In our view, materiality considerations cannot be used to override the explicit requirements for the disclosure of elements of key management personnel compensation. We believe that the nature of the key management personnel compensation always makes it qualitatively material.

Insights 5.5.110.40

Payments by an entity may relate to services provided to third parties, and not to the paying entity. If a reporting entity acts as an agent and makes payments to a party on behalf of another party, then in our view the reporting entity is required to disclose only compensation paid as consideration for services provided to the reporting entity.

Insights 5.5.110.110

For insurance entities, in our view disclosures should include the insurance cover provided to key management personnel by the reporting entity.

IAS 19.151(a)	**Transactions with post-employment benefit plans**	
IAS 24.18–19	Disclose the following regarding transactions with this related party (i.e. do not combine with disclosure for other category of related parties):	
	a. the nature of the related party relationships; and	______
	b. information about the transactions and outstanding balances, including commitments, necessary for an understanding of the potential effect of the relationship on the financial statements.	______
IAS 24.18–19	At a minimum, disclose for this related party (i.e. do not combine with disclosure for other category of related parties):	
IAS 24.18(a)	a. the amount of the transactions;	______
IAS 24.18(b)	b. the amount of outstanding balances, including commitments, and:	
IAS 24.18(b)(i)	i. their terms and conditions, including whether they are secured, and the nature of the consideration to be provided in settlement; and	______
IAS 24.18(b)(ii)	ii. details of any guarantees given or received;	______
IAS 24.18(c)	c. provisions for doubtful debts related to the amount of outstanding balances; and	______
IAS 24.18(d)	d. the expense recognised during the period in respect of bad or doubtful debts due from this related party.	______
IAS 24.19(g)	**Transactions with other related parties**	
IAS 24.18–19	Disclose the following regarding transactions with this related party (i.e. do not combine with disclosure for other category of related parties):	
	a. the nature of the related party relationships; and	______
	b. information about the transactions and outstanding balances including commitments necessary for an understanding of the potential effect of the relationship on the financial statements.	______
IAS 24.18–19	At a minimum, disclose for this related party (i.e. do not combine with disclosure for other category of related parties):	
IAS 24.18(a)	a. the amount of the transactions;	______
IAS 24.18(b)	b. the amount of outstanding balances, including commitments, and:	
IAS 24.18(b)(i)	i. their terms and conditions, including whether they are secured, and the nature of the consideration to be provided in settlement; and	______
IAS 24.18(b)(ii)	ii. details of any guarantees given or received;	______
IAS 24.18(c)	c. provisions for doubtful debts related to the amount of outstanding balances; and	______
IAS 24.18(d)	d. the expense recognised during the period in respect of bad or doubtful debts due from this related party.	______
	Government-related entities	
IAS 24.26	If the entity applies the exemption in IAS 24.25, then disclose the following about the transactions and related outstanding balances referred to in IAS 24.25:	
IAS 24.26(a)	a. the name of the government and the nature of its relationship with the entity (i.e. control, joint control or significant influence); and	______
IAS 24.26(b)	b. the following information in sufficient detail to enable users of the entity's financial statements to understand the effect of related party transactions on its financial statements:	
	i. the nature and amount of each individually significant transaction; and	______
	ii. for other transactions that are collectively, but not individually, significant, a qualitative or quantitative indication of their extent.	______

Insights 5.5.130.150 *An entity that qualifies for the partial exemption [in IAS 24.25] is required to disclose the name of the related government and the nature of its relationship to it. This disclosure relates to the basis on which the entity considers itself to be government-related, being the same basis on which it judges whether other entities are related to it by virtue of being related to that same government. In our view, the disclosure should therefore focus on identifying the highest level of government that has control, joint control or significant influence over the entity. In our experience, judgement may be required when identifying the relevant government when the entity operates in a country with multiple levels of government.*

4.7 Investment entities

Investment entity status

IFRS 12.9A If a parent determines that it is an investment entity in accordance with IFRS 10.27, then disclose information about significant judgements and assumptions made in determining that it is an investment entity.

IFRS 12.9A If an investment entity does not have one or more of the typical characteristics of an investment entity (see IFRS 10.28), then disclose the reasons for concluding that it is nevertheless an investment entity.

IFRS 12.9B If the entity becomes, or ceases to be, an investment entity, then disclose:

a. the change of investment entity status; and
b. the reasons for the change.

IFRS 12.9B If the entity becomes an investment entity then disclose the effect of the change of status on the financial statements for the period presented, including:

IFRS 12.9B(a) a. the total fair value, as of the date of change of status, of the subsidiaries that cease to be consolidated;
IFRS 12.9B(b) b. the total gain or loss, if any, calculated in accordance with IFRS 10.B101; and
IFRS 12.9B(c) c. the line item(s) in profit or loss in which the gain or loss is recognised (if not presented separately).

Interests in unconsolidated subsidiaries (investment entities)

IFRS 12.19A If an investment entity is in accordance with IFRS 10, required to apply the exception to consolidation and instead account for its investment in a subsidiary at FVTPL then disclose that fact.

IFRS 12.19B For each unconsolidated subsidiary disclose:

IFRS 12.19B(a) a. the subsidiary's name;
IFRS 12.19B(b) b. the principal place of business (and country of incorporation if different from the principal place of business) of the subsidiary; and
IFRS 12.19B(c) c. the proportion of ownership interest held by the investment entity and, if different, the proportion of voting rights held.

IFRS 12.19C If an investment entity is the parent of another investment entity, then the parent also provides the disclosures in IFRS 12.19B(a)–(c) for investments that are controlled by its investment entity subsidiary. The disclosure may be provided by including, in the financial statements of the parent, the financial statements of the subsidiary (or subsidiaries) that contain the above information.

IFRS 12.19D	Disclose:	
IFRS 12.19D(a)	a. the nature and extent of any significant restrictions (e.g. resulting from borrowing arrangements, regulatory requirements or contractual arrangements) on the ability of an unconsolidated subsidiary to transfer funds to the investment entity in the form of cash dividends or to repay loans or advances made to the unconsolidated subsidiary by the investment entity; and	
IFRS 12.19D(b)	b. any current commitments or intentions to provide financial or other support to an unconsolidated subsidiary, including commitments or intentions to assist the subsidiary in obtaining financial support.	
IFRS 12.19E	If, during the reporting period, an investment entity or any of its subsidiaries has, without having a contractual obligation to do so, provided financial or other support to an unconsolidated subsidiary (e.g. purchasing assets of, or instruments issued by, the subsidiary or assisting the subsidiary in obtaining financial support), then the entity discloses:	
IFRS 12.19E(a)	a. the type and amount of support provided to each unconsolidated subsidiary; and	
IFRS 12.19E(b)	b. the reasons for providing the support.	
IFRS 12.19F	Disclose the terms of any contractual arrangements that could require the investment entity or its unconsolidated subsidiaries to provide financial support to an unconsolidated, controlled, structured entity, including events or circumstances that could expose the reporting entity to a loss (e.g. liquidity arrangements or credit rating triggers associated with obligations to purchase assets of the structured entity or to provide financial support).	
IFRS 12.19G	If during the reporting period an investment entity or any of its unconsolidated subsidiaries has, without having a contractual obligation to do so, provided financial or other support to an unconsolidated, structured entity that the investment entity did not control, and if that provision of support resulted in the investment entity controlling the structured entity, then the investment entity discloses an explanation of the relevant factors in reaching the decision to provide that support.	
IFRS 12.25A	An investment entity need not provide the disclosures required by IFRS 12.24 for an unconsolidated structured entity that it controls and for which it presents the disclosures required by IFRS 12.19A–19G.	
Insights 5.10.290.50	*Investment entities apply the disclosure requirements set out in IFRS 7 and IFRS 13 to investees that are measured at FVTPL.*	
Insights 5.10.290.60	*Related party transactions and balances between an investment entity and its unconsolidated subsidiaries are disclosed in the investment entity's financial statements.*	

Separate financial statements

IAS 27.8A	An investment entity that is required, throughout the current period and all comparative periods presented, to apply the exception to consolidation for all of its subsidiaries in accordance with IFRS 10.31 presents separate financial statements as its only financial statements.	

IAS 27.16A	If an investment entity is a parent (other than a parent covered by IAS 27.16) and prepares, in accordance with IAS 27.8A, separate financial statements as its only financial statements, then:
	a. disclose that fact; and
	b. present the disclosures relating to investment entities required by IFRS 12.

4.8 Insurance contracts

IFRS 17 Insurance Contracts applies to all insurance contracts (including reinsurance contracts) that the entity issues and to reinsurance contracts it holds, except for specified contracts covered by other accounting standards. It also applies to investment contracts with discretionary participation features issued by entities if the entity also issues insurance contracts. IFRS 17 focuses on types of contracts rather than types of entities. Therefore, it applies to both entities regulated as insurance entities and all other entities.

Information to be presented in the statement of financial position

IAS 1.54, IFRS 17.78	Include in the statement of financial position line items that present separately the carrying amounts of portfolios of:
IFRS 17.78(a), IAS 1.54(da)	a. insurance contracts issued that are assets;
IFRS 17.78(b), IAS 1.54(ma)	b. insurance contracts issued that are liabilities;
IFRS 17.78(c), IAS 1.54(da)	c. reinsurance contracts held that are assets; and
IFRS 17.78(d), IAS 1.54(ma)	d. reinsurance contracts held that are liabilities.

