INDEX

12 months expected credit loss 603, 637	Accounting Standards Codification
	(ASC) 150
abandonment 262	see also US GAAP comparisons
absorption costing 152, 161	accounts payable 429
AC see IFRS Advisory Council	accrual accounting basis 62, 120-1
accelerated depreciation methods 178–9	accrued benefit obligations 465
account receivables 603	accrued liabilities 430
accounting bases 62, 120–1	accumulated depreciation 186-7
accounting estimates 131–5, 143–5, 149–50	acquirees 321, 347
accounting models 49	acquirers 321, 327–9, 347
accounting policies 131–43, 149–50	acquisition accounting 327–46
amortisation 142–3	acquisition dates 321, 329, 332
applying changes 137	acquisition-related costs 321, 345
changes in 133, 137–43	assets needing separate accounting 329-32
comparability 134–5	business combinations 327–46
consistency in reporting 134–5	exceptions to recognition principle 333-4
consolidations 280	gain from bargain purchase 339–44
definition of 133	goodwill 339–44
definitions of terms 133–4	identifying the acquirer 327–9
financial instruments 698–700	measurement 333–5, 337–9, 342–4
financial statements 68–9	non-controlling interest 335-7, 339-41
first-time adoption of IFRS 922–5	post-combination accounting 345-6
future developments 149–50	recognising assets acquired 332-5
IAS 28 requirements 311	steps 327–46
impracticability exception 140-1, 143	acquisition method 321
indirect effects of change 139-40	acquisition-related costs 321
insurance contracts 872 4	acquisitions
interim reporting 889–91	accounting 327–46
no applicable standards 136	decommissioning costs 174
period-specific effects 140	definition 321
prior periods 140, 142–3	equity method 302
retrospective application 138–9	footnote disclosures 364–6
scope of standards 133	joint operations 296–8
segment 805	statement of cash flows 124
selection of 136–7	step acquisitions 363–4
US GAAP 136, 150	temporary differences 772–3
accounting profit 750	transaction examples 357–9, 362–3
Accounting Regulatory Committee	active markets
(ARC) 13–14	agriculture 845, 850
accounting standardisation 115	definitions 207, 723, 845
Accounting Standards Advisory Forum	fair value measurement 728–30
(ASAF) 3, 10, 14	actuarial gains and losses 458, 466

additional comparative information 97	financial instruments 630–2
additional contributed capital 383-4	financial liabilities 603, 623–4, 690–1,
adoption of IFRS see first-time adoption of	697, 699
IFRS	Anglo-Saxon reporting model 4–5
Advisory Council see IFRS Advisory Council	Annual Improvements 2009-2011 cycle
agency liabilities 430	96, 103
agent vs. principal considerations 510–11	Annual Improvements Project 66
aggregation	antidilution 786, 792–3, 798, 800
conceptual frameworks 47–8	ARC see Accounting Regulatory Committee
of items 107–8	arm's length transactions 830
materiality 62–4	AROs see asset retirement obligations
operating segments 809–10	artistic-related intangible assets 349
related party disclosures 830–1	ASAF see Accounting Standards Advisory
agriculture 843–58	Forum
activity 845	ASC see Accounting Standards Codification
co-operatives 857–8	asset ceiling 458
definitions of terms 845–6	asset retirement obligations (AROs) 456
disclosures 852–6	assets
fair value 846, 848–9, 850–4	acquiree is the lessee 347
IAS 41 basic principles 847–8	acquirer plans to idle 347
identification 846–7	biological 843, 845–54
intangible assets 856–7	carried at fair value 774–5
land 845, 856	classification of 84–7
measurement 847, 850–2	conceptual frameworks 33, 34, 41–4
presentation 852–4	contingent 427, 447–50
	contract 482, 603, 645–6
produce 845, 850, 852 products 845, 857 recognition 847, 850–2	corporate 207, 248, 252–3, 804
recognition 847, 850–2	current 85–6, 260, 429
scope of standards 844–5	deferred tax 750, 753–65, 767–8, 778, 782
US GAAP comparison 857–8	definitions 79, 207
AICPA see American Institute of Certified	depreciable 526
Public Accountants	E&E 859, 861–2, 933
aid, financial 526-7	employee benefits 459, 460, 465-6, 467
American Institute of Certified Public	exchanges of 175, 212–13
Accountants (AICPA) 2, 4–5, 25	extractive industries 859, 861–3, 933
American options 419, 423	fair value disclosures 744–5
amortisation	fair value hierarchy 746
accounting policies 142–3	gas 933, 939
contracts 504	government grants 523, 526, 527–8, 532
definitions 207, 248	grants related to 523
equity method 303	hyperinflation 909, 911
intangible assets 207, 218–19, 222–5	identifiable 322-3, 332-5, 347-8, 365, 804
interim reporting 900	income taxes 774–5
useful life 225–6	indemnification 334, 346
amortised cost	insurance contracts 868, 872, 874
financial assets 603, 611, 614-17, 619,	interim reporting 895–6
690–1, 693–4, 697–9	markets for 727

measurement characteristics 42–3 monetary 207, 607 most advantageous markets 726–8 non-monetary 307 not measured at fair value 746 obtained for no consideration 517–18 offsetting 89, 429	interests in 311, 315–16 long-term interests 311 related party disclosures 827 share of losses exceeds interest 311–12 US GAAP comparison 316–18 authorisation date 426, 451–2 awards 334
plan assets 459–60, 465–6, 480	balance sheet <i>see</i> statement of financial
qualifying 198, 203 R&D 350–1	position
reinsurance 868, 872, 874	bargain purchases 321–2, 339–44, 356, 361–3
retirement benefit plans 836–42 revaluation 184	bearer plants 170, 845–6 below-market loans 524–5
right-of-use 538, 545–6, 557, 562	benefits
segment 805	economic 211, 434
self-constructed 175–6	guaranteed 868
statement of financial position 79, 84-7, 89	see also employee benefits; retirement
uncertain cash flows 347	benefit plans
underlying 538	bid and ask prices 739
US GAAP and fair value 748	bill-and-hold arrangements 516–17
valuation premises for measurement 725–6,	binomial model 418–24
731–2	biological assets 843, 845–54
value in use 41–2, 44	biological transformations 843, 846, 848 Black–Scholes–Merton (BSM) model 418–19,
see also financial assets; impairment of assets; intangible assets; non-current	422, 424
	blockage factors 726, 737
assets assets held-for-sale accounting for impairments 253 acquisition accounting 334–5	bonuses 442, 896
accounting for impairments 253	book value see carrying amounts
acquisition accounting 334-5	boot transactions 191
discontinuations 105	borrowing costs 197–203
expenses 105	capitalisation 198-202
inventories 151	definition of 197
investment property 243	definitions of terms 197–8
non-current 247, 260–5	disclosures 203
PPE 171, 188	first-time adoption of IFRS 936–7
associates 269–72, 299–312 accounting for 299–309	measurement 198–203
acquiring in stages 309	recognition 198–203 US GAAP comparison 203
definition of 271	brand names 205–6, 210
definitions of terms 271–2	breaches of terms 696–7
disclosures 314–16	BSM see Black–Scholes–Merton model
equity method 300–9	business, definition 321, 368
first-time adoption of IFRS 934–5	business combinations 319–69
IAS 28 requirements 311–12	acquisition accounting 327-46
identification of 299	contingent payments 353–6
income taxes 775–6	contracts 507
increasing stake in 309	deferred tax 333-4, 359-60

business combinations (<i>Continued</i>)	capitalisation of borrowing costs 198–202
definition of 321	capitalised interest 201–3
definitions of terms 321–3	costs in excess of recoverable amounts 202
determining part of transaction 351-6	general borrowings 199–200
disclosures 347–67	how much to capitalise 199-202
earnings per share 788	specific borrowings 199–200
equity method 302	when to start 199
exemptions under IFRS 1 929-32	when to stop 202
fair value 322, 324, 336–7, 341, 356–60	when to suspend 202
first-time adoption of IFRS 929–32	carrying amounts
future developments 368	asset impairment 255
gain from bargain purchase 322, 339-44,	assets held for sale 263
356, 361–3	definitions 170, 198, 207, 234, 248, 846
goodwill 320, 322, 326, 339-44, 347-8,	cash accounting basis 120
356–61, 366, 368–9	cash/cash equivalents
income taxes 333-4, 772-4	cash alternatives 411-12
intangible assets 323, 332–4, 347–51	components 116-17
measurement 332-44, 347-8, 369	contracts settled in cash 797
pension plans 472	definitions of eash 114, 603
post-combination employment 353	definitions of cash equivalents 114, 603
qualifying as a business 325–6	statement of cash flows 116-17, 124, 130
recognition 332–7, 347–8	statement of financial position 86
scope of standards 324	cash dividends 387–9
step acquisition 363–4	cash flow accounting 115
techniques for structuring 326–7	eash flow hedges 655, 668–9, 701–2
transactions and events 324–5	cash flow per share 123
US GAAP comparison 368–9	cash flows
business models 611–12, 614–15, 619–20, 676	amortised costs 631–2
by-products 152, 161	asset impairment 250–2
XX	assets with uncertain cash flows 347
C&F see cost and freight contracts	components of 659
call options 515, 629	contributions to future flows 43
capital	DCF 741–2, 746–7
additional contributed 383–4	expected 252, 723
complex structures 791–2	financial assets 611–16
concepts 29, 48	future flows 700–1
conceptual frameworks 29, 48	hedge accounting 659, 701
contributed in excess of par value 377	measurement techniques 45–6
donated 383, 518	modifications 632
investee transactions 309	total flows 659
maintenance 29, 48	see also statement of cash flows
simple structures 787–91	cash-generating units
see also share capital	asset impairment 248, 251, 253, 257
capitalisation	business combinations 360–1
borrowing costs 198–202	definitions 207, 248, 260
intangible assets 218, 232	E&E assets 861–2
method 742	intangible assets 207, 226–7

cash-settled share-based payments 397-8,	compound financial instruments
408–11	classification 682–5
definition 394	definition 603
group entities 412	disclosures 696
measurement 409	first-time adoption of IFRS 935
modifications to terms and conditions	income taxes 776–7
410–11	shareholders' equity 380, 385
vesting/non-vesting conditions 409	comprehensive income
withholding tax obligations 409–10	government grants 528
see also share-based payments	and retained earnings, statement of
cash shortfalls 603	146, 147
cedants 867, 872	statement of 243, 697, 811
chief operating decision maker (CODM) 804,	total 59, 97, 100–1, 111
806–8, 816	see also other comprehensive income
CIF see cost, insurance and freight	computer software 215–17
contracts	Conceptual Framework 2010 27, 48–52
closing date, definition 321	1989 Framework 51–2
closing spot exchange rate 566, 575	accounting model 49
CODM see chief operating decision maker	qualitative information 50–1
collateral 648, 696, 711–13	status and purpose 49
commencement date of lease 536	Conceptual Framework 2018 28-48
commercial substance 191, 212	accounting policies 135
commodity broker-traders 152	chapters 28–48
common costs 804	objective of reporting 28, 29–30
communication tools 46	status and purpose 29
comparability	structure 28–9
accounting policies 134–5	conceptual frameworks 27–55
conceptual frameworks 31, 43, 51	1989 51–2
financial statements 65	2010 27, 48–52
comparative financial statements 912	2018 28–48, 135
comparative information	consensus difficulties 46
definition 97	future developments 54
financial statements 65–6, 103	hierarchy of standards 52
first-time adoption of IFRS 938	IFRS Practice Statement Management
related party disclosures 831	Commentary 52–4
statement of profit or loss and OCI 103	share-based payments 393
comparative interim statements 894–5	statement of financial position 79
compensation	US GAAP comparison 54–5
absences 442, 478, 897	consideration
change in contractual terms 616	assets obtained for no consideration
definition 823	517–18
interim reporting 897	non-cash 493
related party disclosures 822, 831	payable to customer 493
complex capital structures 791–2	revenue model 485, 490-3
compliance 61–6, 68	transferred 321, 337-9, 366
components of entities 97, 260	variable 490–2, 496–7
compound equity instruments 385	consignments 152, 156–8, 516

consistency	disclosures 448–50
accounting policies 134–5	likelihood of contingent events 445–6
financial information 31	litigation 446–7
financial statements 66	remote contingent losses 446
interim reporting 889	US GAAP comparison 456
consolidated financial statements 269–92	contract assets 482, 603, 645–6
accounting policies 280	contract-based intangible assets 349–50
balances 278–9	contract liabilities 482
consolidation procedures 278–84	contract service margins 883, 885
definition of 271	contracts 481–520
definitions of terms 271–2	amortisation 504
disclosures 290–2	business combinations 507
foreign currency 577–8	buying/selling non-financial item 610–11
hyperinflation 912	changes to terms 616–17
indirect interest 281–2	cost and freight 155
investment entities 285–9	cost, insurance and freight 155
measurement 280	costs to fulfil 503-4
non-controlling interests 271, 279–80	customers 481–520
operating segments 804	definition of 432
ownership interest 281, 283-4	definitions of terms 482–3
power 271, 273–4, 276–7	disclosures 505–9
reporting date 280–1	future 124, 653
rights 271–2, 274–7	hybrid 629, 677
scope of standards 271–8	impairment 504
statement of cash flows 129–30	incremental costs 503–4
statement of cash flows 129–30 subsidiaries 272–3, 280–4, 289–92 temporary differences 774 transactions 278–9	leases 540
temporary differences 774	onerous 427, 437, 440, 456
transactions 278–9	payments 676–7
US GAAP comparison 316–13	practical expediency 507
voting rights 274–6	presentation 504–5
consolidated reporting 826	reinsurance 868, 885
consolidations 269–92, 323–4	revenue model 483–502
see also business combinations;	revenue recognition 497–500, 506, 519–20
consolidated	sales 376–7
constant-growth DDM 742	scope of standards 483
constructive obligations 426	settled in cash or shares 797
contingencies 321–2, 425	significant judgements 506–7
assets 427, 447–50	specific transactions 509–18
considerations 322, 338–9, 346	US GAAP comparison 518–20
issuance of shares 786, 788–9, 796–7	see also financial guarantee contracts;
payments 353–5, 896	forward contracts; insurance contracts
settlement provisions 685–6	contractual obligations 36–7
share agreements 786	contractual rights 36–7
contingent liabilities 445–7	control
acquisition accounting 346	consolidations 275–7, 278, 283–4
definition 427	definition 603

of investee 271	received unevenly during year 897
joint control 271, 292–3, 934	restructuring costs 456
loss of 283–4	service costs 458–60, 464–6, 480
ownership interest 283–4	standard costs 153, 165, 166
conversion costs 159	stripping costs 864–6
conversion costs 139	transaction costs 608, 609, 724, 727, 743
convertible instruments 385, 681–2, 794–5, 800	
	transport costs 724, 727, 743–4
cooperatives 379, 390, 680–1, 857–8	variable costing 152
copyrights 224	website development 227–8
corporate assets 207, 248, 252–3, 804	see also amortised cost; borrowing costs;
corporate expenses 804	current costs; development costs;
cost and freight (C&F) contracts 155	historical cost; service costs
cost of goods sold 104, 106	costs to sell 248, 260, 335, 846
cost, insurance and freight (CIF) contracts	see also fair value less costs to sell
155	coterminous year-end dates 311
cost model	credit-adjusted effective interest rate 603, 604
fair value 238, 244	credit enhancements 711–13, 735
intangible assets 219	credit-impaired inancial assets 603–4, 607
investment property 238, 240, 244	credit losses 604
cost valuation approaches 723, 742–3	see also expected credit losses
costs/costing	credit risk
absorption costing 152, 161	categorisation 690
acquisition-related costs 321, 345	changes in 642–4
after purchase of asset 176	definition 604
common costs 804	disclosures 707–14
computer software 215–17	financial instrument impairment 638-44
contracts 503–4	financial liabilities 624–6
conversion costs 159	hedge effectiveness 663
decommissioning costs 173–5, 441–2	indicators in assessment 639
deemed cost 918, 932–4	insurance contracts 878–9
definitions of cost 152, 170, 207, 234	low risk at reporting date 641
development costs 213, 218, 221–2, 232	shared risk characteristics 642
direct costs/costing 152, 161–2, 536	significant increases 638–44
dry-docking 439	credit risk disclosures 707–14
E&E 866	collateral 711–13
employee benefits 458–60, 463–4, 464–6	credit enhancements 711–13
fair value less costs to sell 166, 250, 258, 263	expected credit losses 709–12
government grants 525	exposure 710
incremental costs 503–4	IFRS 7 690
initial direct costs 536	management practices 708
intangible assets 211–13, 217–19, 232	cumulative preference dividends 375–6
interim reporting 896, 897, 901–2	cumulative preferred shares 311
	*
inventories 152–5, 159–62, 166	currency <i>see</i> foreign currency currency risk 689
pensions cost 897	*
PPE 172, 173–6	current assets 85–6, 260, 429
product costs 901–2	see also non-current assets