Information to be presented in the statement of profit or loss and OCI

IAS 1.82, IFRS 17.80, 82	Include in the statement of profit or loss line items that present the following amounts for the period:
IFRS 17.80(a), 83	a. insurance service result, comprising:
IAS 1.82(a)(ii)	i. insurance revenue; and
IFRS 17.84, IAS 1.82(ab)	ii. insurance service expenses from contracts issued within the scope of IFRS 17;
IFRS 17.82, IAS 1.82(ac)	b. income or expenses from reinsurance contracts held;
IFRS 17.80(b), IAS 1.82(bb)	c. insurance finance income or expenses from contracts issued within the scope of IFRS 17; and
IAS 1.82(bc)	d. finance income or expenses from reinsurance contracts held.
IFRS 17.86	Present income or expenses from a group of reinsurance contracts held, other than insurance finance income or expenses, as a single amount or present separately the amounts recovered from the reinsurer and an allocation of the premiums paid that together give a net amount equal to that single amount.

Insights 8.1.400.100	*Entities may expect to pay or receive amounts in fulfilling a reinsurance contract held that are not due to or recovered from the reinsurer but are within the contract boundary of the related group of reinsurance contracts held. A possible example is the cost of administering a reinsurance programme. The accounting standard does not provide further guidance on where to present the related income or expense. Therefore, it appears that an entity should choose an accounting policy, to be applied consistently, to determine how to present the income or expense related to such cash flows that are part of income or expense from reinsurance contracts held when that total amount is disaggregated between amounts recoverable from the reinsurer and an allocation of premiums paid. We believe that an entity can:*
	• *present the related income or expense amounts as part of either:*
	- *the allocation of premiums paid; or*
	- *the amounts recoverable from reinsurers;*
	• *allocate them between these two line items; or*
	• *present them as a separate component of income or expense from reinsurance contracts held.*
Insights 8.1.400.32	*Some entities manage their business using metrics aligned to insurance revenue less the allocation of premiums paid to reinsurers and to insurance service expenses less amounts recovered from reinsurers. It appears that such a presentation is not permitted in the statement of profit or loss and OCI because in this case the allocation of premiums paid would be presented as a reduction in insurance revenue, which is prohibited. We believe that an entity can disclose such an analysis in the notes to the financial statements to supplement the information in the statement of profit or loss and OCI.*

Disclosure objective

IFRS 17.93	Disclose information in the notes that, together with information presented in the statement of financial position, statement(s) of financial performance and statement of cash flows, provides a basis for users of financial statements to assess the effect that contracts within the scope of IFRS 17 have on the financial position, financial performance and cash flows. To achieve this objective, disclose qualitative and quantitative information about:
IFRS 17.93(a)	a. the amounts recognised in its financial statements for contracts within the scope of IFRS 17 (IFRS 17.97–116);
IFRS 17.93(b)	b. the significant judgements, and changes in those judgements, made when applying IFRS 17 (IFRS 17.117–120); and
IFRS 17.93(c)	c. the nature and extent of the risks from contracts within the scope of IFRS 17 (IFRS 17.121–132).
IFRS 17.94	Disclose additional information necessary to meet the disclosure objective in IFRS 17.93, if the disclosures provided throughout this section are not enough to meet that objective.
IAS 1.29–31, IFRS 17.95–96	Aggregate or disaggregate information so that useful information is not obscured either by the inclusion of a large amount of insignificant detail or by the aggregation of items that have different characteristics. Examples of aggregation bases that might be appropriate for disclosure purposes include the following:

a. type of contract (e.g. major product lines);
b. geographical area (e.g. country or region); or
c. reportable segment, as defined in IFRS 8.

Explanation of recognised amounts

Reconciliations – General requirements

IFRS 17.98

Disclose, separately for insurance contracts issued and reinsurance contracts held, reconciliations that depict how the net carrying amounts of contracts within the scope of IFRS 17 changed during the period arising from cash flows and amounts recognised in the statement(s) of financial performance. The requirements of IFRS 17.100–109 are adapted to reflect the features of reinsurance contracts held that differ from insurance contracts issued.

Insights 8.1.460.60

An entity is required to adapt the disclosure requirements of IFRS 17.100–109 to reflect the features of reinsurance contracts held that differ from insurance contracts issued. The accounting standard does not prescribe how the disclosure requirements should be adapted if the entity elects to present income or expenses from a group of reinsurance contracts as a single amount (see IFRS 17.86). It appears that if an entity chooses to present the income or expenses from a group of reinsurance contracts held as a single amount, then it should disclose separately the amounts recovered from reinsurers and the allocation of premiums paid in the reconciliations and disclosures discussed in IFRS 17.100–109, where relevant. We believe that separate presentation of income and expenses for reinsurance contracts held is necessary to adapt the disclosures for insurance contracts issued.

IFRS 17.99(b)

For each reconciliation present the net carrying amounts at the beginning and at the end of the period, disaggregated into a total for portfolios of contracts that are assets and a total for portfolios of contracts that are liabilities, that equal the amounts presented in the statement of financial position.

Disclosures applicable to contracts to which the premium allocation approach has not been applied

IFRS 17.100 Disclose reconciliations from the opening to the closing balances separately for:

IFRS 17.100(a) a. the net liabilities (or assets) for the remaining coverage component, excluding any loss component;

IFRS 17.100(b) b. any loss component; and

IFRS 17.100(c) c. the liabilities for incurred claims.

IFRS 17.103 Separately disclose in the reconciliation required by IFRS 17.100 each of the following amounts, if applicable:

IFRS 17.103(a) a. insurance revenue;

IFRS 17.103(b) b. insurance service expenses, showing separately:

IFRS 17.103(b)(i) i. incurred claims (excluding investment components) and other incurred insurance service expenses;

IFRS 17.103(b)(ii) ii. amortisation of insurance acquisition cash flows;

IFRS 17.103(b)(iii) iii. changes that relate to past service – i.e. changes in fulfilment cash flows relating to the liability for incurred claims; and

IFRS 17.103(b)(iv) iv. changes that relate to future service – i.e. losses on onerous groups of contracts and reversals of such losses; and

IFRS 17.103(c) c. investment components excluded from insurance revenue and insurance service expenses, combined with refunds of premiums unless these refunds of premiums are presented as part of the cash flows in the period described in paragraph 105(a)(i).

IFRS 17.105	To complete the reconciliation required by IFRS 17.100, also disclose, in tabular format, separately each of the following amounts not related to services provided in the period, if applicable:	
IFRS 17.105(a)	a. cash flows in the period, including:	
IFRS 17.105(a)(i)	i. premiums received for insurance contracts issued (or paid for reinsurance contracts held);	
IFRS 17.105(a)(ii)	ii. insurance acquisition cash flows; and	
IFRS 17.105(a)(iii)	iii. incurred claims paid and other insurance service expenses paid for insurance contracts issued (or recovered under reinsurance contracts held), excluding insurance acquisition cash flows;	
IFRS 17.105(b)	b. the effect of changes in the risk of non-performance by the issuer of reinsurance contracts held;	
IFRS 17.105(c)	c. insurance finance income or expenses; and	
IFRS 17.105(d)	d. any additional line items that may be necessary to understand the change in the net carrying amount of the insurance contracts.	
IFRS 17.101	Disclose reconciliations from the opening to the closing balances, in tabular format, separately for:	
IFRS 17.101(a)	a. the estimates of the present value of the future cash flows;	
IFRS 17.101(b)	b. the risk adjustment for non-financial risk; and	
IFRS 17.101(c)	c. the contractual service margin.	
IFRS 17.104	Separately disclose in the reconciliations required by IFRS 17.101 each of the following amounts, if applicable:	
IFRS 17.104(a)	a. changes that relate to future service, showing separately:	
IFRS 17.104(a)(i)	i. changes in estimates that adjust the contractual service margin;	
IFRS 17.104(a)(ii)	ii. changes in estimates that do not adjust the contractual service margin – i.e. losses on groups of onerous contracts and reversals of such losses; and	
IFRS 17.104(a)(iii)	iii. the effects of contracts initially recognised in the period;	
IFRS 17.104(b)	b. changes that relate to current service – i.e.:	
IFRs 17.104(b)(i)	i. the amount of the contractual service margin recognised in profit or loss to reflect the transfer of services;	
IFRS 17.104(b)(ii)	ii. the change in the risk adjustment for non-financial risk that does not relate to future service or past service; and	
IFRS 17.104(b)(iii)	iii. experience adjustments excluding amounts relating to the risk adjustment for non-financial risk included in (ii); and	
IFRS 17.104(c)	c. changes that relate to past service – i.e. changes in fulfilment cash flows relating to incurred claims.	
IFRS 17.105	To complete the reconciliation required by IFRS 17.101, also disclose, in tabular format, separately each of the following amounts not related to services provided in the period, if applicable:	
IFRS 17.105(a)	a. cash flows in the period, including:	
IFRS 17.105(a)(i)	i. premiums received for insurance contracts issued (or paid for reinsurance contracts held);	
IFRS 17.105(a)(ii)	ii. insurance acquisition cash flows; and	
IFRS 17.105(a)(iii)	iii. incurred claims paid and other insurance service expenses paid for insurance contracts issued (or recovered under reinsurance contracts held), excluding insurance acquisition cash flows;	
IFRS 17.105(b)	b. the effect of changes in the risk of non-performance by the issuer of reinsurance contracts held;	
IFRS 17.105(c)	c. insurance finance income or expenses; and	
IFRS 17.105(d)	d. any additional line items that may be necessary to understand the change in the net carrying amount of the insurance contracts.	

IFRS 17.105A	Disclose a reconciliation from the opening to the closing balance of assets for insurance acquisition cash flows recognised applying IFRS 17.28B. The reconciliation should be aggregated at the same level as the reconciliation for insurance contracts.	
IFRS 17.105B	Separately disclose in the reconciliation required by IFRS 17.105A any impairment losses and reversals of impairment losses recognised for the assets for insurance acquisition cash flows.	
Insights 8.1.460.27	*An entity separately discloses any impairment losses and reversals of impairment losses in the reconciliation from the opening to the closing balance of the asset for insurance acquisition cash flows. It appears that an entity can elect to disclose impairment losses and reversals of impairment losses in separate line items in the reconciliation, or include them in the same line item in the reconciliation. However, we believe that an entity should disclose impairment losses and reversals of impairment losses separately if they would be material to a user's assessment of the effect that insurance contracts have on the entity's financial position, financial performance and cash flows.*	
IFRS 17.109A	Disclose, quantitatively, in appropriate time bands, when the assets for insurance acquisition cash flows are expected to be derecognised.	
IFRS 17.106	Disclose an analysis of the insurance revenue recognised in the period comprising:	
IFRS 17.106(a)	a. the amounts relating to the changes in the liability for remaining coverage that relates to services for which consideration is expected to be received (IFRS 17.B124), separately disclosing:	
IFRS 17.106(a)(i)	i. the insurance service expenses incurred during the period;	
IFRS 17.106(a)(ii)	ii. the change in the risk adjustment for non-financial risk; and	
IFRS 17.106(a)(iii)	iii. the amount of the contractual service margin recognised in profit or loss because of the transfer of services in the period;	
IFRS 17.106(a)(iv)	iv. other amounts, if any, for example experience adjustments for premium receipts other than those that relate to future service; and	
IFRS 17.106(b)	b. the allocation of the portion of the premiums that relate to the recovery of insurance acquisition cash flows.	
IFRS 17.107	Disclose the effect on the statement of financial position separately for insurance contracts issued and reinsurance contracts held that are initially recognised in the period, showing their effect at initial recognition on:	
IFRS 17.107(a)	a. the estimates of the present value of future cash outflows, showing separately the amount of the insurance acquisition cash flows;	
IFRS 17.107(b)	b. the estimates of the present value of future cash inflows;	
IFRS 17.107(c)	c. the risk adjustment for non-financial risk; and	
IFRS 17.107(d)	d. the contractual service margin.	
IFRS 17.108	In the disclosures required by IFRS 17.107, separately disclose amounts resulting from:	
IFRS 17.108(a)	a. contracts acquired from other entities in transfers of insurance contracts or business combinations; and	
IFRS 17.108(b)	b. groups of contracts that are onerous.	

Insights 8.1.460.70	*The accounting standard does not prescribe how the disclosures on the effect of contracts issued during the reporting period (see IFRS 17.107) should be adapted for reinsurance contracts held. The accounting standard requires the disclosure to be disaggregated to show separately any groups of insurance contracts that are onerous on initial recognition. Because reinsurance contracts held cannot be onerous, it appears that an entity can choose an accounting policy, to be applied consistently, to specify whether or not to disaggregate the disclosure further. We believe that an entity is permitted but not required to disaggregate the reconciliation to show reinsurance contracts held:* • *with loss recovery components on initial recognition separately from those without; and/or* • *in a net gain position on initial recognition separately from those in a net cost position on initial recognition.*
IFRS 17.109	Disclose, separately for insurance contracts issued and reinsurance contracts held when the contractual service margin remaining at the end of the reporting period in profit or loss is expected to be recognised, quantitatively, in appropriate time bands.

Disclosures applicable to contracts to which the premium allocation approach has been applied

IFRS 17.97	Disclose:
IFRS 17.97(a)	a. which of the criteria in IFRS 17.53 and IFRS 17.69 have been satisfied in order to apply the premium allocation approach;
IFRS 17.97(b)	b. whether adjustments for the time value of money and the effect of financial risk are made applying IFRS 17.56, 57(b) and 59(b); and
IFRS 17.97(c)	c. the method chosen to recognise insurance acquisition cash flows (IFRS 17.59(a)).
IFRS 17.100	Disclose reconciliations from the opening to the closing balances separately for:
IFRS 17.100(a)	a. the net liabilities (or assets) for the remaining coverage component, excluding any loss component;
IFRS 17.100(b)	b. any loss component; and
IFRS 17.100(c)	c. the liabilities for incurred claims. Disclose separate reconciliations for:
IFRS 17.100(c)(i)	i. the estimates of the present value of the future cash flows; and
IFRS 17.100(c)(ii)	ii. the risk adjustment for non-financial risk.
IFRS 17.103	Separately disclose in the reconciliation required by IFRS 17.100 each of the following amounts, if applicable:
IFRS 17.103(a)	a. insurance revenue;
IFRS 17.103(b)	b. insurance service expenses, showing separately:
IFRS 17.103(b)(i)	i. incurred claims (excluding investment components) and other incurred insurance service expenses;
IFRS 17.103(b)(ii)	ii. amortisation of insurance acquisition cash flows;
IFRS 17.103(b)(iii)	iii. changes that relate to past service – i.e. changes in fulfilment cash flows relating to the liability for incurred claims; and
IFRS 17.103(b)(iv)	iv. changes that relate to future service – i.e. losses on onerous groups of contracts and reversals of such losses; and
IFRS 17.103(c)	c. investment components excluded from insurance revenue and insurance service expenses, combined with refunds of premiums unless these refunds of premiums are presented as part of the cash flows in the period described in paragraph 105(a)(i).

IFRS 17.105 To complete the reconciliation required by IFRS 17.100, also disclose, in tabular format, separately each of the following amounts not related to services provided in the period, if applicable:

IFRS 17.105(a) a. cash flows in the period, including:

IFRS 17.105(a)(i) i. premiums received for insurance contracts issued (or paid for reinsurance contracts held);

IFRS 17.105(a)(ii) ii. insurance acquisition cash flows; and

IFRS 17.105(a)(iii) iii. incurred claims paid and other insurance service expenses paid for insurance contracts issued (or recovered under reinsurance contracts held), excluding insurance acquisition cash flows;

IFRS 17.105(b) b. the effect of changes in the risk of non-performance by the issuer of reinsurance contracts held;

IFRS 17.105(c) c. insurance finance income or expenses; and

IFRS 17.105(d) d. any additional line items that may be necessary to understand the change in the net carrying amount of the insurance contracts.

IFRS 17.105A Disclose a reconciliation from the opening to the closing balance of assets for insurance acquisition cash flows recognised applying IFRS 17.28B. The information reconciliation should be aggregated at the same level as the reconciliation for insurance contracts.

IFRS 17.105B Separately disclose in the reconciliation required by IFRS 17.105A any impairment losses and reversals of impairment losses recognised for the assets for insurance acquisition cash flows.

Insights 8.1.460.27 *An entity separately discloses any impairment losses and reversals of impairment losses in the reconciliation from the opening to the closing balance of the asset for insurance acquisition cash flows. It appears that an entity can elect to disclose impairment losses and reversals of impairment losses in separate line items in the reconciliation, or include them in the same line item in the reconciliation. However, we believe that an entity should disclose impairment losses and reversals of impairment losses separately if they would be material to a user's assessment of the effect that insurance contracts have on the entity's financial position, financial performance and cash flows.*

IFRS 17.109A Disclose, quantitatively, in appropriate time bands, when the assets for insurance acquisition cash flows are expected to be derecognised.

Insurance finance income or expenses

IFRS 17.110 Disclose and explain the total amount of insurance finance income or expenses in the reporting period. In particular, explain the relationship between insurance finance income or expenses and the investment return on assets, to enable users to evaluate the sources of finance income or expenses recognised in profit or loss and OCI.

For direct participating contracts:

IFRS 17.111 a. describe the composition of the underlying items and disclose their fair value;

IFRS 17.112 b. if the contractual service margin is not adjusted for some changes in the fulfilment cash flows (applying IFRS 17.B115), disclose the effect of that choice on the adjustment to the contractual service margin in the current period; and

IFRS 17.113	c. if the basis of disaggregation of insurance finance income or expenses between profit or loss and OCI changes (applying IFRS 17.B135) – in the period when the change in approach occurred, disclose:
IFRS 17.113(a)	i. the reason why the change to the basis of disaggregation was required;
IFRS 17.113(b)	ii. the amount of any adjustment for each financial statement line item affected; and
IFRS 17.113(c)	iii. the carrying amount of the group of insurance contracts to which the change applied at the date of the change.
Insights 8.1.345.50	*Exchange differences under IAS 21 may arise on settlement of monetary items or on translation of monetary items at rates different from those at which they were translated on initial recognition. Because insurance contracts are treated as monetary items, exchange differences on changes in the carrying amounts of groups of insurance contracts are generally recognised in profit or loss. However, if an entity has chosen an accounting policy to disaggregate insurance finance income or expense between profit or loss and OCI (see IFRS 17.88-89), then exchange differences on changes in the carrying amount of insurance contracts that are included in OCI are also included in OCI, in accordance with the guidance in IFRS 17.92. Although IAS 21 requires an entity to disclose the amount of exchange differences recognised in profit or loss, it does not specify the line item in which they should be presented (see IAS 21.52). Accordingly, it appears that an entity may present exchange differences recognised in profit or loss in accordance with IAS 21 as part of insurance finance income or expense – because they relate to financial risk on insurance contracts – or in a different line item.*

Transition amounts

IFRS 17.114	To enable users of financial statements to identify the effect of groups of insurance contracts measured at the transition date applying the modified retrospective approach (see IFRS 17.C6–C19A) or the fair value approach (IFRS 17.C20–C24B) on the contractual service margin and insurance revenue in subsequent periods, disclose the reconciliation required by IFRS 17.101(c) and the amount of insurance revenue required by IFRS 17.103(a), separately for:
IFRS 17.114(a)	a. insurance contracts that existed at the transition date, to which the modified retrospective approach has been applied;
IFRS 17.114(b)	b. insurance contracts that existed at the transition date, to which the fair value approach has been applied; and
IFRS 17.114(c)	c. all other insurance contracts.
IFRS 17.115	For all periods in which the disclosures are made applying IFRS 17.114(a)–(b) above, disclose how the measurement of insurance contracts at the transition date was determined to enable users of financial statements to understand the nature and significance of the methods used and judgements applied in determining the transition amounts.
IFRS 17.116	For all periods in which amounts of insurance finance income or expense are disaggregated between profit or loss and OCI, and the specific transition requirements to determine the amount accumulated in OCI on the date of transition is applied (IFRS 17.C18(b), C19(b), C24(b) and C24(c)), disclose a reconciliation from the opening to the closing balance of the cumulative amounts included in OCI for financial assets measured at FVOCI related to the groups of insurance contracts for all periods in which amounts still exist.