current costs	business combinations 333-4, 359-60
conceptual frameworks 42, 44	calculations 753–65
financial statements 911–12	changed circumferences 765
hyperinflation 911–12	exemptions 756–7
service costs 458, 460, 464–5	fair value adjustments 359–60
current liabilities 425	hyperinflation 913–14
classification 428	initial recognition 756–7
definition 427	liabilities 751, 753–65, 767–8, 778, 783
nature of 428–9	limit on recognition of assets 759–65
offsetting current assets 429	measurement 752–3, 757–9
recognition 428–9	recognition 752–3, 756–7, 759–65
types of liabilities 429	recoverability of benefits 764–5
see also non-current liabilities	revaluations 187–8
current service costs 458, 460, 464–5	tax law changes 767–8
current tax 750, 752, 753, 778	tax-planning opportunities 763–4
customers	temporary differences 754–6, 759–63,
contracts 481–520	772–4
definition 482	unused tax losses/credits 757
goods and services 511–12	US GAAP comparison 783
intangible assets 348–9	deficits 453
lists of 223–4	defined benefit obligations 460
nature of entity's promise 513–14	defined benefit plans
operating segments 814–15, 818, 819	accrued benefit obligations 465
revenue model 502	business combinations 472
	definitions 458, 835
cyclic revenues 897	disclosures 473, 474
cyclic revenues 897	IAS 19 principles 462–3
unexercised rights 512 cyclic revenues 897 DaimlerChrysler case study 941–7	periodic measurement of cost 464
DCF see discounted cash flow method	•
DDM see dividend discount model	retirement benefit plans 835, 836–7, 838–41 defined contribution plans
decision makers	definitions 458–9, 836
CODMs 804, 806–8, 816	disclosures 473, 474
consolidations 271, 277 definition 271	IAS 19 principles 462–3
	periodic measurement of cost 463–4
decommissioning	retirement benefit plans 836–7
costs 173–5, 441–2	deposits 430, 868
first-time adoption of IFRS 936	depreciable amounts 170, 207, 248
liabilities included in cost of PPE 936	depreciable assets 526
provisions 436, 441–2, 448–50	see also non-depreciable assets
deconsolidations of subsidiaries 289	depreciation 176–81
deductible temporary differences 750, 755,	accounting estimates 143–4
759–63	accumulated 186–7
deemed cost 918, 932–4	component approach 177
defaults 696–7	definitions 170, 248
deferred tax 752–65	"gross-up" approach 186–7
acquisition accounting 333–4	hyperinflation 183
assets 750, 753–65, 767–8, 778, 782	interim periods 900

methods based on time 178–80 "netting" approach 187 partial-year 179–80 PPE 176–81 residual value 180–1 revaluation 183–4, 186–7 taxation 181 units of production method 180	classifications 47 as communication tool 46 conceptual frameworks 29, 46–8 consolidations 290–2 contingent assets/liabilities 448–50 contracts 505–9 credit risk 707–14 discontinued operations 265–7
useful life 177, 181	earnings per share 798–9
derecognition	employee benefits 473–7
conceptual frameworks 28, 38–9	equity method 310–12
definition 604	events after the reporting period 454–5
financial assets 620–2, 928	expenses 105
financial instruments 604, 608, 620–2, 626	extractive industries 863–6
financial liabilities 626, 928	fair value 722, 744-7
first-time adoption of IFRS 926, 928	financial assets 620-1, 702–7 financial instruments 688–719
intangible assets 227 PPE 188–9	financial liabrities 690–1, 702–7
derivatives 648–54	financial systement presentation 70
definition 604	first-time adoption of IFRS 937–47
embedded 604, 628–30, 875	foreign currency 589–90, 594–5
forward contracts 652–3	government grants 529
hedge accounting 648–54, 656–7	hyperinflation 912
identifying transactions 651	IFRS 7 requirements 688–90
list of examples 649	IFRS for SMEs 24
not based on financial instruments 653-4	income taxes 766-7, 778-83
settlement in cash 652	insurance contracts 875–82
development	intangible assets 228–31
costs 213, 218, 221–2, 232	interest in other entities 270, 314–16
definition 207	interim financial reporting 893–4
intangible assets 207, 213–18, 221–2, 232	inventories 166–7
revaluation model 221–2	investment property 242–6
diluted EPS 785–6, 791–801, 820, 893	leases 557–61, 563
dilution 309, 786, 791–801	non-current assets held for sale 264–5
direct costing 152, 161–2	objectives and principles 46
direct financing leases 542, 543, 553–6	operating segments 811–19
direct insurance contracts 868 direct method 114, 119–20, 122	post-employment benefit plans 473–7 PPE 189–95
Directives, EU 440	provisions 438–9
Disclosure Framework 55	related parties 821–33
disclosures	retirement benefit plans 840–1
aggregation 47–8, 830–1	separate financial statements 313–14
agriculture 852–6	share-based payments 413–15
asset impairment 257–60	share capital 90–1, 374–7
associates 314–16	shareholders' equity 373–8, 391–2
borrowing costs 203	statement of cash flows 124–6
business combinations 347–67	statement of changes in equity 112

discontinuations 265–7	E&E see exploration and evaluation
business combinations 334–5	earnings
definitions 97, 260	from investments 287–8
disclosures 265–7, 315	per share 785–801, 820, 893
equity method 307–8	retained 90, 149, 378, 386–7
hedge accounting 666–8	earnings per share (EPS) 785–801
presentation 265	basic EPS 786, 791, 794–800, 893
statement of profit or loss 105, 107	complex capital structures 791–2
US GAAP comparison 112, 267	computations 787–91
discounted cash flow method (DCF) 741–2,	concepts/rules/examples 787–99
746–7	contingent issuance of shares 786, 796–7
discounts/discounting	contracts settled in shares or cash 797
discount rates 251–2, 544	definitions of terms 786–7
	diluted EPS 785-6, 791-801, 820, 893
non-controlling discounts 741	dilution effects 792–5, 797–8
provisions 435, 441–2	disclosures 798–9
revenue model 495–6	presentation 798–9
discretionary participation features 868, 875	scope of standards 785–6
disposals	simple capital structures 787–91
disposal groups 260, 261–4	US GAAP comparison 800–1
foreign operations 586	EC see European Commission
investment property 242	economic benefits 211, 434
proceeds 436	economic life 536
subsidiaries 124	effective date of modification 536
dividend discount model (DDM) 742	effective interest method 604, 630–2, 699
dividends cash 387–9 cumulative preference 375–6 definition 604	effective interest rates 603, 604, 631–2
cash 387–9	EFRAG see European Financial Reporting
cumulative preference 375–6	Advisory Group
definition 604	embedded derivatives 604, 628–30, 875
employee share options 416	employee benefits 457–80
events after the reporting period 454	acquisition accounting 334
important dates 387–8	costing vs. funding practices 463
income taxes 771–2	definition of 459
interim reporting 894	definitions of terms 458–60
liquidating 389	disclosures 473–7
payable 430	employer assets/liabilities 467
reporting 686–7	* *
retained earnings 386	IAS 19 principles 462–3
separate financial statements 313	importance of accounting 460–1 long-term 459, 462, 479
share dividends 387–9, 788	- · · · · · · · · · · · · · · · · · · ·
	minimum funding requirement 467–70
shareholders' equity 375–6, 386, 387–9	objectives of accounting 461
donated capital 383, 518	other benefits 459, 478–9
double-declining balance depreciation	pension accounting rules 461
method 178–80	pension considerations 470–3
DPOC see Due Process Oversight Committee	post-employment benefit plans 463–6, 473–7
dry-docking costs 439	short-term 460, 462, 478
Due Process Oversight Committee	US GAAP comparison 479–80
(DPOC) 7–9	see also retirement benefit plans

employee share options	capital transactions 309
binomial model 418–24	definition 271
BSM model 418-19, 422, 424	dilation losses 309
graded vesting characteristics 407–8	discontinuation 307–8
valuation example 416–24	impairment of investments 310-11
valuation models 418–24	increasing stake in associate 309
employees	intercompany profit on PPE 306–7
business combinations 353–6	intercompany transactions 304–7
definition 394–5	non-monetary assets 307
pension contributions 472–3	ownership interest 307–9
share-based payments 394–5, 401, 407–8	scope and application 300
employers	separate financial statements 312–13
assets/liabilities 467	equity price risk 716, 717
employee benefits 467	equity-settled share-based payments 397, 401–8
insurance contributions 897	cancellations of terms/conditions 401, 405,
interim reporting 897	407–8
payroll tax 897	definitions 372, 395
pension plans 470–2	employees 401, 407–8
Employment Retirement and Income Security	fair value measurement 404–5
Act (ERISA) 1974 842	goods and services 401
enforceable master netting agreements 694–6	group entities 412–13
entry prices 723, 743	modifications and fair value 405–7
environmental damage 439–40	modifying terms/conditions 405–7
EPS see earnings per share	performance conditions 402–4
equity	service conditions 401–2
conceptual frameworks 33, 36, 45 definition 36, 80 hyperinflation 910–11	settlement 407–8
definition 36, 80	summary of conditions 403–4
hyperinflation 910–11	see also share-based payments
liabilities 6/8–9	ERISA see Employment Retirement and
measurement 45	Income Security Act
see also shareholders' equity	error correction 131–5, 144–9
equity instrument granted 372, 395	estimates 131–5, 143–5, 149–50, 903–4, 927–8
equity instruments	EU see European Union
definitions 372, 395, 604	EU Directives, WE&EE 440
entity's own 680, 735–6	Europe 12–14
FVTOCI 690, 692, 697–8	European Commission (EC) 12–14
held by third parties as assets 733–4	European Financial Reporting Advisory
investments in 617–18	Group (EFRAG) 12–13, 18
marketable 606	European Union (EU) 6, 12–14, 18
not held by third parties as assets 734–5	events after the reporting period 425, 451–4
restrictions on sale 731–2	adjusting 426, 452–4
unquoted 677	authorisation date 426, 451–2
equity interests 322	definition 427
equity method 300–13	disclosures 454–5
associates 300–9	dividends 454
at acquisition 302	going concerns 454
basic principles 300–2	non-adjusting 427, 452–4

exchange differences definition 566 elimination of intragroup balances 585 financial instruments 634–5 foreign currency 571, 574, 577, 585–6, 589 exchange rates 566, 567, 570–1	extractive industries 859–66 assets subject to IFRS 6 862–3 definitions of terms 859–60 disclosures 863–6 E&E 859, 860–2, 866, 933 IFRS 6 in detail 860–2
exchange transactions 175, 190–2, 330–2	stripping costs 864–6
exchanges of assets 175, 212-13	US GAAP comparison 866
exemptions	extraordinary items 112, 124
deferred tax 756–7	
first-time adoption of IFRS 918, 929–37	fair value 721–48
insurance contracts 876–9, 882	agriculture 846, 848–9, 850–4
under IFRS 1 929–32, 934	assets carried at 774–5
exit activities 286–7, 330	business combinations 322, 324, 336–7,
exit prices 723, 743	341, 356–60
expected cash flow 252, 723	conceptual frameworks 41, 44
expected credit losses	consideration transferred 337
credit risk disclosures 709–12	contracts and US GAAP 520
definitions 603, 604	cost model 238, 244
financial instrument impairment 636–7,	definitions 170, 207, 234, 248, 260, 322,
647–8	372, 394, 395, 459, 523, 536, 566, 604,
lifetime 603, 606, 639, 641, 711–12	723, 846, 868
twelve months 603, 637	definitions of terms 723–4
expected value 435	disclosures 702–7, 722, 744–7
expenses	employee share options 419–21
classification 103–7	financial instruments 604, 609–11, 613,
conceptual frameworks 33, 36–7, 41	633–5
definitions 36–7, 96	first-time adoption of IFRS 918, 939
E&E 859	future developments 747
general corporate 804	gains and losses 633–5
interim reporting 895-6, 902-3	goodwill 356–60
offsetting items 108	interim reporting 894
prepaid 86	investment property 234, 237–41, 243–4
segment 805	for net exposures 736
statement of changes in equity 99	non-controlling interest 336, 341
statement of profit or loss and OCI 99,	reliable measurement 239
103–7	revaluation 183
exploration and evaluation (E&E)	scope of standards 722–3
assets 859, 861–2, 933	share-based payments 394, 395, 405-7, 414
cash-generating units 861–2	419–21
costs 866	transactions based on 722
expenditures 859	US GAAP comparison 748
mineral resources 860-2	fair value accounting model 238-9, 240-1,
Exposure Drafts 20, 22, 28, 368	243–4
"ex-ship" goods deliveries 155	fair value adjustments 359-60, 585
extinguishment of debt 627	fair value hedges 655, 668, 701–2

fair value hierarchy 737–9	IFRS 9 transition requirements 675, 677
diagrams 404, 737	loss allowances for assets measured at 696
disclosures 703–5	reclassifications 110, 619-20
level 1 inputs 704–5, 723, 737–8, 739	transaction costs 609
level 2 inputs 704–5, 723, 737, 738–9, 746	fair value through profit or loss (FVTPL) 600,
level 3 inputs 704–5, 723, 737, 739, 746	608–13
measurement 404–5	accounting mismatches 613, 625
fair value less costs to sell	business models 611–12, 619–20
asset impairment 250, 258	cash flows 612–13
inventories 166	derivatives 629–30, 649
non-current assets held for sale 263	embedded derivatives 629–30
fair value measurement 724–44	financial assets 611–13, 617, 619–20, 690–1,
considerations 743–4	693–4, 697–8, 699, 718–19
equity instruments 733–6	financial instrument disclosures 690–1,
equity-settled share-based payments 404–5	693–4, 697–8, 699, 718–19
fair value for net exposures 736	financial liabilities 605, 623–5, 690–1, 697,
financial assets/liabilities 736, 936	718–19
first-time adoption of IFRS 936	gains and losses 633, 635
initial recognition 743	hedge accounting 666
inputs 723–4, 726, 736–9	IFRS 9 and IAS 39 600
investment entities 288	IFRS 9 transition requirements 675, 677
investment property 243	loan commitments 602
item identification 725, 726	transaction costs 609
liabilities 726–8, 732–6, 744–6, 748	fairness exception 69–70
market participants 725, 728–31	faithful representation 31, 39, 43, 50
most advantageous markets 724–8	"farm gate" prices 848
non-performance risk 724, 733, 735	FAS see free alongside
principal markets 724, 726–8	FASB see Financial Accounting Standards
process break-down 725–6	Board
shareholders' equity 736	FASB Framework 54–5
significant decrease in activity 729–30	fees 512–13, 818–19
unit of account 724, 725, 726	FIFO see first in, first out
valuation premise for asset measurement	finance leases 541–3, 549
725–6, 731–2	definition 536
valuation techniques 739–43	disclosures 558, 559–60
valuing liabilities 726, 732–3	types 542–3
fair value through OCI (FVTOCI) 613	Financial Accounting Standards Board
amortised cost 630	(FASB)
fair value hedges 668	ASC 150
financial assets 611, 617, 619–20, 690–1,	conceptual frameworks 27, 54–5
696–9, 718	FASB Framework 54–5
financial instrument disclosures 690–4,	historical aspects 2–5
696–9, 718	IASB and US 9–11
financial instrument impairment 637–8	IFRS for SMEs 25
gains and losses 633–5	statement of financial position 78
IFRS 9 and IAS 39 600	financial aid 526–7

financial assets 611–23	designation of 935–6
amortised cost 603, 614–17, 631–2, 690–1,	disclosures 688–719
693–4, 697–8, 699	embedded derivatives 628–30
business models 611–12, 614–15, 619–20	fair value 609–11, 613, 633–5
cash flow 611–16	first-time adoption of IFRS 935–6
classification 611–12	future developments 719
credit-impaired 603–4, 607	hedge accounting 648–74
definition 604–5	IAS 32 requirements 678–88
derecognition 620–2, 928	IFRS 7 requirements 688–90
disclosures 690–1, 702–7	IFRS 9 requirements 674–8, 717–19
expected credit losses 648	IFRS for SMEs 22–3
fair value disclosures 702–7	impairment 636–48
fair value gains and losses 633–4	initial measurement 608–9
fair value measurement 936	initial recognition 608, 609–11
first-time adoption of IFRS 928, 936, 939	levels of disclosure 690–3
FVTOCI 611, 617, 619–20, 690–1, 696–9, 718	measurement 608–23, 530–2, 647–8, 676–7
FVTPL 611–13, 617, 619–20, 690–1, 693–4,	performance 613
697–8, 699, 718–19	presentation 678–88
gross carrying amount 605	puttable 373, 396
IFRS 9 transition requirements 675	qualitative disclosures 707
impairment 700	quantitative disclosures 707
insurance contracts 878, 879–82	recognition 608–23, 633–5
loss allowances 696	risks 689–90, 707
modified 645	scope of standards 601–2
monetary 607	see also compound financial instruments;
offsetting 687–8, 694–6, 700	financial assets; financial liabilities
purchased or originated credit-impaired	financial liabilities 623–8
607, 631, 645, 709, 711	accounting mismatches 613
reclassifications 618–20, 693–4	amortised cost 603, 623–4, 690–1, 697, 699
regular-way purchase/sale 611	classification 623–4
service concessions 532	credit risk 624–6
subsequent measurement 617	definition 605
transfer of 620–3	with demand feature 736
see also assets	derecognition 626, 928
financial guarantee contracts 447	disclosures 690–1, 702–7
credit risk disclosures 711	fair value disclosures 702–7
definitions 605, 868	fair value measurement 736, 936
financial instrument impairment 637, 648	first-time adoption of IFRS 928, 936, 939
financial information see information	FVTPL 605, 623–5, 690–1, 697, 718–19
financial institutions 123	monetary 607
financial instruments 597–719	offsetting 687–8, 694–6, 700
amortised cost 630-2	reclassifications 626–8
classes of 690-3	subsequent measurement 624-8
contingent settlement 685-6	see also liabilities
definition of 605	financial reporting 29-30, 887-905
definitions of terms 603–8	see also International Financial Reporting
derecognition 604, 608, 620-2	Standards

financial risk 868	first-time adoption of IFRS 917-47
financial statements	accounting policies 922–5
agriculture 854–6	DaimlerChrysler case study 941–7
asset impairment 258–60	definitions of terms 918–19
business combinations 366–7	disclosures 937–47
complete set 67–70	exceptions under IFRS 1 918, 921, 927–9
conceptual frameworks 28, 32–7	guidance 919–29
contracts 508–9	IFRS 1 reporting requirements 922
current costs 911–12	key dates 921–2
discontinuations 266–7	measurement 926
earnings per share 799	non-controlling interests 929
elements of 33–7	objectives of IFRS 1 919–21
employee benefits 474–7	optional exemptions 918, 929–37
equity method 310	options with/within standards 940–1
events after the reporting period 455	presentation 937–47
extractive industries 863–6	recognition 926
first IFRS statement 918–20	retrospective applications of IFRSs
foreign currency 566, 574-85, 594-5	927–9
general purpose 32, 49–50, 59	scope of 1FRS 1 919–21
hyperinflation 907–12	steps in transition 922
income taxes 780–3	transition dates 918, 921
insurance contracts 879	transition explanation 937–8
intangible assets 229–31	transition from US GAAP to IFRS
interim reporting 890–5	941–7
investment property 245–6	fixed payments 536, 554
leases 559–61	FOB see free on board
operating segments 815–19	forecast transactions 605, 669
presentation 57–76	foreign currency 565–95
related party disclosures 827–8, 832–3	definition of 566
separate 269–72, 298–9, 312–14, 316–18	definitions of terms 566–7
share-based payments 414-15	disclosures 589–90, 594–5
shareholders' equity 391–2	discussion of definitions 567-70
translation 574–85	functional currency 567, 568-70, 574-7,
see also consolidated financial statements;	586
statement of	hedging 590–4
financing activities 114, 115, 117–18, 125–6	interim reporting 903–4
finished goods 152	objectives 567–70
firm commitments 260–1, 605	presentation currency 567, 575–85
first in, first out (FIFO)	scope of standards 567–70
accounting policies 139, 140-1	special situations 585–9
equity method 303	statement of cash flows 123
first-time adoption 923, 927	transactions 566, 570-4, 575, 588-9, 592-4
inventories 152, 154, 163-4, 167	US GAAP comparison 595
statement of financial position 85	see also translation
first IFRS financial statements 918-20	foreign currency risk 716
first IFRS reporting period 918, 921	foreign entities 566
first-time adopter of IFRS, definition 918	foreign exchange 633–5, 660, 669

foreign operations	modification 606–7
consolidations 578	non-monetary items 577
definition 566	realised 607
disclosures 594–5	reporting 686–7
disposal of 586	statement of changes in equity 99–100, 112
functional currency 568	statement of profit or loss and OCI 99-100,
net investment 567, 577, 590-4, 669, 700-3	108, 112
reporting inventory 586–8	US GAAP comparison 112
forgivable loans 523	see also losses
forward contracts 652–3	gas assets 933, 939
foreign currency 592–3	gas industry 196, 866
forward element of 672	general borrowings 199–200
revenues from contracts 515	general corporate expenses 804
statement of cash flows 124	general purpose financial reporting 28–30
frameworks, conceptual 27-55	general purpose financial statements 32,
France 13–14	49–50, 59
free alongside (FAS) 155	Generally Accepted Accounting Practice
free on board (FOB) 154-6	(GAAP)
fulfilment value 41–2, 44, 883–5	fairness exception 69
full cost/costing 152, 933	inherited 19–11
see also absorption costing	previous 919, 926-8, 931-3, 936-40
functional currency 568–70	see also national GAAP; US GAAP
change in 586	going concerns 62, 76, 454
definition 567	gold-plated hammer syndrome" 175
statement translations 574, 575–7, 586	goods 152, 154–8
statement translations 574, 575–7, 586 fund managers 277 fundamental errors 144 funding 463, 467–70, 836, 841	goods and services 401, 488–90, 511–12
fundamental errors 144	goodwill
funding 463, 467–70, 836, 841	acquisition accounting 339-44, 357-9
future contracts 124, 653	acquisition transaction 357-9
future investment margins 871, 873	business combinations 320, 322, 326,
FVTOCI see fair value through OCI	339-44, 347-8, 356-61, 366, 368-9
FVTPL see fair value through profit or loss	consolidations 282
	deferred tax 756
GAAP see Generally Accepted Accounting	definitions 207, 322
Practice	foreign currency 585
gain from bargain purchases	impairment 360–1
acquisition accounting 339-44	intangible assets 207, 212–13
acquisition transaction example 362–3	government, definition 523, 822
business combinations 322, 339-44, 356,	government assistance 523, 530-1
361–3	government grants 521–33
definition 322	agriculture 850
gains and losses	asset impairment 530
actuarial 458, 466	comprehensive income 528
agriculture 851–2	definition of 523
FVTOCI 633–5	definitions of terms 523
hedge accounting 668–9	depreciable assets 526
impairment 606	disclosures 529

financial aid 526–7	hedged items 606, 657-64, 668, 672-4
government accounting 533	IFRS 9 transition requirements 677–8
government assistance 523, 530–1	net investment in a foreign operation 669
intangible assets 213	objectives 654–5
non-depreciable assets 526	qualifying criteria 655–6
non-monetary 527	rebalancing relationships 663–6, 667
presentation 527–8	scope of standards 654–5
recognition 523–7	time value of options 670–2
related to assets 527–8	hedge effectiveness 605, 661–3, 701–2
repayment 529–30	hedge ratios 606, 663–6
scope of standards 522	hedged items
service concessions 531–3	components and cash flow 659
to defray specific costs 525	definition 606
US GAAP comparison 533	designation of 657–61
government loans 934	fair value hedges 668
government-related entities 822, 831–2	financial items 659-61
grant dates 395, 398	groups of 672-4
grants 213, 521–33, 850	hedge effectiveness 661–3
gross carrying amounts 605, 712–13	hedging 590–4, 606
"grossing up" method 186–7, 221–2	hedging instruments 606
gross investment in lease 536, 549, 553	held-for-sale assets see assets held-for-sale
group of biological assets 846	held for trading, definition 606
groups	highest and best use of asset 723, 731–2
consolidations 271, 290–1	highly probable, definition 261
definitions 271, 567	historical cost
share-based payments 412–13	accounting 254–6, 572
guaranteed benefits 868	conceptual frameworks 39-40, 42, 44
guaranteed elements 868	financial statements 909–11
share-based payments 412–13 guaranteed benefits 868 guaranteed elements 868	method 182–3
harvest 846	host contracts 629
hedge accounting 648-74	hybrid contracts 629, 677
cash flow hedges 655, 668–9	hyperinflation 907–15
components of cash flows 659	cessation of 912–13
components of nominal amount 658,	comparative statements 912
673–4	consolidated statements 912
derivatives 648–54, 656–7	current cost statements 911–12
designation of hedged items 657–61	disclosures 912
designation of instruments 656–7	historical cost statements 909-11
disclosures 700–2	monetary items 909, 911, 913–15
discontinuations 666–8	non-monetary items 909–11, 913–15
effectiveness assessments 661–3	PPE 183
effects on position/performance 701–2	restatements 909–12, 913–14
fair value hedges 655, 668	severe according to IFRS 1 908–9
financial items as hedged items 659–61	severe hyperinflation 908–9, 937
first-time adoption of IFRS 928	US GAAP comparison 914
forward element of forwards 672	hyperinflationary economies 569, 904,
groups of items 672–4	912–13
510 apo 01 1tomo 0/2 -7	712 13

IASB see International Accounting Standards	IFRS Practice Statement Management
Board	Commentary 52–5
IASC see International Accounting Standards	elements 53–4
Committee	future developments 54
identifiable assets	nature and scope 52–3
business combinations 322–3, 332–5, 347–8,	presentation 53
365	principles 53
definitions 322–3, 804	qualitative characteristics 53
intangible assets 206, 208–10	US GAAP comparison 55
IFAC see International Federation of	IFRSs see International Financial Reporting
Accountants	Standards
if-converted method 794–5	IGC see Implementation Guidance
IFRIC see IFRS Interpretations Committee	Committee
IFRS Advisory Council (AC) 6–8	impairment of assets 247–60
IFRS Foundation 6–8	accounting for 253–7
IFRS Interpretations Committee (IFRIC)	cash-generating units 248, 251, 253, 257
conceptual frameworks 28, 48	corporate assets 248, 252–3
current IFRS structure 6–8, 10	definitions of terms 248
current interpretations 15, 16	disclosures 257–60
IFRIC 1 175, 436, 441, 936	discount rates 251–2
IFRIC 2 372, 379, 390, 680	fair value less costs to sell 250, 258
IFRIC 4 934	fir ancial assets 700
IFRIC 6 440	
IFRIC 7 913	government grants 530
IFRIC 10 361, 904	historical cost accounting 254–6
IFRIC 10 361, 904 IFRIC 11 412 IFRIC 12 521, 531–3, 936 IFRIC 14 458, 467–70 IFRIC 16 591, 677 IFRIC 17 191, 261, 389 IFRIC 18 102	identifying impairments 249
IFRIC 12 521, 531–3, 936	insurance 257
IFRIC 14 458, 467–70	interim periods 904
IFRIC 16 591, 677	recoverable amounts 248, 250, 255–8
IFRIC 17 191, 261, 389	reinsurance 872
IFRIC 18 192	revaluation method 256–7
IFRIC 20 864	reversals of impairment 254–7
IFRIC 21 442	scope of standards 248–9
IFRIC 22 571	US GAAP comparison 267
IFRIC 23 765	value in use 248, 250–2, 258
IFRS for SMEs 17–25	impairment of financial instruments 636–48
application of 25	contract assets 645–6
as complete requirements 20	credit risk 638–44
current IFRS structure 6–7	expected credit losses 636–7, 647–8
definition of SMEs 19–20	IFRS 9 transition requirements 675–6
disclosures 24	modified financial assets 645
IASB and reporting in US 12	purchased or originated credit-impaired
implications 25	financial assets 645
maintenance 24	reasonable and supportable information
modifications of full IFRS 20-4	644–5
omissions from full IFRS 20-1	receivables 645–6
simplifications of full IFRS 21-4	impairment gain or loss 606
SMEIG 24–5	impairment of goodwill 360–1

impairment of investments 310–11	tax status changes 768–71
impairment losses	uncertain treatments 765–7
contracts 504	US GAAP comparison 783–4
definitions 171, 207, 248	see also deferred tax
first-time adoption of IFRS 939	income valuation approaches 723, 741–2
intangible assets 207, 226–7	incremental borrowing rate 537, 544–5
non-current assets held for sale 263	indemnification assets 334, 346
Implementation Guidance Committee (IGC)	indirect interest 281–2
649, 651	indirect (reconciliation) method 114, 119,
impracticability 675	120–2, 130
impracticability exception 140–1, 143, 148–9	information
impracticable, definitions 59, 133–4	comparative 65–6, 97, 103, 831, 938
Improvements Project, IASB 13, 132	qualitative 28, 30–2, 43, 50–1, 64
inception date of lease 536	quantitative 64
income	reasonable and supportable 644–5
conceptual frameworks 33, 36-7, 41	relevant 31, 42, 50
definitions 36–7, 96, 482	segment 894
grants related to 523	summarised financial 290
interim reporting 895–6	inherited GAAP 10–11
offsetting items 108	initial direct costs 536
statement of changes in equity 98–9	initial recognition exemption 756–7
statement of profit or loss and OCI 98-9	inputs
structured entities 271	definition 723
see also comprehensive income	fair value 704–5, 723, 736–9, 746
income statements 77–8	market-corroborated 723, 737, 739
see also statement of profit or loss	observable 724, 736–8
income taxes 749–84	revenue model 501
asset impairment 254	unobservable 724, 737, 739, 746–7
business combinations 333-4, 772-4	insurance contracts 867–86
categories of income 898	accounting policies 872–4
changed circumstances 765–71	definition of 868
consolidations 279	definitions of terms 867–9
current tax 752	disclosures 875–82
definitions of terms 750–1	discretionary participation features 868, 875
disclosures 766–7, 778–83	embedded derivatives 875
expenses 105	future developments 882–6
government grants 522	IFRS 9 and IFRS 4 876–82
identification 751	insurance assets 868
interim periods 769–71	measurement 870–5
interim reporting 897–9	overlay approach 879–82
multiplicity of jurisdictions 898	recognition 870–5
presentation 778	temporary exemption from IFRS 9 876–9,
reporting year vs tax year 898	882
scope of standards 750	unbundling 869, 874
specific transactions 771–8	US GAAP comparison 886
tax credits 898–9	insurance contributions 897
tax law changes 767–71	insurance liabilities 868, 870–1