Significant judgements in applying IFRS 17

IFRS 17.117 Disclose the significant judgements and changes in judgements made in applying IFRS 17. Specifically, disclose the inputs, assumptions and estimation techniques used, including:

IFRS 17.117(a) a. the methods used to measure insurance contracts in the scope of IFRS 17 and the processes for estimating the inputs to those methods. Disclose quantitative information about the inputs, unless impracticable;

IFRS 17.117(b) b. any changes in the methods and processes for estimating inputs used to measure those contracts, the reason for each change, and the type of contracts affected; and

IFRS 17.117(c) c. the approach used:

IFRS 17.117(c)(i) i. to distinguish changes in estimates of future cash flows arising from the exercise of discretion from other changes in estimates of future cash flows for contracts without direct participation features (see IFRS 17.B98);

IFRS 17.81, 117(c)(ii) ii. to determine the risk adjustment for non-financial risk, including whether changes in the risk adjustment for non-financial risk are disaggregated into an insurance service component and an insurance finance component or are presented in full in the insurance service result;

IFRS 17.117(c)(iii) iii. to determine discount rates;

IFRS 17.117(c)(iv) iv. to determine investment components; and

IFRS 17.117(c)(v) v. to determine the relative weighting of the benefits provided by insurance coverage and investment-return service or by insurance coverage and investment-related service.

IFRS 17.118 If insurance finance income or expenses are disaggregated into amounts presented in profit or loss and amounts presented in OCI (applying IFRS 17.88(b) or 89(b)), disclose an explanation of the methods used to determine the insurance finance income or expenses recognised in profit or loss.

IFRS 17.119 Disclose the confidence level used to determine the risk adjustment for non-financial risk. If a technique other than the confidence level technique is used for determining the risk adjustment for non-financial risk, disclose the technique used and the confidence level that corresponds to the results of that technique.

Insights 8.1.470.31 *Some entities may wish to disclose confidence levels at a level of granularity lower than that of the reporting entity as a whole (e.g. by portfolio, product type, business unit and/or geographical region). In these cases, a question arises about whether an entity is also required to disclose a single reporting entity confidence level in addition to disclosing confidence levels at a lower level of granularity. It appears that an entity should apply judgement, based on the specific facts and circumstances, to determine whether a reporting entity-level disclosure is required. Considerations that may be relevant in making this determination include the following:*

- *the extent to which users might require an entity-level disclosure to benchmark the entity's financial performance against that of other entities and to understand how the entity's assessment of risk might differ from that of other entities;*
- *the size of the entity's insurance business compared with its other activities;*
- *the size of components for which individual confidence levels are disclosed relative to the entity's total insurance business (e.g. whether a particular component represents a large part of the entity's insurance business); and*

- *the extent of risk diversification between the different components for which individual confidence levels are disclosed.*

Insights 8.1.470.32

Generally, the confidence level disclosed should be a specific percentage stated to an appropriate degree of precision. It appears that it may be appropriate to disclose a range of percentages in limited circumstances. We believe that disclosing a range may be appropriate when:

- *disclosing individual confidence levels for multiple components would result in useful information being obscured by the inclusion of a large amount of insignificant detail (i.e. for summarisation); or*
- *the nominal amount of the risk adjustment can be represented by multiple percentage confidence levels.*

Insights 8.1.470.37

Although an entity is required to disclose the actual confidence level or other technique used to determine the risk adjustment, the accounting standard does not discuss whether and how to reflect reinsurance contracts held in the confidence level disclosures described in IFRS 17.119. These disclosures might be provided for groups of insurance contracts issued, groups of reinsurance contracts held, an aggregate of groups of insurance contracts issued and reinsurance contracts held, or a combination of these bases. It appears that the accounting standard does not mandate a single basis to use for these confidence level disclosures. Therefore, different bases may be used. We believe that an entity should apply judgement to determine an appropriate basis for the disclosure, considering the disclosure objectives of IFRS 17 (see IFRS 17.93). We also believe that an entity should disclose the basis on which the confidence level disclosures are made, to enable users to understand them and enhance comparability with other entities.

IFRS 17.120

Disclose the yield curve (or range of yield curves) used to discount cash flows that do not vary based on the returns on underlying items. If the yield curve is disclosed in aggregate for a number of groups of insurance contracts, provide the disclosures in the form of weighted averages, or relatively narrow ranges.

Nature and extent of risks that arise from contracts within the scope of IFRS 17

General

IFRS 17.121–122

Disclose information that enables users of financial statements to evaluate the nature, amount, timing and uncertainty of future cash flows that arise from contracts within the scope of IFRS 17, focusing on the insurance and financial risks that arise from insurance contracts and how they have been managed. Financial risks typically include, but are not limited to, credit risk, liquidity risk and market risk.

IFRS 17.123

If the information disclosed about the exposure to risk at the end of the reporting period is not representative of its exposure to risk during the period disclose:

a. that fact;
b. the reason why the period-end exposure is not representative; and
c. further information that is representative of its risk exposure during the period.

IFRS 17.126

Disclose information about the effect of the regulatory frameworks in which it operates – e.g. minimum capital requirements or required interest-rate guarantees.

IFRS 17.126 If contracts are included within the same group as a result of law or regulation that specifically constrains the practical ability to set a different price or level of benefits for policyholders with different characteristics (IFRS 17.20), disclose that fact.

IFRS 17.124–125 For each type of risk, disclose:

IFRS 17.124(a), (c) a. the exposures to risks, how they arise and changes in these from the previous period;

IFRS 17.124(b)–(c) b. the objectives, policies and processes for measuring and managing the risks and changes in these from the previous period;

IFRS 17.125(a) c. summary quantitative information about exposure to the risk at the end of the reporting period, based on information provided internally to key management personnel; and

IFRS 17.125(b) d. to the extent not provided by (c) above, the disclosures required by IFRS 17.127–132 (see below).

IFRS 17.127 For all types of risk, disclose information about concentrations of risk arising from contracts in the scope of IFRS 17, including a description of how the concentrations are determined, and a description of the shared characteristic that identifies each concentration – e.g. the type of insured event, industry, geographical area, or currency.

Specific disclosures for insurance and market risks – Sensitivity analysis

Disclose:

IFRS 17.128(a)(i) a. for insurance risk – a sensitivity analysis that shows how profit or loss and equity would have been affected by changes in risk variables that were reasonably possible at the end of the reporting period, showing the effect for insurance contracts issued, before and after risk mitigation by reinsurance contracts held;

IFRS 17.128(a)(ii) b. for each type of market risk, a sensitivity analysis that shows how profit or loss and equity would have been affected by changes in risk variables that were reasonably possible at the end of the reporting period in a way that explains the relationship between the sensitivities to changes in risk exposures arising from insurance contracts and those arising from financial assets held by the entity;

IFRS 17.128(b) c. the methods and assumptions used in preparing the sensitivity analysis; and

IFRS 17.128(c) d. changes from the previous period in the methods and assumptions used in preparing the sensitivity analysis, and the reasons for such changes.

IFRS 17.129 If a sensitivity analysis is prepared that shows how amounts different from those specified in IFRS 17.128(a) are affected by changes in risk variables and that sensitivity analysis is used to manage risks arising from contracts within the scope of IFRS 17, then that sensitivity analysis may be disclosed in place of the analysis specified in IFRS 17.128(a). When applied, also disclose:

IFRS 17.129(a) a. an explanation of the method used in preparing such a sensitivity analysis and of the main parameters and assumptions underlying the information provided; and

IFRS 17.129(b) b. an explanation of the objective of the method used and of any limitations that may result in the information provided.

Specific disclosures for claims development

IFRS 17.130 Disclose actual claims compared with previous estimates of the undiscounted amount of the claims – i.e. claims development. The disclosure starts with the period when the earliest material claim(s) arose and for which there is still uncertainty about the amount and timing of the claims payments at the end of the reporting period. However, the disclosure is not required to start more than 10 years before the end of the reporting period.

IFRS 17.130 The above disclosure is not required for the development of claims for which uncertainty about the amount and timing of the claims payments is typically resolved within one year.