insurance of tangible assets 257 insurance events 868 insured events 868 insured events 868 intangible assets 205–32 acquisition accounting 332–5 agriculture 856–7 amortisation 207, 218–19, 222–5 business combinations 323, 332–5, 347–51 classes of 228–9 control of use 210–11, 212 cost measurement 211–13 costs not satisfying IAS 38 recognition 217–19 criteria of recognition 209–11 definitions of 207, 323 definitions of terms 207–8 derecognition 227 development 207, 213–18, 221–2, 232 disclosures 228–31 exchange of assets 212–13 future benefits 211 identifiable 206, 208–10 impairment losses 207, 226–7 interim reporting 896–7 interim reporting 896–8 scope of standards 206 service concessions 532 software development 215–17 subsequently incurred costs 219 tangible elements 209 technology-based 350 US GAAP comparison 232 website development 227–8 intellectual property 513–14 interest 201–3, 686–7 interest rate options 671 interest rate s 603, 604	insurance risk 868, 869–70, 884	interim periods
insured events 868 insurer, definition 868 insurer 856–7 agriculture 856–7 agriculture 856–7 amortisation 207, 218–19, 222–5 business combinations 323, 332–5, 347–51 classes of 228–9 control of use 210–11, 212 cost measurement 211–13 costs not satisfying IAS 38 recognition 217–19 criteria of recognition 209–11 definitions of 207, 323 definitions of terms 207–8 development 207, 213–18, 221–2, 232 disclosures 228–31 exchange of assets 212–13 future benefits 211 identifiable 206, 208–10 impairment losses 207, 226–7 interim reporting 896–7 interim reporting 896–7 interiming protein 208–28 residual value 208, 225–6 scope of standards 206 service concessions 532 software development 215–17 subsequently incurred costs 219 tangible elements 209 technology-based 350 US GAAP comparison 232 website development 227–8 intellectual property 513–14 interest 201–3, 686–7 interest rate in other entities 271, 314–16 interest rate options 671 interest rate swaps 651–2 foreign currency 903–4 interim reporting 887–905 accounting policies 889–91 definitions of terms 888 disclosures 893–4 foreign currency 903–4 volume rebates 899–900 interim reporting 887–905 accounting policies 889–91 definitions of terms 888 disclosures 893–4 foreign currency 903–4 volume rebates 899–900 interim reporting 887–905 accounting policies 889–91 definitions of terms 888 disclosures 893–4 foreign currency 903–4 volume rebates 899–900 interim reporting 887–905 accounting policies 889–91 definitions of terms 888 disclosures 893–4 foreign currency 903–4 volume rebates 899–900 interim reporting 887–905 accounting policies 889–91 definitions of terms 888 disclosures 893–4 foreign currency 903–4 volume rebates 899–900 interim reporting 887–905 accounting policies 888–9 presentation sept-5 first-time adoption of IFRS 939–40 foreign currency 903–4 volume rebates 899–900 interim reporting 887–905 accounting 904-importantes 890–5 first-time adoption of IFRS 939–40 foreig		
insurer, definition 868 intangible assets 205–32 acquisition accounting 332–5 agriculture 856–7 amortisation 207, 218–19, 222–5 business combinations 323, 332–5, 347–51 classes of 228–9 control of use 210–11, 212 cost measurement 211–13 costs not satisfying IAS 38 recognition 217–19 criteria of recognition 209–11 definitions of 207, 233 definitions of terms 207–8 derecognition 227 development 207, 213–18, 221–2, 232 disclosures 228–31 exchange of assets 212–13 future benefits 211 identifiable 206, 208–10 impairments of assets 904 use of estimates 903–4 volume rebates 899–900 interim reporting 887–905 accounting policies 889–91 definitions of terms 888 disclosures 893–4 financial statements 890–5 first-time adoption of IFRS 939–40 foreign currency 903–4 hyperinflationary economies 904 important aspects 891 measurement 895–904 objectives 888–9 presentation 891–5 recognition 891–5 recognition 896–7 interim reporting 886–7 interim reporting 887–905 accounting policies 889–91 definitions of Ierms 888 disclosures 893–4 financial statements 890–5 first-time adoption of IFRS 939–40 foreign currency 903–4 hyperinflationary economies 904 important aspects 891 measurement 895–904 objectives 888–9 presentation 891–5 recognition 891–5 recognition 896–7 interim reporting 886–7 interim reporting 887–905 accounting policies 889–91 definitions of Ierms 888 disclosures 893–4 financial statements 890–5 first-time adoption of IFRS 939–40 foreign currency 903–4 hyperinflationary economies 904 important aspects 891 measurement 895–904 reporting year vs tax year 898 scope of standards 888 simificant events/transactions 893 US GAAP comparison 904–5 interim reports 888, 891, 892 International Accounting Standards Board (IASB) 1–6 conceptual frameworks 27–9, 32, 34, 46, 48–9, 51, 55 current IFRS for SMEs 17–20, 22, 24–5 Improvements Project 13, 132 reporting models 3–4 statements 890–90 interim reporting 887–904 recognition 297–1 hyperinflations of IFRS 939–40 foreign currency 903–4 hyperinflations of IFRS 939–40 foreign currency 903–4		
intangible assets 205-32 acquisition accounting 332-5 agriculture 856-7 amortisation 207, 218-19, 222-5 business combinations 323, 332-5, 347-51 classes of 228-9 control of use 210-11, 212 cost measurement 211-13 costs not satisfying IAS 38 recognition 217-19 criteria of recognition 209-11 definitions of 207, 323 definitions of terms 207-8 derecognition 227 development 207, 213-18, 221-2, 232 disclosures 228-31 exchange of assets 212-13 future benefits 211 identifiable 206, 208-10 impairment losses 207, 226-7 interim reporting 896-7 internally generated 212-15, 232 measurement 208-28 residual value 208, 225-6 scope of standards 206 service concessions 532 software development 215-17 subsequently incurred costs 219 tangible elements 209 technology-based 350 US GAAP comparison 232 website development 227-8 intelectual property 513-14 interest rate risk 689 interest rate implicit in lease 537 interest rate risk 689 interest rate ri	insurer, definition 868	- · · · · · · · · · · · · · · · · · · ·
acquisition accounting 332–5 agriculture 856–7 amortisation 207, 218–19, 222–5 business combinations 323, 332–5, 347–51 classes of 228–9 control of use 210–11, 212 cost measurement 211–13 costs not satisfying IAS 38 recognition 217–19 criteria of recognition 209–11 definitions of terms 207–8 derecognition 227 development 207, 213–18, 221–2, 232 disclosures 228–31 exchange of assets 212–13 future benefits 211 identifiable 206, 208–10 impairment losses 207, 226–7 interim reporting 896–7 internally generated 212–15, 232 measurement 208–28 nature of 208–9 PPE 169–70, 171 recognition 208–28 residual value 208, 225–6 scope of standards 206 service concessions 532 software development 215–17 subsequently incurred costs 219 tangible elements 209 technology-based 350 US GAAP comparison 232 website development 227–8 intellectual property 513–14 interest 201–3, 686–7 interest in other entities 271, 314–16 interest rate implicit in lease 537 interest rate options 671 interest rate implicit in lease 537 interest rate risk 689 interest rate swaps 651–2 volume rebates 899–900 interim reporting 887–905 accounting policies 889–91 definitions of terms 888 disclosures 893–4 financial statements 890–5 first-time adoption of IFRS 939–40 foreign currency 903–4 hyperinflationary economies 904 important aspects 891 measurement 895–904 objectives 888–9 presentation 99–5 frist-time adoption of IFRS 939–40 foreign currency 903–4 hyperinflationary economies 904 important aspects 891 measurement 895–904 objectives 888–9 presentation 90–5 first-time adoption of IFRS 939–40 foreign currency 903–4 hyperinflationary economies 904 important aspects 891 measurement 895–904 objectives 888–9 presentation 90–5 first-time adoption of IFRS 939–40 foreign currency 903–4 hyperinflationary economies 904 important aspects 891 measurement 895–904 objectives 888–9 presentation 90–5 first-time adoption of IFRS 939–40 foreign currency 903–4 hyperinflationary economies 904 important aspects 891 measurement 295–904 objectives 888–9 presentation 90–5 frist-tim		-
agriculture 856-7 amortisation 207, 218-19, 222-5 business combinations 323, 332-5, 347-51 classes of 228-9 control of use 210-11, 212 cost measurement 211-13 costs not satisfying IAS 38 recognition 217-19 criteria of recognition 209-11 definitions of 207, 323 definitions of 207, 323 definitions of terms 207-8 derecognition 227 development 207, 213-18, 221-2, 232 disclosures 228-31 exchange of assets 212-13 future benefits 211 identifiable 206, 208-10 impairment losses 207, 226-7 interim reporting 896-7 interimally generated 212-15, 232 measurement 208-28 nature of 208-9 PPE 169-70, 171 recognition 208-28 residual value 208, 225-6 scope of standards 206 service concessions 532 software development 215-17 subsequently incurred costs 219 tangible elements 209 technology-based 350 US GAAP comparison 232 website development 215-17 subsequently incurred costs 219 tangible elements 209 technology-based 350 US GAAP comparison 232 website development 227-8 intellectual property 513-14 interest 201-3, 686-7 interest rate risk 689 interest rate swaps 651-2 interest rate swaps 651-2 interest 201-3, 686-7 interest rate implicit in lease 537 interest rate risk 689 interest rate swaps 651-2	~	
amortisation 207, 218–19, 222–5 business combinations 323, 332–5, 347–51 classes of 228–9 control of use 210–11, 212 cost measurement 211–13 costs not satisfying IAS 38 recognition 217–19 criteria of recognition 209–11 definitions of 207, 323 definitions of terms 207–8 derecognition 227 development 207, 213–18, 221–2, 232 disclosures 228–31 exchange of assets 212–13 future benefits 211 identifiable 206, 208–10 impairment losses 207, 226–7 interim reporting 896–7 internally generated 212–15, 232 measurement 208–28 nature of 208–9 PPE 169–70, 171 recognition 208–28 residual value 208, 225–6 scope of standards 206 service concessions 532 software development 215–17 subsequently incurred costs 219 tangible elements 209 technology-based 350 US GAAP comparison 232 website development 227–8 intellectual property 513–14 interest 201–3, 686–7 interest in other entities 271, 314–16 interest rate risk 689 interest rate risk 689 interest rate risk 689 interest rate risk 689 interest rate swaps 651–2 accounting policies 889–91 definitions of terms 888 disclosures 893–4 financial statements 890–5 first-time adoption of IFRS 939–40 foreign currency 903–4 hyperinflationary economies 904 important aspects 891, measurement 895–994 objectives 888–9 presentation 291–5 recognition 291–5 recognition 295–904 reporting year vs tax year 898 scope of standards 888 significant events/transactions 893 US GAAP comparison 904–5 interim reports 88,8–9, presentation 291–5 recognition 297 thyperinflationary economies 904 important aspects 891, measurement 895–924 objectives 888–9 presentation 291–5 recognition 297 tecoprition 297 teco	· -	
business combinations 323, 332–5, 347–51 classes of 228–9 control of use 210–11, 212 cost measurement 211–13 costs not satisfying IAS 38 recognition 217–19 criteria of recognition 209–11 definitions of 207, 323 definitions of terms 207–8 derecognition 227 development 207, 213–18, 221–2, 232 disclosures 228–31 exchange of assets 212–13 future benefits 211 identifiable 206, 208–10 impairment losses 207, 226–7 interim reporting 896–7 internally generated 212–15, 232 measurement 208–28 nature of 208–9 PPE 169–70, 171 recognition 208–28 residual value 208, 225–6 scope of standards 206 service concessions 532 software development 215–17 subsequently incurred costs 219 tangible elements 209 technology-based 350 US GAAP comparison 232 website development 227–8 intellectual property 513–14 interest in other entities 271, 314–16 interest rate implicit in lease 537 interest rate implicit in lease 537 interest rate is 689 interest rate swaps 651–2 definitions of terms 888 disclosures 893–4 fnancial statements 890–5 first-time adoption of IFRS 939–40 foreign currency 903–4 hyperinflationary economies 904 important aspects 891. measurement 895–904 objectives 888–9 presentation 891–5 frist-time adoption of IFRS 939–40 foreign currency 903–4 hyperinflationary economies 904 important aspects 891. measurement 895–904 objectives 888–9 presentation 891–5 frist-time adoption of IFRS 939–40 foreign currency 903–4 hyperinflationary economies 904 important aspects 891. measurement 895–904 objectives 888–9 presentation 891–5 frate-time adoption of IFRS 939–40 foreign currency 903–4 hyperinflationary economies 904 important aspects 891. measurement 895–904 objectives 888–9 presentation 891–5 frate-time adoption of IFRS 939–40 foreign currency 903–4 hyperinflationary economies 904 important aspects 891. measurement 895–904 reporting 291–5 recognition 292–6 firetime adoption of IFRS 939–40 foreign currency 903–4 hyperinflationary economies 904 important aspects 891. measurement 895–904 reporting 291–5 recognition 295–904 reporting 291–5	-	
classes of 228–9 control of use 210–11, 212 cost measurement 211–13 costs not satisfying IAS 38 recognition 217–19 criteria of recognition 209–11 definitions of 207, 323 definitions of terms 207–8 derecognition 227 development 207, 213–18, 221–2, 232 disclosures 228–31 exchange of assets 212–13 future benefits 211 identifiable 206, 208–10 impairment losses 207, 226–7 interim reporting 896–7 internally generated 212–15, 232 measurement 208–28 nature of 208–9 PPE 169–70, 171 recognition 208–28 residual value 208, 225–6 serope of standards 206 service concessions 532 software development 215–17 subsequently incurred costs 219 tangible elements 209 technology-based 350 US GAAP comparison 232 website development 227–8 intellectual property 513–14 interest 1 other entities 271, 314–16 interest rate implicit in lease 537 interest rate risk 689 interest rate rate swaps 651–2 disclosures 893–4 financial statements 890–5 first-time adoption of IFRS 939–40 foreign currency 903–4 hyperinflationary economies 904 important aspects 891 foreign currency 903–4 hyperinflationary economies 904 important aspects 891 foreign currency 903–4 hyperinflationary economies 904 important aspects 891 recognition 291–5 recognition 291–5 recognition 291–5 recognition 291–5 recognition 291–5 recognition 291–5 recognition 292–5 recognition 291–5 recognition 395–904 reporting year vs tax year 898 scope of standards 88 significant events/transactions 893 US GAAP comparison 904–5 interim reporting Standards Board (IASB) 1–6 conceptual frameworks 27–9, 32, 34, 46, 48–9, 51, 55 current IFRS structure 6–7 Europe 12–14 history of 3–6 IFRS for SMEs 17–20, 22, 24–5 Improvements Project 13, 132 reporting adoption of IFRS 939–40 foreign currency 903–4 hyperinflationary economies 904 important aspects 889 presentation 291–5 recognition 292–5 trecognition 292–5 trecognition 292–5 trecognition 395–904 reporting aspects 888, 891, 892 International Accounting Standards Committee (IASC) 4–6, 9–10, 12 International Accounting Standards Committee (IASC) 4–6, 9–		~ ^
control of use 210–11, 212 cost measurement 211–13 costs not satisfying IAS 38 recognition 217–19 criteria of recognition 209–11 definitions of 207, 323 definitions of terms 207–8 derecognition 227 development 207, 213–18, 221–2, 232 disclosures 228–31 exchange of assets 212–13 future benefits 211 identifiable 206, 208–10 impairment losses 207, 226–7 interim reporting 896–7 intermally generated 212–15, 232 measurement 208–28 nature of 208–9 PPE 169–70, 171 recognition 208–28 residual value 208, 225–6 scope of standards 206 service concessions 532 software development 215–17 subsequently incurred costs 219 tangible elements 209 technology-based 350 US GAAP comparison 232 website development 227–8 intellectual property 513–14 interest 201–3, 686–7 interest in other entities 271, 314–16 interest rate implicit in lease 537 interest rate risk 689 interest rate swaps 651–2 financial statements 890–5 foreign currency 903–4 hyperinflationary economies 904 important aspects 891 measurement 895–904 reporting 291–5 recognition 291–5 recognition 291–5 recognition 291–5 recognition 292–1 hyperinflationary economies 904 important aspects 891 measurement 895–904 reporting 295–904 reporting 296–7 recognition 291–5 recognition 291–5 recognition 292–1 recognition 295–904 reporting 296–7 interim reporting 896–7 interim reporting 896–7 interim reporting 898 scope of standards 88 significant events/transactions 893 US GAAP comparison 904–5 interim reports 888, 891, 892 International Accounting Standards Board (IASB) 1–6 conceptual frameworks 27–9, 32, 34, 46, 48–9, 51, 55 current IFRS structure 6–7 Europe 12–14 history of 3–6 IFRS for SMEs 17–20, 22, 24–5 Improvements Project 13, 132 reporting models 3–4 standard-setting process 8–9 US 9–12 International Accounting Standards Committee (IASC) 4–6, 9–10, 12 International Accounting Standa		disclosures 893–4
cost measurement 211–13 costs not satisfying IAS 38 recognition 217–19 criteria of recognition 209–11 definitions of 207, 323 definitions of terms 207–8 derecognition 227 development 207, 213–18, 221–2, 232 disclosures 228–31 exchange of assets 212–13 future benefits 211 identifiable 206, 208–10 impairment losses 207, 226–7 interim reporting 896–7 interimally generated 212–15, 232 measurement 208–28 nature of 208–9 PPE 169–70, 171 recognition 208–28 residual value 208, 225–6 scope of standards 206 service concessions 532 software development 215–17 subsequently incurred costs 219 tangible elements 209 technology-based 350 US GAAP comparison 232 website development 227–8 interliectual property 513–14 interest 201–3, 686–7 interest in other entities 271, 314–16 interest rate implicit in lease 537 interest rate risk 689 interest rate swaps 651–2 first-time adoption of IFRS 939–40 hyperinflationary economies 904 important aspects 891 measurement 895–904 objectives 888–9 presentation 291–5 recognition 291–5 recognition 291–5 recognition 295–104 timportant aspects 891 measurement 895–904 objectives 888–9 presentation 291–5 recognition 291–5 recognition 291–5 recognition 291–5 recognition 295–104 timportant aspects 891 measurement 895–904 objectives 888–9 important aspects 891 measurement 895–904 objectives 888–9 important aspects 891 measurement 895–904 objectives 888–9 interest rate ingentate 495–904 reporting year vs tax year 898 scope of standards 88 significant events/transactions 893 US GAAP comparison 904–5 interim reports 888, 891, 892 International Accounting Standards Committee (IASC) 4–6, 9–10, 12 International Accoun	control of use 210–11, 212	financial statements 890–5
costs not satisfying IAS 38 recognition 217–19 criteria of recognition 209–11 definitions of 207, 323 definitions of terms 207–8 derecognition 227 development 207, 213–18, 221–2, 232 disclosures 228–31 exchange of assets 212–13 future benefits 211 identifiable 206, 208–10 impairment losses 207, 226–7 interim reporting 896–7 interim reporting 896–7 interim reporting 896–8 pPE 169–70, 171 recognition 208–28 residual value 208, 225–6 scope of standards 206 service concessions 532 software development 215–17 subsequently incurred costs 219 tangible elements 209 technology-based 350 US GAAP comparison 232 website development 215–17 subsequently incurred costs 219 tangible elements 209 technology-based 350 US GAAP comparison 232 website development 225–8 intellectual property 513–14 interest 201–3, 686–7 interest rate implicit in lease 537 interest rate options 671 interest rate options 671 interest rate options 671 interest rate implicit in lease 537 interest rate risk 689 interest rate swaps 651–2 foreign currency 903–4 hyperinflationary economies 904 important aspects 891 measurement 895–904 objectives 888–9 presentation 291–5 recognition 295–5 rec		first-time adoption of IFRS 939–40
217–19 criteria of recognition 209–11 definitions of 207, 323 definitions of terms 207–8 derecognition 227 development 207, 213–18, 221–2, 232 disclosures 228–31 exchange of assets 212–13 future benefits 211 identifiable 206, 208–10 impairment losses 207, 226–7 interim reporting 896–7 internally generated 212–15, 232 measurement 208–28 nature of 208–9 PPE 169–70, 171 recognition 208–28 residual value 208, 225–6 scope of standards 206 service concessions 532 software development 215–17 subsequently incurred costs 219 tangible elements 209 technology-based 350 US GAAP comparison 208–12 Internally generated 212–15, 232 measurement 208–28 residual value 208, 225–6 scope of standards 206 service concessions 532 software development 215–17 subsequently incurred costs 219 tangible elements 209 technology-based 350 US GAAP comparison 232 website development 215–17 subsequently incurred costs 219 tangible elements 209 technology-based 350 US GAAP comparison 232 residual value 208, 225–6 scope of standards 206 service concessions 532 software development 215–17 subsequently incurred costs 219 tangible elements 209 technology-based 350 US GAAP comparison 232 website development 215–17 subsequently incurred costs 219 tangible elements 209 technology-based 350 US GAAP comparison 232 reporting year vs tax year 898 scope of standards Board (IASB) 1–6 conceptual frameworks 27–9, 32, 34, 46, 48–9, 51, 55 current IFRS structure 6–7 Europe 12–14 history of 3–6 IFRS for SMEs 17–20, 22, 24–5 Improvements Project 13, 132 reporting year vs tax year 898 scope of standards Board (IASB) 1–6 conceptual frameworks 27–9, 32, 34, 46, 48–9, 51, 55 current IFRS structure 6–7 Europe 12–14 history of 3–6 IFRS for SMEs 17–20, 22, 24–5 Improvements Project 13, 132 reporting year vs tax year 898 scope of standards Board (IASB) 1–6 conceptual frameworks 27–9, 32, 34, 46, 48–9, 51, 55 current IFRS structure 6–7 International Accounting Standards Committee (IASC) 4–6, 9–10, 12 International Accounting Standards Committee (IASC) 4–6, 9–10, 12 Internat	costs not satisfying IAS 38 recognition	
criteria of recognition 209–11 definitions of 207, 323 definitions of terms 207–8 derecognition 227 development 207, 213–18, 221–2, 232 disclosures 228–31 exchange of assets 212–13 future benefits 211 identifiable 206, 208–10 impairment losses 207, 226–7 interim reporting 896–7 intermally generated 212–15, 232 measurement 208–28 nature of 208–9 PPE 169–70, 171 recognition 208–28 residual value 208, 225–6 scope of standards 206 service concessions 532 software development 215–17 subsequently incurred costs 219 tangible elements 209 technology-based 350 US GAAP comparison 208–28 residual value 208, 225–6 scope of standards 206 service concessions 532 software development 215–17 subsequently incurred costs 219 tangible elements 209 technology-based 350 US GAAP comparison 232 website development 215–17 subsequently incurred costs 219 tangible elements 209 technology-based 350 US GAAP comparison 24 (IASB) 1–6 conceptual frameworks 27–9, 32, 34, 46, 48–9, 51, 55 current IFRS structure 6–7 Europe 12–14 history of 3–6 IFRS for SMEs 17–20, 22, 24–5 Improvements Project 13, 132 reporting models 3–4 standard-setting process 8–9 US 9–12 International Accounting Standards Committee (IASC) 4–6, 9–10, 12 International Accounting Standards Committee		· · ·
definitions of 207, 323 definitions of terms 207–8 derecognition 227 development 207, 213–18, 221–2, 232 disclosures 228–31 exchange of assets 212–13 future benefits 211 identifiable 206, 208–10 impairment losses 207, 226–7 interim reporting 896–7 internally generated 212–15, 232 measurement 208–28 residual value 208, 225–6 scope of standards 206 service concessions 532 software development 215–17 subsequently incurred costs 219 tangible elements 209 technology-based 350 US GAAP comparison 232 website development 215–17 subsequently incurred costs 219 tangible elements 209 technology-based 350 US GAAP comparison 232 website development 227–8 intellectual property 513–14 interest 201–3, 686–7 interest rate implicit in lease 537 interest rate options 671 interest rate risk 689 interest rate swaps 651–2 measurement 895–904 objectives 888–9 presentation 891–5 recognition 893–904 reporting 896–9 trecognition 891–5 recognition 893–904 reporting 898 scope of standards 888 significant events/transactions 893 US GAAP comparison 904–5 interint reports 888, 891, 892 International Accounting Standards Board (IASB) 1–6 conceptual frameworks 27–9, 32, 34, 46, 48–9, 51, 55 current IFRS structure 6–7 Europe 12–14 history of 3–6 IFRS for SMEs 17–20, 22, 24–5 Improvements Project 13, 132 reporting 896 interint 895–904 reporting 896 interion 891–5 interion 893 US GAAP comparison 904–5 interint reports 888 significant events/transactions 893 US GAAP comparison 904–5 interint properts 888, 891, 892 International Accounting Standards Sametring reporting 904–5 interint properts 888, 891, 892 International Accounting Standards (IASC) 4–6, 9–10, 12 International Accounting Standards Committee (IASC) 4–6, 9–10,	criteria of recognition 209–11	* *
definitions of terms 207–8 derecognition 227 development 207, 213–18, 221–2, 232 disclosures 228–31 exchange of assets 212–13 future benefits 211 identifiable 206, 208–10 impairment losses 207, 226–7 interim reporting 896–7 internally generated 212–15, 232 measurement 208–28 nature of 208–9 PPE 169–70, 171 recognition 208–28 residual value 208, 225–6 scope of standards 206 service concessions 532 software development 215–17 subsequently incurred costs 219 tangible elements 209 technology-based 350 US GAAP comparison 232 website development 227–8 interliest in other entities 271, 314–16 interest rate implicit in lease 537 interest rate options 671 interest rate options 671 interest rate swaps 651–2 objectives 888–9 presentation 291–5 recognition 291–5 recognition 295–904 reporting year vs tax year 898 scope of standards 888 significant events/transactions 893 US GAAP comparison 904–5 interim reports 888, 891, 892 International Accounting Standards Board (IASB) 1–6 conceptual frameworks 27–9, 32, 34, 46, 48–9, 51, 55 current IFRS structure 6–7 Europe 12–14 history of 3–6 IFRS for SMEs 17–20, 22, 24–5 Improvements Project 13, 132 reporting year vs tax year 898 scope of standards 88 significant events/transactions 893 US GAAP comparison 904–5 interim reports 888, 891, 892 International Accounting Standards Board (IASB) 1–6 conceptual frameworks 27–9, 32, 34, 46, 48–9, 51, 55 current IFRS structure 6–7 Europe 12–14 history of 3–6 IFRS for SMEs 17–20, 22, 24–5 Improvements Project 13, 132 reporting year vs tax year 898 scope of standards 88 significant events/transactions 893 US GAAP comparison 904–5 interim reports 888, 891, 892 International Accounting Standards Conditing models 3–4 standard-setting process 8–9 US 9–12 International Accounting Standards Committee (IASC) 4–6, 9–10, 12 International Accounting Standards a	_	
derecognition 227 development 207, 213–18, 221–2, 232 disclosures 228–31 exchange of assets 212–13 future benefits 211 identifiable 206, 208–10 impairment losses 207, 226–7 interim reporting 896–7 interim reporting 896–7 interim reporting 896–7 interim reporting 896–8 pPE 169–70, 171 recognition 208–28 residual value 208, 225–6 scope of standards 206 service concessions 532 software development 215–17 subsequently incurred costs 219 tangible elements 209 technology-based 350 US GAAP comparison 2032 website development 227–8 interimerest rate implicit in lease 537 interest rate options 671 interest rate risk 689 interest rate swaps 651–2 presentation 891–5 recognition 395–904 reporting year vs tax year 898 scope of standards 888 significant events/transactions 893 US GAAP comparison 904–5 unterim reports 888, 891, 892 International Accounting Standards Board (IASB) 1–6 conceptual frameworks 27–9, 32, 34, 46, 48–9, 51, 55 current IFRS structure 6–7 Europe 12–14 history of 3–6 IFRS for SMEs 17–20, 22, 24–5 Improvements Project 13, 132 reporting models 3–4 standard-setting process 8–9 US 9–12 International Accounting Standards Committee (IASC) 4–6, 9–10, 12 International Accounting Standards are provided to a standard-setting process 8–9 US 9–12 International Accounting Standards Committee (IASC) 4–6, 9–10, 12 International Accounting Standards Committee (IASC) 4–6,		objectives 888–9
development 207, 213–18, 221–2, 232 disclosures 228–31 exchange of assets 212–13 future benefits 211 identifiable 206, 208–10 impairment losses 207, 226–7 interim reporting 896–7 internally generated 212–15, 232 measurement 208–28 nature of 208–9 PPE 169–70, 171 recognition 208–28 residual value 208, 225–6 scope of standards 206 service concessions 532 software development 215–17 subsequently incurred costs 219 tangible elements 209 technology-based 350 US GAAP comparison 232 website development 215–17 subsequently incurred costs 219 tangible elements 209 technology-based 350 US GAAP comparison 232 website development 215–17 subsequently incurred costs 219 tangible elements 209 technology-based 350 US GAAP comparison 232 website development 215–17 subsequently incurred costs 219 tangible elements 209 technology-based 350 US GAAP comparison 232 recognition 285–904 reporting year vs tax year 898 scope of standards 888 significant events/transactions 893 US GAAP comparison 904–5 interim reports 888, 891, 892 International Accounting Standards Board (IASB) 1–6 conceptual frameworks 27–9, 32, 34, 46, 48–9, 51, 55 current IFRS structure 6–7 Europe 12–14 history of 3–6 IFRS for SMEs 17–20, 22, 24–5 Improvements Project 13, 132 reporting models 3–4 standard-setting process 8–9 US 9–12 International Accounting Standards Committee (IASC) 4–6, 9–10, 12 International Accounting Standards Committee (IASC) 4–6, 9–10, 12 International Accounting Standards (IASs) current standards 15–16 IAS 1 accounting policies 132–3, 135, 138 agriculture 853 current liabilities 428–9 disclosures required 70 earnings per share 785	derecognition 227	· ·
disclosures 228–31 exchange of assets 212–13 future benefits 211 identifiable 206, 208–10 impairment losses 207, 226–7 interim reporting 896–7 internally generated 212–15, 232 measurement 208–28 nature of 208–9 PPE 169–70, 171 recognition 208–28 residual value 208, 225–6 scope of standards 206 service concessions 532 software development 215–17 subsequently incurred costs 219 tangible elements 209 technology-based 350 US GAAP comparison 232 website development 227–8 interest rate implicit in lease 537 interest rate options 671 interest rate risk 689 interest rate swaps 651–2 reporting year vs tax year 898 scope of standards 888 significant events/transactions 893 US GAAP comparison 904–5 interim reports 888, 891, 892 International Accounting Standards Board (IASB) 1–6 conceptual frameworks 27–9, 32, 34, 46, 48–9, 51, 55 current IFRS structure 6–7 Europe 12–14 history of 3–6 IFRS for SMEs 17–20, 22, 24–5 Improvements Project 13, 132 reporting models 3–4 standard-setting process 8–9 US 9–12 International Accounting Standards Committee (IASC) 4–6, 9–10, 12 International Accounting Standards (IASs) current standards 15–16 IAS 1 accounting policies 132–3, 135, 138 agriculture 853 current liabilities 428–9 disclosures required 70 earnings per share 785		-
exchange of assets 212–13 future benefits 211 identifiable 206, 208–10 impairment losses 207, 226–7 interim reporting 896–7 interim reporting 896–7 interim 208–28 nature of 208–9 PPE 169–70, 171 recognition 208–28 residual value 208, 225–6 service concessions 532 software development 215–17 subsequently incurred costs 219 tangible elements 209 technology-based 350 US GAAP comparison 232 website development 227–8 interest 201–3, 686–7 interest rate implicit in lease 537 interest rate risk 689 interest rate swaps 651–2 scope of standards 888 significant events/transactions 893 US GAAP comparison 904–5 interim reports 888, 891, 892 International Accounting Standards Board (IASB) 1–6 conceptual frameworks 27–9, 32, 34, 46, 48–9, 51, 55 current IFRS structure 6–7 Europe 12–14 history of 3–6 IFRS for SMEs 17–20, 22, 24–5 Improvements Project 13, 132 reporting models 3–4 standard-setting process 8–9 US 9–12 International Accounting Standards Committee (IASC) 4–6, 9–10, 12 International Accounting Standards (IASs) current standards 15–16 IAS 1 accounting policies 132–3, 135, 138 agriculture 853 current liabilities 428–9 disclosures required 70 earnings per share 785	_	
identifiable 206, 208–10 impairment losses 207, 226–7 interim reporting 896–7 interim reporting 896–7 internally generated 212–15, 232 measurement 208–28 nature of 208–9 PPE 169–70, 171 recognition 208–28 residual value 208, 225–6 service concessions 532 software development 215–17 subsequently incurred costs 219 tangible elements 209 technology-based 350 US GAAP comparison 232 website development 227–8 interest in other entities 271, 314–16 interest 201–3, 686–7 interest rate implicit in lease 537 interest rate risk 689 interest rate swaps 651–2 US GAAP comparison 904–5 tinterim reports 888, 891, 892 International Accounting Standards Board (IASB) 1–6 conceptual frameworks 27–9, 32, 34, 46, 48–9, 51, 55 current IFRS structure 6–7 Europe 12–14 history of 3–6 IFRS for SMEs 17–20, 22, 24–5 Improvements Project 13, 132 reporting models 3–4 standard-setting process 8–9 US 9–12 International Accounting Standards Committee (IASC) 4–6, 9–10, 12 International Accounting Standards Committee 853 current Isabilities 428–9 disclosures required 70 earnings per share 785	exchange of assets 212–13	
impairment losses 207, 226–7 interim reporting 896–7 interim reporting 898–8 interim reportis 888, 891, 892 International Accounting Standards Board (IASB) 1–6 conceptual frameworks 27–9, 32, 34, 46, 48–9, 51, 55 current IFRS structure 6–7 Europe 12–14 history of 3–6 IFRS for SMEs 17–20, 22, 24–5 Improvements Project 13, 132 reporting models 3–4 standard-setting process 8–9 US 9–12 International Accounting Standards UFRS for SMEs 17–20, 22, 24–5 Improvements Project 13, 132 reporting models 3–4 standard-setting process 8–9 US 9–12 International Accounting Standards Committee (IASC) 4–6, 9–10, 12 International Accounting Standards Board (IASB) 1–6 conceptual frameworks 27–9, 32, 34, 46, 48–9, 51, 55 current IFRS structure 6–7 Europe 12–14 history of 3–6 IFRS for SMEs 17–20, 22, 24–5 Improvements Project 13, 132 reporting models 3–4 standard-setting process 8–9 US 9–12 International Accounting Standards Committee (IASC) 4–6, 9–10, 12 International Accounting Standar	future benefits 211	significant events/transactions 893
interim reporting 896–7 internally generated 212–15, 232 measurement 208–28 nature of 208–9 PPE 169–70, 171 recognition 208–28 residual value 208, 225–6 scope of standards 206 scope of standards 206 service concessions 532 software development 215–17 subsequently incurred costs 219 tangible elements 209 technology-based 350 US GAAP comparison 232 website development 227–8 interest 201–3, 686–7 interest rate implicit in lease 537 interest rate options 671 interest rate swaps 651–2 International Accounting Standards Board (IASB) 1–6 conceptual frameworks 27–9, 32, 34, 46, 48–9, 51, 55 current IFRS structure 6–7 Europe 12–14 history of 3–6 IFRS for SMEs 17–20, 22, 24–5 Improvements Project 13, 132 reporting models 3–4 standard-setting process 8–9 US 9–12 International Accounting Standards Committee (IASC) 4–6, 9–10, 12 International Accounting Standards and arcounting Standards Committee (IASC) 4–6, 9–10, 12 International Accounting Standards Committee (IASC) 4–6, 9–10, 12 Inte	identifiable 206, 208-10	US GAAP comparison 904–5
internally generated 212–15, 232 measurement 208–28 nature of 208–9 PPE 169–70, 171 recognition 208–28 residual value 208, 225–6 service concessions 532 software development 215–17 subsequently incurred costs 219 tangible elements 209 technology-based 350 US GAAP comparison 232 website development 227–8 interest 201–3, 686–7 interest rate implicit in lease 537 interest rate risk 689 interest rate swaps 651–2 (IASB) 1–6 conceptual frameworks 27–9, 32, 34, 46, 48–9, 51, 55 current IFRS structure 6–7 Europe 12–14 history of 3–6 IFRS for SMEs 17–20, 22, 24–5 Improvements Project 13, 132 reporting models 3–4 standard-setting process 8–9 US 9–12 International Accounting Standards Committee (IASC) 4–6, 9–10, 12 International Accounting Standards (IASs) current standards 15–16 IAS 1 accounting policies 132–3, 135, 138 agriculture 853 current liabilities 428–9 disclosures required 70 earnings per share 785	impairment losses 207, 226–7	interim reports 888, 891, 892
residual value 208, 225-6 scope of standards 206 service concessions 532 software development 215–17 subsequently incurred costs 219 tangible elements 209 technology-based 350 US GAAP comparison 232 website development 227–8 interest 201–3, 686–7 interest in other entities 271, 314–16 interest rate implicit in lease 537 interest rate options 671 interest rate swaps 651–2 International Accounting Standards Committee (IASC) 4–6, 9–10, 12 International Accounting Standards (IASs) current standards 15–16 IAS 1 accounting policies 132–3, 135, 138 agriculture 853 current liabilities 428–9 disclosures required 70 earnings per share 785	interim reporting 896–7	International Accounting Standards Board
residual value 208, 225-6 scope of standards 206 service concessions 532 software development 215–17 subsequently incurred costs 219 tangible elements 209 technology-based 350 US GAAP comparison 232 website development 227–8 interest 201–3, 686–7 interest in other entities 271, 314–16 interest rate implicit in lease 537 interest rate options 671 interest rate swaps 651–2 International Accounting Standards Committee (IASC) 4–6, 9–10, 12 International Accounting Standards (IASs) current standards 15–16 IAS 1 accounting policies 132–3, 135, 138 agriculture 853 current liabilities 428–9 disclosures required 70 earnings per share 785	internally generated 212–15, 232	(IASB) 1–6
residual value 208, 225-6 scope of standards 206 service concessions 532 software development 215–17 subsequently incurred costs 219 tangible elements 209 technology-based 350 US GAAP comparison 232 website development 227–8 interest 201–3, 686–7 interest in other entities 271, 314–16 interest rate implicit in lease 537 interest rate options 671 interest rate swaps 651–2 International Accounting Standards Committee (IASC) 4–6, 9–10, 12 International Accounting Standards (IASs) current standards 15–16 IAS 1 accounting policies 132–3, 135, 138 agriculture 853 current liabilities 428–9 disclosures required 70 earnings per share 785	measurement 208–28	conceptual frameworks 27-9, 32, 34, 46,
residual value 208, 225-6 scope of standards 206 service concessions 532 software development 215–17 subsequently incurred costs 219 tangible elements 209 technology-based 350 US GAAP comparison 232 website development 227–8 interest 201–3, 686–7 interest in other entities 271, 314–16 interest rate implicit in lease 537 interest rate options 671 interest rate swaps 651–2 International Accounting Standards Committee (IASC) 4–6, 9–10, 12 International Accounting Standards (IASs) current standards 15–16 IAS 1 accounting policies 132–3, 135, 138 agriculture 853 current liabilities 428–9 disclosures required 70 earnings per share 785	nature of 208–9	48–9, 51, 55
residual value 208, 225-6 scope of standards 206 service concessions 532 software development 215–17 subsequently incurred costs 219 tangible elements 209 technology-based 350 US GAAP comparison 232 website development 227–8 interest 201–3, 686–7 interest in other entities 271, 314–16 interest rate implicit in lease 537 interest rate options 671 interest rate swaps 651–2 International Accounting Standards Committee (IASC) 4–6, 9–10, 12 International Accounting Standards (IASs) current standards 15–16 IAS 1 accounting policies 132–3, 135, 138 agriculture 853 current liabilities 428–9 disclosures required 70 earnings per share 785	PPE 169–70, 171	current IFRS structure 6–7
residual value 208, 225-6 scope of standards 206 service concessions 532 software development 215–17 subsequently incurred costs 219 tangible elements 209 technology-based 350 US GAAP comparison 232 website development 227–8 interest 201–3, 686–7 interest in other entities 271, 314–16 interest rate implicit in lease 537 interest rate options 671 interest rate swaps 651–2 International Accounting Standards Committee (IASC) 4–6, 9–10, 12 International Accounting Standards (IASs) current standards 15–16 IAS 1 accounting policies 132–3, 135, 138 agriculture 853 current liabilities 428–9 disclosures required 70 earnings per share 785	recognition 208–28	Europe 12–14
service concessions 532 software development 215–17 subsequently incurred costs 219 tangible elements 209 technology-based 350 US GAAP comparison 232 website development 227–8 interest 201–3, 686–7 interest rate implicit in lease 537 interest rate rate swaps 651–2 Improvements Project 13, 132 reporting models 3–4 standard-setting process 8–9 US 9–12 International Accounting Standards Committee (IASC) 4–6, 9–10, 12 International Accounting Standards (IASs) current standards 15–16 IAS 1 accounting policies 132–3, 135, 138 agriculture 853 current liabilities 428–9 disclosures required 70 earnings per share 785	residual value 208, 225-6	history of 3–6
software development 215–17 subsequently incurred costs 219 tangible elements 209 technology-based 350 US GAAP comparison 232 website development 227–8 interest 201–3, 686–7 interest rate implicit in lease 537 interest rate rate options 671 interest rate swaps 651–2 reporting models 3–4 standard-setting process 8–9 US 9–12 International Accounting Standards Committee (IASC) 4–6, 9–10, 12 International Accounting Standards (IASs) current standards 15–16 IAS 1 accounting policies 132–3, 135, 138 agriculture 853 current liabilities 428–9 disclosures required 70 earnings per share 785	scope of standards 206	IFRS for SMEs 17–20, 22, 24–5
subsequently incurred costs 219 tangible elements 209 technology-based 350 US 9–12 International Accounting Standards US GAAP comparison 232 website development 227–8 interest 201–3, 686–7 interest in other entities 271, 314–16 interest rate implicit in lease 537 interest rate options 671 interest rate risk 689 interest rate swaps 651–2 standard-setting process 8–9 US 9–12 International Accounting Standards Committee (IASC) 4–6, 9–10, 12 International Accounting Standards (IASs) current standards 15–16 IAS 1 accounting policies 132–3, 135, 138 agriculture 853 current liabilities 428–9 disclosures required 70 earnings per share 785	service concessions 532	Improvements Project 13, 132
tangible elements 209 technology-based 350 US 9–12 International Accounting Standards US GAAP comparison 232 website development 227–8 intellectual property 513–14 interest 201–3, 686–7 interest in other entities 271, 314–16 interest rate implicit in lease 537 interest rate options 671 interest rate risk 689 interest rate swaps 651–2 US 9–12 International Accounting Standards Committee (IASC) 4–6, 9–10, 12 International Accounting Standards (IASs) current standards 15–16 IAS 1 accounting policies 132–3, 135, 138 agriculture 853 current liabilities 428–9 disclosures required 70 earnings per share 785	software development 215–17	reporting models 3–4
technology-based 350 US GAAP comparison 232 website development 227–8 interest 201–3, 686–7 interest rate implicit in lease 537 interest rate options 671 interest rate swaps 651–2 International Accounting Standards Committee (IASC) 4–6, 9–10, 12 International Accounting Standards (IASs) current standards 15–16 IAS 1 accounting policies 132–3, 135, 138 agriculture 853 current liabilities 428–9 disclosures required 70 earnings per share 785		standard-setting process 8–9
US GAAP comparison 232 website development 227–8 intellectual property 513–14 interest 201–3, 686–7 interest in other entities 271, 314–16 interest rate implicit in lease 537 interest rate options 671 interest rate risk 689 interest rate swaps 651–2 Committee (IASC) 4–6, 9–10, 12 International Accounting Standards (IASs) current standards 15–16 IAS 1 accounting policies 132–3, 135, 138 agriculture 853 current liabilities 428–9 disclosures required 70 earnings per share 785	~	US 9–12
website development 227–8 intellectual property 513–14 interest 201–3, 686–7 interest in other entities 271, 314–16 interest rate implicit in lease 537 interest rate options 671 interest rate risk 689 interest rate swaps 651–2 International Accounting Standards (IASs) current standards 15–16 IAS 1 accounting policies 132–3, 135, 138 agriculture 853 current liabilities 428–9 disclosures required 70 earnings per share 785	technology-based 350	
interest 201–3, 686–7 interest in other entities 271, 314–16 interest rate implicit in lease 537 interest rate options 671 interest rate risk 689 interest rate swaps 651–2 current standards 15–16 IAS 1 accounting policies 132–3, 135, 138 agriculture 853 current liabilities 428–9 disclosures required 70 earnings per share 785		
interest 201–3, 686–7 interest in other entities 271, 314–16 interest rate implicit in lease 537 interest rate options 671 interest rate risk 689 interest rate swaps 651–2 IAS 1 accounting policies 132–3, 135, 138 agriculture 853 current liabilities 428–9 disclosures required 70 earnings per share 785	•	• • • • • • • • • • • • • • • • • • • •
interest in other entities 271, 314–16 accounting policies 132–3, 135, 138 interest rate implicit in lease 537 agriculture 853 interest rate options 671 current liabilities 428–9 interest rate risk 689 disclosures required 70 interest rate swaps 651–2 earnings per share 785	·	current standards 15–16
interest rate implicit in lease 537 interest rate options 671 interest rate risk 689 interest rate swaps 651–2 agriculture 853 current liabilities 428–9 disclosures required 70 earnings per share 785		
interest rate options 671 current liabilities 428–9 interest rate risk 689 disclosures required 70 interest rate swaps 651–2 earnings per share 785		e 1
interest rate risk 689 disclosures required 70 earnings per share 785	*	e e e e e e e e e e e e e e e e e e e
interest rate swaps 651–2 earnings per share 785	•	
		*
interest rates 603, 604 events after the reporting period 454		e 1
	interest rates 603, 604	events after the reporting period 454

fairness exception 69–70	consolidations 280
financial statement presentation 57–8,	contracts 504, 677
60–1, 67–70	E&E of mineral resources 860
first-time adoption of IFRS 920, 923,	error correction 144–5, 148
935, 937–8	fair value measurement 740
foreign currency 591	financial statements 65–6, 69
government grants 531	first-time adoption of IFRS 925, 938
hedge accounting 669–71	government grants 529
income taxes 766–7	income taxes 764, 766
intangible assets 228	insurance contracts 872, 880
interim reporting 890–2, 895	inventories 154
investment property 242	PPE 196
long-term debt 432	provisions 441
non-current assets held for sale 265	shareholders' equity 373, 378
operating segments 812	IAS 10 426, 451, 454, 928
related party disclosures 822	IAS 12
shareholders' equity 371, 375–80	asset impairment 254
statement of cash flows 67, 113	business combinations 333–4, 345
statement of changes in equity 93-6, 99,	consoliactions 279
111–12	first-time adoption of IFRS 926
statement of financial position 78, 82–4,	foreign currency 578
86–8	government grants 522
statement of profit or loss and OCI 93–6	IFRS for SMEs 24
99–102, 104, 108	income taxes 750–79
99–102, 104, 108 IAS 2 agriculture 843–4, 847, 850 contracts 503 fair value 722	insurance contracts 882
agriculture 843–4, 847, 850	interim reporting 899
contracts 503	inventories 162
fair value 722	
Tall value 722	joint arrangements 296, 298 levies 443
first-time adoption of IFRS 923, 926	
foreign currency 573	shareholders' equity 389
inventories 151–3 152, 161, 161–6, 168	IAS 16
investment property 241	accounting policies 137, 142
PPE 171, 178	agriculture 844–7, 850, 856
statement of financial position 85	contracts 503
stripping costs 864	E&E of mineral resources 860, 862–3
IAS 4 80	first-time adoption of IFRS 924, 933, 941
IAS 7	hyperinflation 909, 913
first-time adoption of IFRS 924	income taxes 756, 768, 774
foreign currency 567	intangible assets 212, 214, 220, 225, 227–8
hyperinflation 911	investment property 237, 239-40, 243
leases 563	leases 545–7, 562
statement of cash flows 113-19, 121-6	non-current assets held for sale 262-3
IAS 8	PPE 171-2, 175, 177-82, 184-5, 189-90
accounting estimates 143-4	statement of profit or loss and OCI 109
accounting policies 132–3, 136–8, 142–3,	IAS 17
150	business combinations 332
business combinations 344	contracts 515