IFRS 17.130 Reconcile the disclosure about claims development with the aggregate carrying amount of the groups of insurance contract liabilities for incurred claims which are disclosed applying IFRS 17.100(c).

Specific disclosures for credit risk

IFRS 17.131 For credit risk that arises from contracts within the scope of IFRS 17, disclose:

IFRS 17.131(a) a. the amount that best represents the maximum exposure to credit risk at the end of the reporting period, separately for insurance contracts issued and reinsurance contracts held; and

IFRS 17.131(b) b. information about the credit quality of reinsurance contracts held that are assets.

Specific disclosures for liquidity risk

IFRS 17.132 For liquidity risk that arises from contracts in the scope of IFRS 17, disclose:

IFRS 17.132(a) a. a description of how the liquidity risk is managed;

IFRS 17.132(b) b. separate maturity analyses for portfolios of insurance contracts issued that are liabilities and portfolios of reinsurance contracts held that are liabilities. As a minimum, show net cash flows of the portfolios for each of the first five years after the reporting date and in aggregate beyond the first five years. This disclosure does not need to include liabilities for remaining coverage measured applying the premium allocation approach. The analyses may be based on estimated timing of the:

IFRS 17.132(b)(i) i. remaining contractual undiscounted net cash flows; or

IFRS 17.132(b)(ii) ii. estimates of the present value of the future cash flows; and

IFRS 17.132(c) c. the amounts that are payable on demand, explaining the relationship between such amounts and the carrying amount of the related portfolios of contracts.

4.9 Extractive activities

IFRS 6.23 Disclose information that identifies and explains the amounts recognised in the financial statements arising from the exploration for and evaluation of mineral resources.

IFRS 6.24(b) Disclose the amounts of assets, liabilities, income and expense and operating and investing cash flows arising from the exploration for and evaluation of mineral resources.

IFRS 6.18

Exploration and evaluation assets are assessed for impairment when facts and circumstances suggest that the carrying amount of an exploration and evaluation asset may exceed its recoverable amount. When facts and circumstances suggest that the carrying amount exceeds the recoverable amount, measure, present and disclose any resulting impairment loss in accordance with IAS 36, except as provided by IFRS 6.21. Applicable disclosures are presented in Chapter 2.8 'Impairment of non-financial assets'.

IFRS 6.25

The entity treats exploration and evaluation assets as a separate class of assets and provides the disclosures required by either IAS 16 or IAS 38 consistent with how the assets are classified (tangible vs intangible). Relevant disclosures are presented in Chapter 2.1 'Property, plant and equipment' and/or in Chapter 2.2 'Intangible assets and goodwill'.

4.10 Common control transactions and Newco formations

Insights 5.13.240.10

In our view, an entity should disclose its accounting policy for common control transactions.

Insights 5.13.240.20

An entity provides additional disclosures in the financial statements if it is necessary for users to understand the effect of specific transactions. In our view, to meet this requirement, sufficient information about common control transactions should be disclosed in the financial statements in order that users can understand the effect thereof.

Insights 5.13.240.30

If fair value accounting is applied, then in our view, for acquisitions of subsidiaries in consolidated financial statements, an entity should provide the disclosures required by IFRS 3 in respect of business combinations. If book value accounting is applied, then we believe that some of these disclosures will still be relevant to users of the financial statements – e.g. the amounts recognised for each class of assets and liabilities acquired, either at the date of the transaction (if comparative information is not re-presented) or at the beginning of the earliest period presented (if comparative information is re-presented).

Insights 5.13.62.10

In our view, in its consolidated financial statements the acquirer is permitted, but not required, to re-present its comparatives and adjust its current reporting period before the date of the transaction as if the combination had occurred before the start of the earliest period presented. However, this restatement should not, in our view, extend to periods during which the entities were not under common control.

5 First-time adoption of IFRS Accounting Standards

5.1 First-time adoption of IFRS Accounting Standards

IFRS 1.20 IFRS 1 does not provide exemptions from the presentation and disclosure requirements in other IFRSs.

IFRS 1.21 To comply with IAS 1, include in the first IFRS financial statements at least three statements of financial position, two statements of profit or loss and OCI, two separate statements of profit or loss (if presented), two statements of cash flows and two statements of changes in equity and related notes, including one year of comparative information under IFRS.

Insights 6.1.1470.20 *In addition to presenting a third statement of financial position as at the date of transition, IFRS 1 also requires the presentation of 'related notes'. In our view, this requirement should be interpreted as requiring disclosure of those notes that are relevant to an understanding of how the transition from previous GAAP to IFRS Accounting Standards affected the first-time adopter's financial position at the date of transition – i.e. not all notes related to the third statement of financial position are required in every circumstance. A first-time adopter might approach its decision about the relevant note disclosures by first assuming all notes are necessary and then considering which note disclosures are not relevant to an understanding of the effect of the transition to IFRS Accounting Standards and may be omitted. In deciding which notes and other comparative information to omit, regard is given to materiality and the particular facts and circumstances of the first-time adopter, including legislative and other requirements of the jurisdiction in which the first-time adopter operates.*

IFRS 1.22 If any financial statements contain historical summaries or comparative information under previous GAAP, then:

IFRS 1.22(a) a. label the previous GAAP information prominently as not being prepared under IFRS; and

IFRS 1.22(b) b. disclose the nature of the main adjustments that would make it comply with IFRS. The entity need not quantify those adjustments.

IFRS 1.23 Explain how the transition from previous GAAP to IFRS affected the reported financial position, financial performance and cash flows.

IFRS 1.24–26 To comply with IFRS 1.23, include in the first IFRS financial statements the following reconciliations. Reconciliations are to provide sufficient detail to enable users to understand the material adjustments to the statement of financial position and statement of profit or loss and OCI, and should distinguish the correction of errors made under previous GAAP from changes in accounting policies:

IFRS 1.24(a) a. reconciliations of the equity reported under previous GAAP to the equity under IFRS for both of the following dates:

IFRS 1.24(a)(i) i. the date of transition to IFRS; and

IFRS 1.24(a)(ii) ii. the end of the latest period presented in the entity's most recent annual financial statements under previous GAAP;

IFRS 1.24(b) b. reconciliation to total comprehensive income under IFRS for the latest period in the entity's most recent annual financial statements. The starting point for that reconciliation is total comprehensive income under previous GAAP for the same period, or if the entity did not report such a total, profit or loss under previous GAAP; and

IFRS 1.24(c) c. if the entity recognised or reversed any impairment losses for the first time in preparing its opening IFRS statement of financial position, then present the disclosures that IAS 36 would have required if the entity had recognised those impairment losses or reversals in the period beginning with the date of transition to IFRS (see Chapter 2.8 'Impairment of non-financial assets').

Insights 6.1.1470.90 *In our view, it is not sufficient to include a cross-reference to previously published disclosures of the impact of the transition to IFRS Accounting Standards in the first financial statements under IFRS Accounting Standards. We believe that a reference to previously published additional voluntary information – e.g. a more detailed analysis – is permitted, if that information fully complies with all requirements of IFRS Accounting Standards and the reference does not imply that the previously published additional information has been audited if that is not the case.*

IFRS 1.25 If the entity presented a statement of cash flows under its previous GAAP, then also explain the material adjustments to the statement of cash flows.

IFRS 1.26 Distinguish errors made under previous GAAP from changes in accounting policies in the reconciliations required by IFRS 1.24(a)–(b).

IFRS 1.27A If during the period covered by its first IFRS financial statements the entity changes its accounting policies or its use of the exemptions contained in IFRS 1, then explain the changes between its first IFRS interim financial report and its first IFRS financial statements, in accordance with IFRS 1.23, and update the reconciliations required by IFRS 1.24(a)–(b).

IFRS 1.28 If the entity did not present financial statements for previous periods, then disclose that fact in its first IFRS financial statements.

IFRS 1.29 If a previously recognised financial asset is designated as a financial asset measured at FVTPL in accordance with IFRS 1.D19A, then disclose the fair value of financial assets so designated at the date of designation and their classification and carrying amount in the previous financial statements.

IFRS 1.29A If a previously recognised financial liability is designated as a financial liability at FVTPL in accordance with IFRS 1.D19, then disclose the fair value of financial liabilities so designated at the date of designation and their classification and carrying amount in the previous financial statements.

IFRS 1.30 If the entity uses fair value in its opening IFRS statement of financial position as deemed cost for an item of property, plant and equipment, an investment property, an intangible asset or a right of use asset then disclose in its first IFRS financial statements, for each line item in the opening IFRS statement of financial position:

IFRS 1.30(a) a. the aggregate of those fair values; and

IFRS 1.30(b) b. the aggregate adjustment to the carrying amounts reported under previous GAAP.

IFRS 1.31	If the entity uses a deemed cost in its opening IFRS statement of financial position for an investment in a subsidiary, joint venture or associate in its separate financial statements, then disclose in its first IFRS separate financial statements:	
IFRS 1.31(a)	a. the aggregate deemed cost of those investments for which deemed cost is their previous GAAP carrying amount;	
IFRS 1.31(b)	b. the aggregate deemed cost of those investments for which deemed cost is fair value; and	
IFRS 1.31(c)	c. the aggregate adjustment to the carrying amounts reported under previous GAAP.	
IFRS 1.31A	If the entity uses fair values in its opening IFRS statement of financial position as deemed cost for oil and gas assets, then disclose in its first financial statements that fact and the basis on which carrying amounts determined under previous GAAP were allocated.	
IFRS 1.31B	If the entity uses the exemption in IFRS 1.D8B for operations subject to rate regulation, then disclose that fact and the basis on which carrying amounts were determined under previous GAAP.	
IFRS 1.D2	For all grants of equity instruments that IFRS 2 has not been applied to, disclose information required by IFRS 2.44–45.	
IFRS 1.31C	If the entity elects to measure assets and liabilities at fair value and to use that fair value as the deemed cost in its opening IFRS statement of financial position because of severe hyperinflation (see IFRS 1.D26–D30), then disclose in the first IFRS financial statements an explanation of how, and why, the entity had, and then ceased to have, a functional currency that has both of the following characteristics:	
IFRS 1.31C(a)	a. a reliable general price index is not available to all entities with transactions and balances in the currency; and	
IFRS 1.31C(b)	b. exchangeability between the currency and a relatively stable foreign currency does not exist.	
IFRS 1.23A	The entity may have applied IFRS in a previous period, but whose most recent previous annual financial statements did not contain an explicit and unreserved statement of compliance with IFRS. If the entity subsequently resumes applying IFRS, then disclose:	
IFRS 1.23A(a)	a. the reason it stopped applying IFRS; and	
IFRS 1.23A(b)	b. the reason it is resuming the application of IFRS.	
IFRS 1.23B	If the entity referred to in IFRS 1.23A above elects to, upon resuming the application of IFRS, apply IFRS retrospectively in accordance with IAS 8 as if the entity had never stopped applying IFRS, then explain the reasons for the election.	

5.2 Regulatory deferral accounts and first-time adoption of IFRS Accounting Standards

IFRS 14 Regulatory Deferral Accounts *is an interim standard on accounting for the effects of rate regulation under IFRS Accounting Standards. It permits first-time adopters to continue using previous GAAP to account for regulatory deferral account balances while the IASB completes its comprehensive project in this area. It also introduces requirements on the presentation and disclosure of regulatory deferral account balances. Adoption is optional for those entities that are eligible to use it. For further guidance on scoping, see Chapter 6.2 in the 21st Edition 2024/25 of our publication Insights into IFRS.*

Presentation

Information to be presented in the statement of financial position

IFRS 14.18 For regulatory deferral account balances that are recognised in accordance with IFRS 14.11–12, such balances are recognised in the statement of financial position in addition to the assets and liabilities that are recognised in accordance with other IFRSs. The presentation requirements outlined in IFRS 14.20–26 separate the impact of recognising regulatory deferral account balances from the financial reporting requirements of other IFRSs.

IFRS 14.19–20 Present separate line items in the statement of financial position for:

IFRS 14.20(a) a. the total of all regulatory deferral account debit balances; and

IFRS 14.20(b) b. the total of all regulatory deferral account credit balances.

IFRS 14.19, 21 When current and non-current assets, and current and non-current liabilities, as separate classifications in the statement of financial position, are presented, do not classify the totals of regulatory deferral account balances as current or non-current. Instead, the separate line items required by IFRS 14.20 are distinguished from the assets and liabilities that are presented in accordance with other IFRSs by the use of subtotals, which are drawn before the regulatory deferral account balances are presented.

IFRS 14.19, 24, B11 Notwithstanding the presentation and disclosure requirements of IAS 12, when a deferred tax asset or a deferred tax liability as a result of recognising regulatory deferral account balances is recognised, present the deferred tax asset (liability) that arises as a result of recognising regulatory deferral account balances either:

IFRS 14.B11(a) a. with the line items that are presented for the regulatory deferral account debit balances and credit balances; or

IFRS 14.B11(b) b. as a separate line item alongside the related regulatory deferral account debit balances and credit balances.

IFRS 14.19, 25, B21 Notwithstanding the requirements of IFRS 5.38, when a discontinued operation or a disposal group is presented in accordance with IFRS 5, present the movement in regulatory deferral account balances that arose from the rate-regulated activities of the discontinued operation either:

IFRS 14.B21(a), B22 a. within the line items that are presented for the regulatory deferral account debit balances and credit balances, and it may be necessary to disclose them separately as part of the analysis of the regulatory deferral account line items described by IFRS 14.33; or

IFRS 14.B21(b) b. as separate line items alongside the other regulatory deferral account debit balances and credit balances.

Information to be presented in the statement of profit or loss and OCI

IFRS 14.19, 24, B12 Notwithstanding the presentation and disclosure requirements of IAS 12, when a deferred tax asset or a deferred tax liability is recognised as a result of the recognition of regulatory deferral account balances, present the movement in the deferred tax asset (liability) that arises as a result of recognising regulatory deferral account balances either:

IFRS 14.B12(a) a. with the line items that are presented in the statement(s) of profit or loss and OCI for the movements in regulatory deferral account balances; or

IFRS 14.B12(b) b. as a separate line item alongside the related line items that are presented in the statement(s) of profit or loss and OCI for the movements in regulatory deferral account balances.

IFRS 14.19, 25, B20 Notwithstanding the requirements of IFRS 5.33, if when a discontinued operation or a disposal group is presented in accordance with IFRS 5, present the movement in regulatory deferral account balances that arose from the rate-regulated activities of the discontinued operation either:

IFRS 14.B20(a), B22 a. within the line item that is presented for movements in the regulatory deferral account balances related to profit or loss, and it may be necessary to disclose them separately as part of the analysis of the regulatory deferral account line items described by IFRS 14.33; or

IFRS 14.B20(b) b. as a separate line item alongside the related line item that is presented for movements in the regulatory deferral account balances related to profit or loss.

Information to be presented in the profit or loss section or in the statement of profit or loss

IFRS 14.19, 23 Present a separate line item for the remaining net movement in all regulatory deferral account balances for the reporting period, excluding movements that are not reflected in profit or loss, such as amounts acquired. This separate line item is distinguished from the income and expenses that are presented in accordance with other IFRSs by the use of a subtotal, which is drawn before the net movement in regulatory deferral account balances.

IFRS 14.19, 26, B14 Present additional basic and diluted earnings per share amounts that are calculated in the same way required by IAS 33, except that those amounts will exclude the net movement in the regulatory deferral account balances. Consistent with IAS 33.73, present the earnings per share required by IFRS 14.26 with equal prominence to the earnings per share required by IAS 33 for all periods presented.

Information to be presented in the OCI section

IFRS 14.19, 22 Present the net movement in all regulatory deferral account balances for the reporting period that relate to items recognised in OCI. Use separate line items for the net movement related to items that, in accordance with other IFRSs:

IFRS 14.22(a) a. will not be reclassified subsequently to profit or loss; and

IFRS 14.22(b) b. will be reclassified subsequently to profit or loss when specific conditions are met.

General

IFRS 14.27 Disclose information that enables users to assess:

IFRS 14.27(a) a. the nature of, and the risks associated with, the rate regulation that establishes the price(s) that can be used to charge customers for the goods or services provided; and

IFRS 14.27(b) b. the effects of that rate regulation on the financial position, financial performance and cash flows.

IFRS 14.28 If any of the disclosures set out in IFRS 14.30–36 are not considered relevant to meet the objective in IFRS 14.27, then they may be omitted from the financial statements.

IFRS 14.28 If the disclosures provided in accordance with IFRS 14.30–36 are insufficient to meet the objective in IFRS 14.27, then disclose additional information that is necessary to meet that objective.

IFRS 14.29 To meet the disclosure objective in IFRS 14.27, consider all of the following:

IFRS 14.29(a) a. the level of detail that is necessary to satisfy the disclosure requirements;

IFRS 14.29(b) b. how much emphasis to place on each of the various requirements;

IFRS 14.29(c) c. how much aggregation or disaggregation to undertake; and

IFRS 14.29(d) d. whether users of financial statements need additional information to evaluate the quantitative information disclosed.

Explanation of activities subject to rate regulation

IFRS 14.30 To help a user of the financial statements assess the nature of, and the risks associated with, the entity's rate-regulated activities, for each type of rate-regulated activity, disclose:

IFRS 14.30(a) a. a brief description of the nature and extent of the rate-regulated activity and the nature of the regulatory rate-setting process;

IFRS 14.30(b) b. the identity of the rate regulator(s). If the rate regulator is a related party (as defined in IAS 24), then disclose that fact, together with an explanation of how it is related; and

IFRS 14.30(c) c. how the future recovery of each class (i.e. each type of cost or income) of regulatory deferral account debit balance or reversal of each class of regulatory deferral account credit balance is affected by risks and uncertainty – for example:

IFRS 14.30(c)(i) i. demand risk (e.g. changes in consumer attitudes, the availability of alternative sources of supply or the level of competition);

IFRS 14.30(c)(ii) ii. regulatory risk (e.g. the submission or approval of a rate-setting application or the entity's assessment of the expected future regulatory actions); and

IFRS 14.30(c)(iii) iii. other risks (e.g. currency or other market risks).

IFRS 14.31 Provide the disclosures required by IFRS 14.30 either directly in the notes or incorporated by cross-reference from the financial statements to some other statement, such as a management commentary or risk report, that is available to users of the financial statements on the same terms as the financial statements and at the same time. If the information is not included in the financial statements directly or incorporated by cross-reference, then the financial statements are incomplete.

Explanation of recognised amounts

IFRS 14.32 Disclose the basis on which regulatory deferral account balances are recognised and derecognised, and how they are measured initially and subsequently, including how regulatory deferral account balances are assessed for recoverability and how any impairment loss is allocated.