International Accounting Standards	first-time adoption of IFRS 924, 934, 941
(IASs) (Continued)	separate financial statements 270,
first-time adoption of IFRS 926	299, 312
government grants 526	IAS 28
intangible assets 227	associates 270, 299, 311–12
leases 535, 549, 557–8, 646	consolidations 288
IAS 18 227–8, 926	first-time adoption of IFRS 924
IAS 19	insurance contracts 879
business combinations 334	joint arrangements 298
compensated absences 442	joint ventures 270
consolidations 284	related party disclosures 827, 829–30
employee benefits 457–8, 461–70, 473,	separate financial statements 311, 312, 314
478–9	IAS 29
fair value 722	foreign currency 569
first-time adoption of IFRS 924, 926	hyperinflation 907–8, 910–13
retirement benefit plans 835	interim reporting 904
statement of profit or loss and OCI 109	PPE 183
IAS 20	IAS 30 688
agriculture 844, 850	IAS 31 276, 298, 924
first-time adoption of IFRS 924, 934	IAS 32
government grants 521–5, 528, 530–1	business combinations 345
income taxes 770	embedded derivatives 630
interim reporting 899	fair value measurement 736
PPE 172	financial instruments 599–602, 630,
IAS 21	678–88, 694
fair value 633–5	IASB and Europe 13–14
first-time adoption of IFRS 934	income taxes 776
foreign currency 566, 567–71, 573–5, 577,	insurance contracts 869
585–91	share-based payments 394
hedge accounting 657, 660, 669	shareholders' equity 376–80, 385
hyperinflation 912	statement of financial position 78
interim reporting 903	IAS 33 785–6, 788–9, 792–4, 796–9, 893
statement of profit or loss and OCI 109	IAS 34
IAS 22 361	business combinations 361
IAS 23	first-time adoption of IFRS 923,
borrowing costs 198, 203	939–40
contracts 517	income taxes 769–70
first-time adoption of IFRS 924, 936-7	interim reporting 888–901, 903–4
hyperinflation 910	IAS 36
IFRS for SMEs 20	asset impairment 247-53, 255, 257
intangible assets 212	business combinations 345, 360–1
investment property 237	contracts 504
PPE 173	E&E of mineral resources 861–2
IAS 24 673, 814–15, 821–31	fair value 722
IAS 26 722, 835–7, 840	first-time adoption of IFRS 926, 933-4,
IAS 27	939
business combinations 345	foreign currency 573
consolidations 272	government grants 529–30

intangible assets 206, 208, 226	first-time adoption of IFRS 924, 941
joint arrangements 296, 310	investment property 233–42, 244
non-current assets held for sale 264	statement of financial position 80
PPE 170, 189	IAS 41
statement of financial position 80	agriculture 843–52, 856
IAS 37	government grants 522
business combinations 333	statement of changes in equity 98
contingent assets 447–50	statement of profit or loss and OCI 98
contingent liabilities 445, 448–50	International Federation of Accountants
financial instruments 719	(IFAC) 4–5
first-time adoption of IFRS 926, 936	International Financial Reporting Standards
government grants 524	(IFRSs) 1–25
insurance contracts 871, 874	countries adopting 2
interim reporting 899	current standards 15–16
offsetting 64	current structure 6–7
onerous contracts 426	definitions 59, 134, 918
PPE 173	historical aspects 1–6
provisions 433–44	IASB and Europe 12–14
IAS 38	IASB history 3–6
accounting policies 137, 142	IASE and US 9–12
agriculture 844, 856	IFRS for SMEs 17–25
business combinations 345	projects recently completed 16–17
contracts 517	standard setting process 7–9
E&E of mineral resources 860, 862–3	IFRS 1 569–70, 908–9, 917–27, 929–41
first-time adoption of IFRS 924, 926, 941	IFRS 2
intangible assets 206, 208–9, 212–25,	business combinations 345, 356
227–8	fair value 722
PPE 178, 189	first-time adoption of IFRS 926
statement of profit or loss and OCI 109	share-based payments 393-5, 397-9, 405
IAS 39	407, 410, 412–13, 416, 418
endorsement of 5	shareholders' equity 372-3, 381
equity instruments o18	IFRS 3
fair value measurement 736	accounting policies 137
financial assets 611	business combinations 319–20, 323–45,
financial instruments 599-600, 611, 618,	348–50, 355–64, 368
636, 675–8, 717–19	consolidations 282, 284, 289
hedge accounting 677–8	embedded derivatives 629
IASB and Europe 13–14	equity method 303, 307
IFRS 9 599–600	financial liabilities 623
IFRS for SMEs 21	first-time adoption of IFRS 923, 929–31
impracticability 675	941
insurance contracts 876, 879, 881–2	intangible assets 211
statement of profit or loss and OCI 109	investment property 236
IAS 40	joint arrangements 296–8
accounting policies 137	PPE 191
agriculture 844	IFRS 4
consolidations 288	business combinations 332, 345
deferred tax 756, 774	financial guarantee contracts 447

International Financial Reporting Standards	financial instrument disclosures 688-93,
(IFRSs) (Continued)	696–7, 700–3, 709, 717–19
first-time adoption of IFRS 923	financial instrument impairment 636–42,
insurance contracts 867, 869–83	644–6, 675–6
IFRS 5	first-time adoption of IFRS 924, 926,
agriculture 853	928, 934, 936
business combinations 324	foreign currency 567, 590–1
consolidations 282	government grants 524
discontinuations 265–7, 315	hedge accounting 648–9, 652, 655, 658,
first-time adoption of IFRS 926	660–6, 672, 677–8
investment property 240, 241, 243	IAS 39 599–600
non-current assets held for sale 247, 261,	IASB and Europe 14
262–5	IFRS 7 and IAS 32 599–602
PPE 191	insurance contracts 867, 869–70,
separate financial statements 312	876–83, 885
statement of financial position 80	interest in other extities 314
statement of profit or loss and OCI 104	interim reporting 904
IFRS 6 196, 209, 859–63, 933	joint arrangements 298, 310-11
IFRS 7	leases 556
applicability of standard 690	separate financial statements 312
financial instrument disclosures 688–90,	share based payments 394
694, 700–1, 708, 711, 713	statement of changes in equity 98
IFRS 9 and IAS 39 599–602, 625	statement of financial position 80
insurance contracts 878–9	statement of profit or loss and OCI 98, 109
interim reporting 891, 894	transition requirements 674–8
IFRS 8	IFRS 10
interim reporting 891, 894 IFRS 8 asset impairment 257 E&E of mineral resources 861	business combinations 320, 327–8
	consolidations 270, 272–3, 278–9, 281,
intangible assets 226	285–7
interim reporting 894	first-time adoption of IFRS 926, 929
non-current assets held for sale 264	related party disclosures 829–30
operating segments 803–15, 818, 820	separate financial statements 313–14
IFRS 9	US GAAP comparisons 316
2	IFRS 11
amortised cost 616, 630, 632	embedded derivatives 629
business combinations 332, 345–6	first-time adoption of IFRS 941
consolidations 284, 285, 288	joint arrangements 292–7
contracts 505, 517	joint ventures 270
credit risk 625	related party disclosures 829, 831
effective date 674	separate financial statements 314
embedded derivatives 628–30	US GAAP comparisons 317
	IFRS 12
equity method 300, 310–11	consolidations 270, 292
fair value 609–11, 633–5	insurance contracts 879, 881
fair value measurement 736	interest in other entities 270, 314–16
financial assets 611–12, 617,	interim reporting 894
618–19, 700	related party disclosures 829, 831
financial guarantee contracts 447	US GAAP comparisons 317–18