IFRS 14.33 For each type of rate-regulated activity, disclose the following information for each class of regulatory deferral account balance:

IFRS 14.33(a) a. a reconciliation of the carrying amount at the beginning and the end of the period, in a table unless another format is more appropriate. Apply judgement in deciding the level of detail necessary (see IFRS 14.28–29), but the following components would usually be relevant:

IFRS 14.33(a)(i) i. the amounts that have been recognised in the current period in the statement of financial position as regulatory deferral account balances;

IFRS 14.33(a)(ii) ii. the amounts that have been recognised in the statement(s) of profit or loss and OCI relating to balances that have been recovered (sometimes described as amortised) or reversed in the current period; and

IFRS 14.33(a)(iii) iii. other amounts, separately identified, that affected the regulatory deferral account balances, such as impairments, items acquired or assumed in a business combination, items disposed of, or the effects of changes in foreign exchange rates or discount rates;

IFRS 14.33(b) b. the rate of return or discount rate (including a zero rate or a range of rates, when applicable) used to reflect the time value of money that is applicable to each class of regulatory deferral account balance; and

IFRS 14.33(c) c. the remaining periods over which the carrying amount of each class of regulatory deferral account debit balance is expected to be recovered (or amortised) or each class of regulatory deferral account credit balance is expected to be reversed.

IFRS 14.34 When rate regulation affects the amount and timing of income tax expense (income), disclose the impact of the rate regulation on the amounts of current and deferred tax recognised. In addition, separately disclose any regulatory deferral account balance that relates to taxation and the related movement in that balance.

IFRS 14.35 When disclosures are provided in accordance with IFRS 12 for an interest in a subsidiary, associate or joint venture that has rate-regulated activities and for which regulatory deferral account balances are recognised in accordance with IFRS 14, disclose the amounts that are included for the regulatory deferral account debit and credit balances and the net movement in those balances for the interests disclosed (see IFRS 14.B25–B28).

IFRS 14.B25 IFRS 12.12(e) requires disclosure, for each subsidiary that has NCI that is material to the reporting entity, the profit or loss that was allocated to NCI of the subsidiary during the reporting period. If recognising regulatory deferral account balances in accordance with IFRS 14, then disclose the net movement in regulatory deferral account balances that is included within the amounts that are required to be disclosed by IFRS 12.12(e).

IFRS 14.B26

IFRS 12.12(g) requires disclosure, for each subsidiary that has NCI that is material to the reporting entity, summarised financial information about the subsidiary, as specified in IFRS 12.B10. Similarly, IFRS 12.21(b)(ii) requires disclosure, for each joint venture and associate that is material to the reporting entity, summarised financial information as specified in IFRS 12.B12–B13. IFRS 12.B16 specifies the summary financial information that is required to be disclosed for all other associates and joint ventures that are not individually material in accordance with IFRS 12. 21(c).

IFRS 14.B27

In addition to the information specified in IFRS 12.12, 21, B10, B12–B13 and B16, if recognising regulatory deferral account balances in accordance with IFRS 14, then also disclose the total regulatory deferral account debit balance, the total regulatory deferral account credit balance and the net movements in those balances, split between amounts recognised in profit or loss and amounts recognised in OCI, for each entity for which those IFRS 12 disclosures are required.

IFRS 14.B28

IFRS 12.19 specifies the information that is required to be disclosed when a gain or loss on losing control of a subsidiary is recognised, calculated in accordance with IFRS 10.25. In addition to the information required by IFRS 12.19, when electing to apply IFRS 14, disclose the portion of that gain or loss that is attributable to derecognising regulatory deferral account balances in the former subsidiary at the date on which control is lost.

IFRS 14.36

When a regulatory deferral account balance is no longer fully recoverable or reversible, disclose that fact, the reason why it is not recoverable or reversible and the amount by which the regulatory deferral account balance has been reduced.

6 Voluntary early adoption of accounting standards[2]

6.1 *Lack of Exchangeability (Amendments to IAS 21)*

Notes on early adoption

IAS 21.8-8B, 19A

The amendments, issued in August 2023, define exchangeability and specify when there is a lack of exchangeability. They also specify how an entity estimates the spot exchange rate to be applied in this case, and what disclosures an entity provides when exchangeability between two currencies is lacking.

IAS 21.60L

The amendments are effective for annual reporting periods beginning on or after 1 January 2025. Early adoption is permitted.

Transition disclosures

IAS 21.60L

If applying these amendments before their effective date, then disclose that fact.

Transition

IAS 21.60M

In applying the amendments, an entity shall not restate comparative information. Instead:

a. when the entity reports foreign currency transactions in its functional currency, and, at the date of initial application, concludes that its functional currency is not exchangeable into the foreign currency or, if applicable, concludes that the foreign currency is not exchangeable into its functional currency, the entity shall, at the date of initial application:
   i. translates affected foreign currency monetary items, and non-monetary items measured at fair value in a foreign currency, using the estimated spot exchange rate at that date; and
   ii. recognises any effect of initially applying the amendments as an adjustment to the opening balance of retained earnings;

2. This guide does not cover voluntary early adoption of IFRS 18, which replaces IAS 1. IFRS 18 is effective for annual reporting periods beginning on or after 1 January 2027 and earlier application is permitted. For further information see our article and read our First Impressions publication.

b. when the entity uses a presentation currency other than its functional currency, or translates the results and financial position of a foreign operation, and, at the date of initial application, concludes that its functional currency (or the foreign operation's functional currency), is not exchangeable into its presentation currency or, if applicable, concludes that its presentation currency is not exchangeable into its functional currency (or the foreign operation's functional currency), the entity shall, at the date of initial application:
   i. translate affected assets and liabilities using the estimated spot exchange rate at that date;
   ii. translate affected equity items using the estimated spot exchange rate at that date if the entity's functional currency is hyperinflationary; and
   iii. recognise any effect of initially applying the amendments as an adjustment to the cumulative amount of translation differences – accumulated in a separate component of equity.

When an entity estimates a spot exchange rate because a currency is not exchangeable into another currency (see IAS 21.19A), the entity shall disclose information that enables users of its financial statements to understand how the currency not being exchangeable into the other currency affects, or is expected to affect, the entity's financial performance, financial position and cash flows. To achieve this objective, an entity shall disclose information about:

IAS 21.57A(a) a. the nature and financial effects of the currency not being exchangeable into the other currency;

IAS 21.57A(b) b. the spot exchange rate(s) used;

IAS 21.57A(c) c. the estimation process; and

IAS 21.57A(d) d. the risks to which the entity is exposed because of the currency not being exchangeable into the other currency.

In applying IAS 21.57A, an entity shall disclose:

IAS 21.A19(a) a. the currency and a description of the restrictions that result in that currency not being exchangeable into the other currency;

IAS 21.A19(b) b. a description of affected transactions;

IAS 21.A19(c) c. the carrying amount of affected assets and liabilities;

IAS 21.A19(d) d. the spot exchange rates used and whether those rates are:

IAS 21.A19(d)(i) i. observable exchange rates without adjustment (see IAS 21.A12–A16); or

IAS 21.A19(d)(ii) ii. spot exchange rates estimated using another estimation technique (see IAS 21.A17);

IAS 21.A19(e) e. a description of any estimation technique the entity has used, and qualitative and quantitative information about the inputs and assumptions used in that estimation technique; and

IAS 21.A19(f) f. qualitative information about each type of risk to which the entity is exposed because the currency is not exchangeable into the other currency, and the nature and carrying amount of assets and liabilities exposed to each type of risk.

When a foreign operation's functional currency is not exchangeable into the presentation currency or, if applicable, the presentation currency is not exchangeable into a foreign operation's functional currency, an entity shall also disclose:

IAS 21.A20(a) a. the name of the foreign operation; whether the foreign operation is a subsidiary, joint operation, joint venture, associate or branch; and its principal place of business;

IAS 21.A20(b)	b. summarised financial information about the foreign operation; and	
IAS 21.A20(c)	c. the nature and terms of any contractual arrangements that could require the entity to provide financial support to the foreign operation, including events or circumstances that could expose the entity to a loss.	

6.2 *Classification and Measurement of Financial Instruments (Amendments to IFRS 9 and IFRS 7)*

Notes on early adoption

The amendments, issued in May 2024, introduce an additional test in assessing the SPPI criteria for certain financial assets with contractual terms that change the contractual cash flows based on a contingent event that is not related directly to basic lending risks or costs, and clarify the characteristics of contractually linked instruments and how they differ from financial assets with non-recourse features. The amendments also introduce additional disclosures for investments in equity instruments designated at FVOCI, and financial instruments not measured at FVTPL with certain contingent features.

IFRS 9.7.1.12 In addition, the amendments clarify the timing of recognition and derecognition of financial assets and financial liabilities and introduce a derecognition exception for financial liabilities settled using an electronic payment system.

IFRS 9.7.1.13 The amendments are effective for annual reporting periods beginning on or after 1 January 2026. Early adoption is permitted.

An entity can choose to early apply only the amendments related to the classification of financial assets, without applying the amendments related to the recognition and derecognition of financial assets and financial liabilities at the same time.

Transition disclosures

IFRS 9.7.1.13 If applying these amendments before their effective date, then disclose that fact. This includes whether the entity elects to early apply all the amendments at the same time, or early apply only the amendments related to the classification of financial assets.

IFRS 7.44LL An entity does not need to provide the disclosures required by the amendments for any period presented before the date of its initial application of the amendments, regardless of whether it chooses to early apply only the amendments related to the classification of financial assets, separately from the amendments related to the recognition and derecognition of financial assets and financial liabilities.