IFRS 13	definition of 153
agriculture 848	definitions of terms 152–3
business combinations 320, 324, 340	disclosures 166–7
fair value 722–3, 747–8	exceptions in IAS 2 151
fair value measurement 726, 729, 731, 736	fair value less costs to sell 166
financial instruments 609, 688	foreign operations 586–8
interim reporting 894	IFRS vs. tax requirements 162
investment property 238, 243	interim reporting 900–3
PPE 183	investment property 241–2
share-based payments 394	measurement 153–62
IFRS 15	methods 162–7
business combinations 346	recognition 153-62
consensus difficulties 3	statement of financial position 85
contracts 482–94, 497–506, 509–19	US GAAP comparison 167–8
financial instruments 608-9, 622-3, 631,	valuation 159–62, 165
645, 690	investing activities 114, 115, 117–18, 124, 130
government grants 532	investment entities 285–92
insurance contracts 867, 883	business purpose 286
interim reporting 894	change in status 289
investment property 242	consolidations 285–9
offsetting 64	definitions 271, 285
PPE 188, 192–3	earnings from investments 287–8
provisions 433	exit strategies 286–7
right to return purchases 158	fair value measurement 288
statement of changes in equity 99	interest in other entities 316
statement of profit or loss and OC1 99	investment management 285-6
IFRS 16	more than one investment 288–9
agriculture 844	more than one investor 289
consensus difficulties 3	separate financial statements 313
fair value 722	unrelated investors 289
financial instruments 548	investment property 233–46
investment property 233-4, 237, 240,	definition of 234
242, 244	definitions of terms 234
leases 536, 542, 549–50, 553, 558, 561–3	disclosures 242–6
PPE 188	disposal and retirement 242
provisions 433, 436	identification of 234–6
IFRS 17 600, 867, 882–6	IFRS 3 and IAS 40 236
IFRS 26 562	initial measurement 236–7
International Organization of Securities	inventories 241–2
Commissions (IOSCO) 5–7, 9–10	leasing 236
Interpretations Committee see IFRS	measurement 236–42
Interpretations Committee	owner-occupied property 234, 235-6,
intersegment sales 804	240–1
intrasegment sales 804	presentation 242
intrinsic value 395	recognition 236–42
inventories 151–68	subsequent expenditures 237–8
accounting for 158–9	transfers to or from 240–2
accounting policies 140–1	US GAAP comparison 246

investments	fixed 536, 554
earnings from 287–8	lessees 544
equity instruments 617–18	optional 538
impairment 310–11	variable 538, 554, 562
short-term 607	lease receivables 645–6
see also investment	lease terms 537, 541
investors 289	leasehold improvements 181–2
IOSCO see International Organization of	leases 535–63
Securities Commissions	business combinations 347
	classification 538–43
joint arrangements 269–72, 292–9	decommissioning costs 174
definition of 271	definition of 537
definitions of terms 271–2	definitions of terms 536–8
disclosures 314–16	direct financing 542, 543, 553-6
interests in 315–16	disclosures 557–61, 563
investment impairments 310-11	exemptions under IFKS 1 934
joint operations 293–8	finance leases 536, 541–3, 549, 558–60
party to 271	first-time adoption of IFRS 934
scope of standards 292	investment property 236
types 293–5	measurement 543-56
US GAAP comparison 316–18	modifications 537, 546-7, 556
see also joint ventures	operating 537, 541, 547–9, 558–61
joint control 271, 292-3, 934	recognition 543–56
joint operations 293–4	sales-type 542–3, 549–53
accounting for 295–8	US GAAP comparison 561–3
accounting for 295–8 acquisitions of interests 296–8 definition 271 joint operators 271, 295–6 joint products 153, 161 joint venturer 271	see also lessees; lessors
definition 271	legal obligations 427
joint operators 271, 295–6	lessees
joint products 153, 161	accounting for 543–7
Joint Volledier 2/1	dissess in which dequires is ressee a
joint ventures 270, 293–4	classification of leases 538–41
accounting for 298	definition 537
definition 271	determining payments 544
first-time adoption of IFRS 935	disclosures 557
income taxes 775–6	identifying a lease 538–40
long-term interests 311	incremental borrowing rate 537, 544–5
related party disclosures 827	initial measurement 543–6
share of losses exceeds interest 311–12	lease modifications 546–7
see also equity method	measurement 543–7
key management personnel 822–3	recognition 543–7
	subsequent measurement 546
land, agricultural 845, 856	US GAAP comparison 562
last in, first out (LIFO) 153–4, 167, 905	lessors 541–3
lease incentives 537	accounting for leases 547–56
lease payments	classification of leases 541–2
contingent 896	definition 537
definition 537	direct financing leases 542, 543, 553–6

disclosures 558	LIFO see last in, first out
finance leases 541–3, 549, 558	liquidating dividends 389
operating leases 541, 547–9, 558, 559	liquidity
sales-type leases 542–3, 549–53	asset classification 84–5
US GAAP comparison 562	effect 741
leveraged leases 542, 543	risk 606, 690, 713–14
levies 427, 442–3	litigation 446–7
liabilities	"little or no net investment" 649–50
agency 430	loan commitments
classification 87–9	credit risk 711
conceptual frameworks 33, 34–5, 41–4	financial instrument impairment
contingent 346, 427, 445-50, 456	637, 648
contracts 482	scope of IFRS 9 602
current 425, 427–9	loans 523–5, 711–13
decommissioning 936	long-lived assets 169-70, 171-2, 209
deferred tax 751, 753-65, 767-8, 778, 783	long-term debt 432 3
definitions 79–80, 427	long-term employee benefits 459, 462, 479
employee benefits 459, 460, 467, 470	loss allowances o06, 696, 711–12
equity 678–9	losses
fair value 744–6, 748	dilution 309
fulfilment value 41–2, 44	operating 436
held by third parties as assets 733–4	recoveries of 165
hyperinflation 909, 911	remote contingent 446
inseparable third-party credit enhancements	unused tax 757
735	see also expected credit losses; gains and
insurance contracts 877, 884–5	losses; impairment losses; profit or loss
interim reporting 895–6	
markets for 727	Management Commentary Practice Statement
measurement characteristics 42–3	52–4
most advantageous markets 726–8	management personnel 823
non-current 88–9, 91	margin 40–1, 650, 873
non-performance risk 735	markdowns 153, 168
not held by third parties as assets 734–5	market conditions 395
not measured at fair value 746	market-corroborated inputs 723, 737, 739
offsetting 89	market participants 323, 347, 723–5,
risk assumptions when valuing 732–3	728–31
shareholders' equity 378–80	market performance conditions 402–4
statement of cash flows 125–6	market-related intangible assets 348
statement of financial position 87–9	market risk 606, 689, 714–15
transfer restrictions 735–6	market valuation approaches 723, 740–3
see also financial liabilities	market value 606
liability adequacy test 868, 870–1, 886	marketable equity instruments 606
licenses 224–5, 513	markets 723–30
lifetime expected credit losses	mark-ups 153
credit risk 711–12	material errors 145–8
definitions 603, 606	material omissions 59
financial instrument impairment 639, 641	materiality 63–4, 134, 890–1

measurement	minimum funding requirements 467–70
acquisition accounting 332-44	benefit as contribution reduction 469
agriculture 847, 850–2	benefit as future contribution reduction 469
bases 39, 42, 45	benefit as refund 468–9
borrowing costs 198–203	employee benefits 467–70
business combinations 332–44, 347–8, 369	giving rise to liability 470
conceptual frameworks 29, 39–46	mining assets <i>see</i> exploration and evaluation
consideration transferred 337	assets
consolidations 280	mining industry see extractive industries
current tax 752	misstatements 59
dates 372–3, 395	mixed attribute models 94
deferred tax 752–3, 757–9	MNCs see multinational corporations
equity 45	modification gain or loss 606–7
expected credit losses 647–8	modified indirect method 121
factors specific to initial 44–5	monetary assets/liabilities 207, 607
financial instruments 608–23, 630–2, 647–8,	see also non-monetary assets
676–7	monetary items
first-time adoption of IFRS 926	definition 567
IFRS 9 transition requirements 676–7	foreign currency 567, 570, 577, 593-4
IFRS for SMEs 22–4	hyperin ation 909, 911, 913–15
inconsistency of 43	see also non-monetary items
insurance contracts 870–5	mortgage loans 711–13
intangible assets 208–28	most advantageous markets 724–8
interim reporting 895–904	MoU see Memorandum of Understanding
inventories 153_62	projects
investment property 236–42 leases 543–56	multi-employer pension plans 459, 470–2
leases 543–56	multinational corporations (MNCs) 565
net defined benefit asset/liability 460	multiple pension plans 470
non-controlling interests 336–7, 340–2	mutual entities 323
non-current assets held for sale 262–3	
performance obligations 500, 501	Napoleonic Commercial Code 1807 3
PPE 171–88	national GAAP 1–2, 5, 14
provisions 433–7	E&E of mineral resources 860
revenue model 501–2	first-time adoption of IFRS 920, 926
share-based payments 399-401, 409	IFRS for SMEs 18
shareholders' equity 373	intangible assets 205
statement of changes in equity 98–100	related party disclosures 828
statement of profit or loss and OCI 98-100	shareholders' equity 373
uncertainty 43	statement of cash flows 113
see also fair value measurement	statement of financial position 77
Memorandum of Understanding (MoU)	"nature of expense" method 103
projects 2–3, 10	negative goodwill 361
merchandise inventory 152, 159	net assets
Merton see Black–Scholes–Merton	available for benefits 836-42
mineral resources 860–2	defined benefit assets 459-60
minimum comparative information 97	definition 97

net investment	non-monetary grants 527
concept 575	non-monetary items
foreign operations 567, 577, 590–4, 669, 700	definition 567
hedges 655, 701–2	foreign currency 567, 570–3, 576–7
leases 537	hyperinflation 909–11, 913–15
net realisable value (NRV) 153, 165, 607, 901	see also monetary items
net selling price 207	non-monetary transactions 207
netting 187, 221–2, 694–6	non-performance risk 724, 733, 735
nil net position 674	non-reciprocal transfers 191–2, 208
non-adjusting events 427, 452–4	non-refundable upfront fees 512–13
non-cash transactions 116, 118	Norwalk Agreement 2002 2
non-controlling discounts 741	notes 59, 67–8, 429–30
non-controlling interests	NRV see net realisable value
acquisition accounting 335–7, 339–41	
business combinations 323, 335–7, 339–41,	obligating events 427, 440, 443
367, 369	obligations 430–4
changes in proportion of 280	accrued benefit 465
consolidations 271, 279–80	AROs 456
definitions 271, 323	conceptual frameworks 34–7
first-time adoption of IFRS 929	constructive 426
foreign currency 585	defined benefit 460
measurement 336-7, 340-2	legal 427
statement of financial position 90	liabilities 87, 88, 91
non-core activities 741	present 433–4
non-current assets 86–7	reliable estimates 434
non-current assets 86–7 definition 261 held for sale 247, 260–5 intangible assets 205	short-term 431–2
held for sale 247, 260–5	tax obligations 409–10
intangible assets 205	see also performance obligations
see also current assets	observable inputs 724, 736–8
non-current assets held-for-cale 247, 260–5	occasional revenues 897
change of plans 263-4	OCI see other comprehensive income
definitions of terms 260–1	offsetting
disclosures 264–5	assets 89, 429, 687–8, 694–6, 700
held-for-sale classification 261–2	financial statements 64
measurement 262–3	income and expense items 108
presentation 264–5	liabilities 89, 429, 687–8, 694–6, 700
see also assets held-for-sale	statement of financial position 89
non-current liabilities 88–9, 91	oil assets 933, 939
see also current liabilities	oil industry 196, 866
non-depreciable assets 526	onerous contracts 426–7, 436, 440, 456
see also depreciable assets	opening IFRS statement of financial position
non-financial items 610–11	918, 925–7, 939
non-market performance conditions 402–4	operating activities 114–15, 117–22,
non-monetary assets 307	130, 804
see also monetary assets/liabilities	operating cycles 427
non-monetary exchange transactions 175, 190–2	operating expenses 104–5

operating leases 541, 547–9	overlay approach 879–82
definition 537	own credit risk 624–6
disclosures 558, 559–61	owned premises 174
straight line basis 547–9	owner-occupied property 234, 235–6, 240–1
operating losses 436	owners 59, 323, 353–5
operating profit or loss 804, 818–19	ownership of goods 154–8
operating segments 803–20	ownership interest
aggregation 809–10	accounting for changes 307–9
characteristics 807	consolidations 281, 283–4
definitions of 97, 805, 807	equity method 307–9
definitions of terms 804–5	loss of significant influence 307
determination of 807–8	types of shares 373
disclosures 811–19	eypes of shares 575
entity-wide disclosures 814–15	par value per share 375, 383
identification 805–6, 808	parent companies
IFRS 8 requirements 806–11	conceptual frameworks 33
reportable segments 805, 806–11	consolidations 271–3, 280–1, 283–5
scope of standards 803–4	definitions 271, 323
US GAAP comparison 820	first-time adoption of IFRS 935
optional lease payments 538	investment property 236
options 653	related party disclosures 829
American 419, 423	separate financial statements 313–14
call 515, 629	share-based payments 412–13
earnings per share 786–7, 793–4	see also subsidiaries
interest rate 671	partial-year depreciation 179–80
	parties to joint arrangements 271, 296
prepayment 629	
share capital 376–7	partnerships 768 past due 607
statement of cash flows 124 time values of 416, 670–2	•
	past events 434
see also put options; share options	past service costs 459–60, 466, 480
orderly transactions 724, 726, 728–9	patents 210, 214, 224
ordinary shares	payroll tax 897
contingent issuance of 786, 788–9, 796–7 definition 786	pension plans business combinations 472
earnings per share 786, 787–801	employee contributions 472–3
potential 785–6, 793, 798–801	IAS 19 principles 462
share subscriptions 382–3	importance of accounting 460–1
types of shares 373–4	multi-employer plans 459, 470–2
other comprehensive income (OCI)	multiple plans 470
definitions 59, 96–7	need for accounting rules 461
equity instruments 617	objectives of accounting 461
financial statements 59, 74	third party contributions 472–3
insurance contracts 885	see also defined benefit plans; defined
shareholders' equity 391	contribution plans; post-employment
see also fair value through OCI; statement	benefit plans; retirement benefit plans
of profit or loss and OCI	pensions cost 897
other price risk 607, 689–90	percentage-of-sales method 607

performance conditions 396, 402–4, 613	prepaid expenses 86
performance obligations	prepayment options 629
allocating discounts 496	presentation
contracts 488–90, 496–502, 506–8, 510	aggregation 47–8
definition 482	agriculture 852–4
distinct 488–90	classifications 47
measuring progress towards satisfaction	as communication tool 46
500, 501	conceptual frameworks 29, 46-8
revenue model 488–90, 496–502	contracts 504–5
revenue recognition 497	discontinuations 265
satisfied over time 497–500, 508	earnings per share 798–9
see also obligations	financial instruments 678–88
performance reporting 93–4	financial statements 57–76
period of use 538	first-time adoption of IFRS 937–47
periodic inventory system 153, 159	government grants 527–8
perpetual inventory systems 153, 159	income taxes 778
plan assets 459–60, 465–6, 480	interim reporting 891–5
pledging 607	investment property 242
policyholders 868	Managemont Commentary 53
post-employment benefit plans 463–6	non-current assets held for sale 264–5
actuarial gains and losses 466	objectives/principles 46
current service cost 464–5	shareholders' equity 373–8
defined benefit plans 464–5	statement of cash flows 117–22
defined contribution plans 463–4	statement of profit or loss and OCI 67, 73
definition 460	102–8
disclosures 473–7	presentation currency 567, 575–85
interest on accrued benefit obligation 465	presentation of financial statements 57–76
other post-retirement benefits 478–9	accounting policies 68–9
past service costs 466	complete set of statements 67–70
return on plan assets 465-6	compliance with IFRSs 61–6
transition adjustment 466	definitions of terms 59
US GAAP comparison 480	disclosures under 1AS 1 70
see also employee benefits; pension plans	fair presentation 61–6
potential ordinary shares 785–6, 793, 798–801	fairness exception 69–70
potential voting rights 299	financial statement objective/purpose 60
power 271, 273–4, 276–7	future developments 70
see also rights	general features 61–6
PPE see property, plant and equipment	illustrative statements 70–5
Practice Statement see IFRS Practice	scope of standards 58 statement of compliance with IFRS 68
Statement Management Commentary	statement of compnance with 17 KS 68 structure and content 67–70
preferred/preference shares	US GAAP comparison 76 see also financial statements
earnings per share 787–8, 794–5, 800	
IAS 28 requirements 311	present obligations 433–4 previous GAAP 919, 926–8, 931–3, 936–40
shareholders' equity 373–4, 381–3, 385, 392	prices/pricing
statement of financial position 89	arm's length transactions 830
premium allocation approach 884–5	bid and ask prices 739
premiums 444, 724, 884–5	ord and ask prices 133