IFRS 7.44LL If an entity chooses to early apply the amendments related to the classification of financial assets, it must also apply the disclosures required by paragraphs 20B, 20C and 20D of the amendments at the same time.

IFRS 7.44MM In the reporting period in which the entity first applies the amendments, the entity is not required to disclose information that would otherwise be required by paragraph 28(f) of IAS 8.

IFRS 9.7.2.49

For the amendments related to the classification of financial assets, in the reporting period that includes the date of initial application of these amendments, an entity discloses the following for each class of financial assets that changed measurement category:

IFRS 9.7.2.49(a) a. the previous measurement category and carrying amount immediately before the date of initial application; and

IFRS 9.7.2.49(b) b. the new measurement category and carrying amount immediately after the date of initial application

Transition

IFRS 9.7.2.47

The amendments must be applied retrospectively, in accordance with IAS 8, except as specified in IFRS 9.7.2.48–7.2.49.

IFRS 9.7.2.47

The date of initial application is the beginning of the annual reporting period in which the entity first applies the amendments.

IFRS 9.7.2.48

Prior periods need not be restated. However, an entity may do so if, and only if, it is possible without the use of hindsight.

IFRS 9.7.2.48

If prior periods are not restated, the effect of initially applying the amendments is recognised as an adjustment to the opening balance of financial assets and financial liabilities and the cumulative effect, if any, as an adjustment to the opening balance of retained earnings (or another component of equity, if appropriate) at the date of initial application.

Investment in equity instruments designated at FVOCI[3]

IFRS 7.11A

If an entity has designated investments in equity instruments to be measured at fair value through other comprehensive income, as permitted by paragraph 5.7.5 of IFRS 9, it shall disclose for each class of investment:

IFRS 7.11A(a) a. which investments in equity instruments have been designated to be measured at FVOCI;

IFRS 7.11A(b) b. the reasons for using this presentation alternative;

IFRS 7.11A(c) c. the fair value at the reporting date;

IFRS 7.11A(d) d. dividends recognised during the period, showing separately those related to investments derecognised during the reporting period and those related to investments held at the end of the reporting period;

IFRS 7.11A(e) e. any transfers of the cumulative gain or loss within equity during the period including the reason for such transfers; and

IFRS 7.11A(f) f. the fair value gain or loss presented in other comprehensive income during the period, showing separately the fair value gain or loss related to investments derecognised during the reporting period and the fair value gain or loss related to investments held at the reporting date.

3. The amendments add and change some of the existing disclosure requirements for investments in equity instruments designated at FVOCI. For ease of reference, this guide reproduces the entire paragraph as updated by those amendments. The specific subparagraphs that are affected by the amendments are indicated by the double lines.

If an entity derecognised investments in equity instruments measured at fair value through other comprehensive income during the reporting period, it shall disclose:

IFRS 7.11B(a)	a. the reasons for disposing of the investments;	
IFRS 7.11B(b)	b. the fair value of the investments at the date of derecognition;	
IFRS 7.11B(c)	c. the cumulative gain or loss on disposal; and	
IFRS 7.11B(d)	d. any transfers of the cumulative gain or loss within equity during the reporting period related to the investments derecognised during that reporting period.	

Items of income, expense, gains or losses

IFRS 7.20B An entity shall disclose the information required by paragraph 20C by class of financial assets measured at amortised cost or fair value through other comprehensive income and by class of financial liabilities measured at amortised cost. The entity shall consider how much detail to disclose, the appropriate level of aggregation or disaggregation, and whether users of financial statements need additional explanations to evaluate any quantitative information disclosed.

IFRS 7.20C To enable users of financial statements to understand the effect of contractual terms that could change the amount of contractual cash flows based on the occurrence (or non-occurrence) of a contingent event that does not relate directly to changes in basic lending risks and costs (such as the time value of money or credit risk), an entity shall disclose:

IFRS 7.20C(a)	a. a qualitative description of the nature of the contingent event;	
IFRS 7.20C(b)	b. information about the possible changes to contractual cash flows that could result from those contractual terms (for example, the range of possible changes); and	
IFRS 7.20C(c)	c. the gross carrying amount of financial assets and the amortised cost of financial liabilities subject to those contractual terms.	

IFRS 7.20D For example, an entity shall disclose the information required by paragraph 20C for a class of financial liabilities measured at amortised cost whose contractual cash flows change if the entity achieves a reduction in its carbon emissions.

Appendix I

New accounting standards or amendments for 2024 and forthcoming requirements

Since the September 2023 edition of this guide, a number of accounting standards, amendments to or interpretations of accounting standards have been issued. This appendix lists these new requirements that have been issued by the IASB as at 31 August 2024, and contains two tables, as follows.

- **New currently effective requirements:** This table lists the recent changes to the Accounting Standards that are required to be applied by an entity with an annual reporting period beginning on 1 January 2024.
- **Forthcoming requirements:** This table lists the recent changes to the Accounting Standards that are required to be applied for annual reporting periods beginning after 1 January 2024 and that are available for early adoption in annual reporting periods beginning on 1 January 2024.

The tables also include a cross-reference to the chapters in this guide that set out the related disclosure requirements and, for the forthcoming requirements, references for further KPMG guidance. All of the effective dates in the tables refer to the beginning of an annual accounting period.

New currently effective requirements

Effective date	New accounting standards or amendments	Chapter in this guide	KPMG guidance
1 January 2024	*Non-current Liabilities with Covenants – Amendments to IAS 1* and *Classification of Liabilities as Current or Non-current – Amendments to IAS 1*	1.1	*Insights into IFRS* (2.9.40, 3.1.40, 7.10.50), Article
	Lease Liability in a Sale and Leaseback – Amendments to IFRS 16	N/A[a]	*Insights into IFRS* (5.1.595), Article, Leases – Sale and leaseback
	Supplier Finance Arrangements – Amendments to IAS 7 and IFRS 7	1.3, 2.5	*Insights into IFRS* (2.3.193, 7.10.655), Article

[a] These newly effective amendments do not add new disclosures or amend existing ones.

Forthcoming requirements

Effective date	New accounting standards or amendments	Chapter in this guide	KPMG guidance
1 January 2025	*Lack of Exchangeability – Amendments to IAS 21*	6.1	*Insights into IFRS* (2.7.94 and 2.7.255), Article
1 January 2026	*Classification and Measurement of Financial Instruments – Amendments to IFRS 9 and IFRS 7*	6.2	*Insights into IFRS* (7.4.175, 7.4.295, 7.4.335, 7.4.372, 7.4.385, 7.6.15, 7.6.65, 7.6.365, 7.10.235, 7.10.357, 7.11.260), Classification of financial assets article, Settlement by electronic payments article
	Annual Improvements to IFRS Accounting Standards – Volume 11	N/A	*Insights into IFRS* (7.1.155, 7.7.22), Article
1 January 2027	*IFRS 18 Presentation and Disclosure in Financial Statements*	N/A[a]	*Insights into IFRS* (1.2.45, 2.1.15, 2.3.35, 2.3.55, 3.1.15, 4.1.13, 4.1.75, 4.1.95, 4.1.125, 4.1.135, 4.1.145, 4.1.155, 4.1.165, 4.1.175, 4.1.215, 5.8.15, 5.9.45, 5.9.68, 7.10.95, 7.10.175), Article, First Impressions
	IFRS 19 Subsidiaries without Public Accountability: Disclosures	N/A[a]	*Insights into IFRS* (1.1.185 and 1.1.203), Article
Available for optional adoption/ effective date deferred indefinitely[a]	*Sale or Contribution of Assets between an Investor and its Associate or Joint Venture – Amendments to IFRS 10 and IAS 28*	N/A[b]	

a. This guide does not include disclosure requirements related to IFRS 18 or IFRS 19.

b. The effective date for these amendments was deferred indefinitely. Early adoption continues to be permitted.

Keeping in touch

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Whether you are new to IFRS Accounting Standards or a current user, you can find digestible summaries of recent developments, detailed guidance on complex requirements, and practical tools such as illustrative disclosures and checklists.

Corporate reporting

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Our latest insights and guidance on IFRS Accounting Standards

ISSB Standards Today

Insights and guidance on IFRS Sustainability Disclosure Standards

ESRS Today

Insights and guidance on European Sustainability Disclosure Standards

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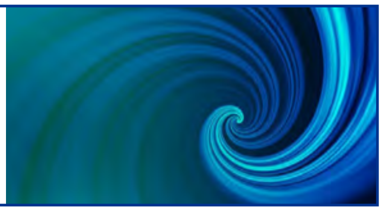
The financial reporting Impacts



Sustainability reporting

IFRS S1 and IFRS S2

IFRS Sustainability Disclosure Standards

ESRS

European Sustainability Reporting Standards

Comparing sustainability reporting requirements

Comparing requirements from the ISSB, EU and US SEC

GHG protocol

Measuring and reporting greenhouse gas emissions

Financial reporting

Insights into IFRS

Our practical guide to IFRS Accounting Standards

Guides to financial statements

Including past guides and sector supplements

IFRS toolkit

KPMG insights on applying the IFRS Accounting Standards

IFRS Compared to US GAAP

Your guide to the significant differences

Presentation and disclosure

IFRS 18

Insurance

IFRS 17

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IFRS 13

Business combinations and consolidation

IFRS 10, 11, 12

Financial instruments

IFRS 9

Share-based payments

IFRS 2

Earnings per share

IAS 33

Income taxes

IAS 12

Including the global minimum top-up tax

Sectors

Banks

Investment funds

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