	C CIED C 026
prices/pricing (Continued)	first-time adoption of IFRS 936
entry prices 723, 743	initial measurement 172–5
exit prices 723, 743	intercompany profit 306–7 measurement 171–88
"farm gate" prices 848	
interim reporting 899–900	recognition 171–88 revaluation 182–8
net selling price 207	
stand-alone selling price 483, 487, 494–5	US GAAP comparison 195–6
transaction prices 483, 490, 494, 508	prospective application 134
transfer pricing 805	protective rights 271
principal markets 724, 726–8	provisions 425, 433–44, 448–50
principal vs. agent considerations 510–11	best estimates 434–5
prior periods 140, 142–3	changes in 436
adjustments 149	definition 427
errors 134, 145	disclosures 438–9
probable, definition 261	future events 435
processed products 845	IAS 37 guidance 434-7
produce 845, 850, 852	interim reporting 296
products	measurement 433–7
agricultural 845, 857	practical examples 439–43
costs 901–2	premiun's 444
operating segments 814	product warranties 444
warranties 444	re ognition 433–7
profit	use of recognised 436
accounting 750	US GAAP comparison 455–6 prudence 873
conceptual frameworks 48 determination of 48	•
intercompany 206. 7	purchased or originated credit-impaired
intercompany 306–7 taxable 751, 762	financial assets 607, 631, 645, 709, 711 purchases 607, 611
determination of 48 intercompany 306–7 taxable 751, 762 profit or loss definitions 59, 97 equity method 301	"pure" service 498
definitions 59, 97	put options
equity method 301	contracts 515–16
income taxes 753	embedded derivatives 629
operating segments 804, 811–13, 818–19	ordinary shares 786
see also fair value through profit or loss;	written 797
statement of profit or loss	puttable instruments 373, 396, 607, 679–80
profit and loss account <i>see</i> income statement	puttable shares 379–80
promissory estoppel 174	puttable shares 377 60
property see investment property	qualifying assets 198, 203
property, plant and equipment (PPE) 169–96	qualitative information 28, 30–2, 43, 50–1, 64
administrative costs 173	quantitative information 64
decommissioning 936	quantitutive information or
definition of 171	raw materials 152, 153, 159-61
definitions of terms 170–1	reacquired rights 334, 346
depreciation 176–81	realisation 97
derecognition 188–9	realised gain or loss 607
disclosures 189–95	reasonable assurance 523–4
exclusions 171	reasonable and supportable information 644–5
	Tr

rebuttable presumptions 873	reconciliations 938–9
receivables	recourse, definition 607
account 603	recoverable amounts
lease 645–6	borrowing costs 202
statement of financial position 85–6	definitions 171, 208, 248, 261
trade 645–6, 713, 819	impairment of assets 248, 250, 255–8
reclassifications	recovery of loss 165
adjustments 59, 97, 109–11	regular-way purchases/sales 607, 611
dates 607	reimbursements 436
financial assets 618–20, 693–4	
financial instrument disclosures 693–4	reinsurance assets 868, 872, 874
financial liabilities 626–8	reinsurance contracts 868, 885 reinsurers 869
first-time adoption 926	related party disclosures 821–33
overlay approach 881–2	aggregation of disclosures 830–1
recognition	applicability of standards 825
acquisition accounting 332–7	definitions of terms 822–3
agriculture 847, 850–2	financial statements 827–8, 832–3
borrowing costs 198–203	identification 823–7
business combinations 332–7, 347–8	need for 323-4
conceptual frameworks 28, 37–8	scope of standards 824–5
contracts 497–500, 506, 519–20	significant influence 826–7
current liabilities 428–9	substance over form 825
current tax 752, 753	US GAAP comparison 833
deferred tax 752–3, 756–7, 759–65	related party transactions 823
definition 98	relevant activities 272
fair value measurement 743	relevant information 31, 42, 50
financial instruments 608–23, 633–5	reliable measurements 239, 434
first-time adoption of IFRS 926	reload feature 396
foreign exchange 633–5	reload options 396
government grants 523-7	remote contingent losses 446
IFRS for SMEs 22-4	removal rights 272
insurance contracts 870–5	renewable licence rights 224–5
intangible assets 208–28	replacement awards 355–6
interim reporting 895–904	reportable segments 805, 806–11
inventories 153–62	reporting dates
investment property 236–42	consolidations 280–1
leases 543–56	credit risk 641
PPE 171–88	first-time adoption of IFRS 919, 921
provisions 433–7	foreign currency 585
revenue model 497–500	reporting entities 28, 32–3, 567
share-based payments 399-401	reporting frequency 64–5
shareholders' equity 373	reporting models 3–4
statement of changes in equity 98–100	reporting periods 102–3, 764, 918
statement of profit or loss and OCI 98-100	reporting year 898
recognition period 525	repurchase agreements 515, 607
reconciliation (indirect) method 10, 114, 119,	research 208, 213–14
120–2, 130	research and development (R&D) 350-1, 358

: :4 277 0 201 2	6: 1 102
reserves in equity 377–8, 391–2	fair value 183
residual guarantee value 538	initial 185
residual value	method 256–7
definitions 171, 208	PPE 182–8
depreciation 180–1	reserve 377
intangible assets 208, 225–6	subsequent 185–6
method 683	surplus 184
unguaranteed 538, 550	see also valuation
restatements	revaluation method/model 256–7
error correction 145–8	extractive industries 862
hyperinflation 909–12, 913–14	intangible assets 220–2, 226, 229
interim reporting 890	PPE 182–3
retrospective 134	revenue
restructuring	customer contracts 481–520
acquisition accounting 330	definition 483
costs 456	interim reporting 897
definition 427	model 483–502
financial liabilities 627–8	recognition 4º7–300, 506, 519–20
provisions 437	sales 104
retail method 153, 165, 166, 167	segment 805
retained earnings	uncarned 430
error correction 146, 147, 149	revenue model 483–502
shareholders' equity 378, 386–7	consideration 485, 490–3
statement of comprehensive income and	contracts 483–502
retained earnings 146, 147	core principle 483
statement of financial position 90	customer acceptance 502
retained earnings 146, 147 statement of financial position 90 see also earnings retirement benefit plans 835–42	discounts 495–6
retirement benefit plans 835–42	identifying the contract 484–7
accounting/reporting 835–42	input methods 501
definition of 836	non-cash consideration 493
definitions of terms 835=5	output methods 500–1
disclosures 840–1	performance obligations 488–90,
participants 836	496–502
scope of standards 836–7	reasonable measures of progress 501-2
US GAAP comparison 842	recognition of revenue 497–500
see also pension plans	significant financing components 492–3
retrospective application 134, 138–9, 927–9	stand-alone selling price 487, 494–5
retrospective restatements 134	steps of 483–502
returns	transaction prices 490, 494
plan assets 460, 465–6	variable consideration 490–2, 496–7
power 276–7	reverse acquisitions 323
returnable deposits 430	right-of-use asset 538, 545-6, 557, 562
right of return 158, 509-10	right of return 158, 509-10
revaluation 182–8	right of setoff 89, 687-8, 694-6, 700
adjustments 184–7	rights
all assets in class 184	conceptual frameworks 35–7
deferred tax 187–8	consolidations 271–2, 274–7
depreciation 183-4, 186-7	customer unexercised 512

reacquired 334, 346	selling prices 207, 483, 487, 494–5
share capital 375	see also sales
voting 274–6, 299	sensitivity analysis 714–15, 748
rights offerings 789	separate financial statements 269-72, 312-14
risk	definition of 272
currency 689	definitions of terms 271–2
equity price 716, 717	disclosures 313–14
financial 868	IAS 28 requirements 311
foreign currency 716	investment entities 313
insurance 868, 869-70, 884	joint arrangements 298–9
interest rate 689	US GAAP comparison 316–18
liability valuation 726, 732–3	separate vehicles 272, 294–5
liquidity 606, 690, 713–14	service concessions
management 655, 701, 708	arrangements 517, 532, 936
market 606, 689, 714–15	contracts 517
nature and extent of 707	financial asset model 532
non-performance 724, 733, 735	first-time adoption of IFRS 936
other price 607, 689–90	government grants 531–3
premiums 724	intangibie esset model 532
provisions 435	operating revenue 532
see also credit risk	service conditions 396, 401–2, 407–8
royalties 514	service costs
·	current 458, 460, 464–5
sale and leaseback transactions 562	definition 460
sales contracts 376–7 equity instruments 731–2 intersegment 804	past 459–60, 466, 480
contracts 376–7	US GAAP comparison 480
equity instruments 731–2	services
intersegment 804	goods and services 401, 488-90, 511-12
intrasegment 804	obtained for no consideration 517-18
percentage-of-sales method 607	operating segments 814
regular-way 607, 611	shareholders' equity 381
revenues 104	settlement
with right of return 509-10	contingent provisions 685-6
selling prices 207, 483, 487, 494–5	definition 460
sales-based royalties 514	derivatives in cash 652
sales-type leases 542–3, 549–53	entity's own equity instruments 680
Scholes see Black–Scholes–Merton	transactions with cash alternatives 411–12
seasonal revenues 897	see also cash-settled share-based payments;
Securities and Exchange Commission (SEC)	equity-settled share-based payments
2–5, 9–11, 14, 63, 91	severe hyperinflation 908–9, 937
securitisation 607	shadow accounting 874
segment accounting policies 805	share agreements 786
segment assets 805	share-based payments 393-424
segment expenses 805	arrangements 396
segment information 894	awards 334
segment revenue 805	cash alternatives 411–12
segments see operating segments	cash-settled 394, 397-8, 408-11
self-constructed assets 175–6	definition of 396–7

share-based payments (Continued)	share-based payments 397, 407–8, 416–24
definitions of terms 394–7	see also employee share options
disclosures 413–15	share splits 788–9
equity-settled 372, 395, 397, 401-8	share subscriptions 382–3
group entities 412–13	share units 381–2
income taxes 778	share warrants 685
measurement 399-401, 409	shareholders' equity 371–92
overview 397–9	classifying liabilities/equity 378–80
recognition 399–401	definitions of terms 372–3
scope of standards 394	disclosures 373–8, 391–2
share options 397, 407–8, 416–24	fair value measurement 736
transaction definition 396–7	future developments 390
share capital 374–7, 391	measurement 373
capital repayment 375	presentation 373–8
cumulative preference dividends 375–6	recognition 373
disclosures 90–1, 374–7	retained earnings 378, 386–7
dividend distribution 375	share capital 374-7, 391
issued for services 381	share issuances 360–90
movements in accounts 375	statement of financial position 89–91
par value per share 375	treasury shares 376, 389
presentation 374–7	US GAAP comparison 392
shares authorised/issued/outstanding 374	shares
shares reserved for future issuance 376–7	contracts settled in 797
statement of changes in equity 112	cumulative preferred 311
statement of financial position 89–91	puttable 379–80
treasury shares 376	treasury 376, 389, 686
unpaid capital 375	types of 373–4
treasury shares 376 unpaid capital 375 share dividends 387–9, 788 share issuances 380–90	see also earnings per share; ordinary shares;
	preferred/preference shares; share
accounting for 380–1	short-term
additional contributed capital 383-4	compensation absence 897
compound instruments 385	employee benefits 460, 462, 478
convertible instruments 385	investments 607
co-operative entities 390	leases 538
dividends 387–9	obligations 431–2
donated capital 383	SIC see Standards Interpretations Committee
future issuance 376–7	significant events/transactions 870, 893
guidance 380	significant influence
issued for services 381	associates 299
par or stated value of shares 383	definition 272
share subscriptions 382–3	ownership interest 307
share units 381–2	related party disclosures 826–7
treasury shares 389	significant judgements 315, 506–7
share options	simple capital structures 787–91
definition 397	small and medium-sized entities (SMEs) see
non-transferability 417	IFRS for SMEs
reload options 396	SME Implementation Group (SMEIG) 6, 24–5

software development 215–17	interim reporting 895
special-purpose entities (SPEs) 928	investing activities 114, 115, 117–18, 124, 130
specific borrowings 199–200	leases 563
specific identification 153, 162–3	net reporting by institutions 123
SPEs see special-purpose entities	non-cash transactions 116, 118
spot exchange rates 567	operating activities 114, 115, 117–22, 130
stand-alone selling price 483, 487, 494–5	presentation 117–22
standard costs 153, 165, 166	scope of standards 114
standardisation of accounting 115	US GAAP comparison 130
standards	worksheet approach 126–7
ASC 150	see also cash flow
hierarchy of 52	statement of changes in equity 93-100, 111-12
IFRS setting process 7–9	concepts of income 98
list of 15–16	definition of 97
see also International Accounting	definitions of terms 96–8
Standards; International Financial	financial instruments 697
Reporting Standards	future developments 96
Standards Interpretations Committee (SIC)	IAS 1 definition 67
current interpretations 15, 16	interim reporting 895, 905
IASB and US 10	measurement 98–100
SIC 10, government grants 522–3	recognition 98–100
SIC 12, consolidations 270, 272	scope of standards 96
SIC 18, accounting policies 132	statement presentation 67, 75
SIC 21, revaluation 187–8	US GAAP comparison 112
SIC 25, income taxes 768	statement of compliance with IFRS 68
SIC 29, government grants 531	statement of comprehensive income 243, 697,
SIC 32, intangible assets 227	811
start-up operations 807	statement of comprehensive income and
statement of cash flows 113–30	retained earnings 146, 147
acquisitions 124	statement of financial position 77–91
background 114–17	agriculture 852
benefits of 114–16	asset classification 84–7
cash/cash equivalents 114, 116–17, 124, 130	comparative information 65
cash flow per share 123	complete set of statements 67
classifications 117–19	contracts 504–5
complete set of statements 67	definition of 80
consolidated 129-30	definitions of terms 79–80
definitions of terms 114	error correction 146, 148
disclosures 124–6	events during a period 81
disposals of subsidiaries 124	fair value 635
examples 118–19, 126–9	format of 83–4
extraordinary items 124	future developments 91
financing activities 114, 115, 117–18, 125–6	general concepts 80, 82
foreign currency 123	government grants 527–8
future flows 116	income taxes 779
government grants 528	interim reporting 895
gross vs. net basis 122–3	liability classification 87–9

statement of financial position (Continued)	subsidiaries
minimum line items 83	conceptual frameworks 33
opening IFRS statement 918, 925-7, 939	consolidations 272–3, 280–4, 289–92
operating segments 813	deconsolidations 289
recognition 37	definitions 272, 323
scope of standards 79	disposals 124
shareholders' equity 89–91	first-time adoption of IFRS 934–5
statement of cash flows 126	IFRS for SMEs 19–20
statement presentation 65, 67, 71–2	income taxes 775–6
structure and content 82–4	interests in 315
three elements to be displayed 82	investment property 236
US GAAP comparison 91	related party disclosures 827, 829
statement of profit or loss 72–3, 94–5, 103, 107	share-based payments 412–13
see also income statements; profit or loss	statement of cash flows 124
statement of profit or loss and OCI 93–111	see also parent companies
agriculture 853	"suite of five" standards 270
complete set of statements 67	sum-of-the-year's digits (SYD) depreciation
components of OCI 101	method 178–80
concepts of income 98	summarised financial information 290
definition of 97	surpluses 184, 458
definitions of terms 96–8	swaps 124, 651–2, 653
future developments 96	SYD see sum-of-the-year's digits depreciation
income taxes 779–80	method
interim reporting 895	
measurement 98–100	tangible assets
minimum details required 101–2	acquisition accounting 332-5
OCI 95, 101, 108–11	insurance 257
profit or loss presentation 102–8	PPE 169–70, 171, 190
recognition 98–100	R&D 351
scope of standards 96	taxable profit 751, 762
statement of cash flows 12.7	taxable temporary differences 751, 755, 759,
statement presentation 67, 73	762–3
statement title 102	taxation
US GAAP comparison 112	bases 751, 754
statements see financial statements;	cash-settled share-based payments 409-10
statement of	changes in law 767–71
statutory bank deposits 116–17	changes in status 768–71
step acquisitions 363–4	depreciation 181
straight-line depreciation method 178–80	dividend distributions 389
stripping costs 864–6	foreign currency 578
structured entities	inventories 162
consolidations 271, 272, 278	payroll tax 897
definition 272	tax requirements vs. IFRS 162
income from 271	withholding tax obligations 409–10
interests in 314, 316	see also income taxes
unconsolidated 316	
	tax credits 757, 770, 898–9
subleases 538, 562	

tax losses 757, 899	presentation currency 575–85
tax rates 767, 769–71	transactions in detail 588–9
tax year 898	transport costs 724, 727, 743–4
•	
technology-based intangible assets 350	treasury shares 376, 389, 686
temporary differences	treasury share (stock) method 793, 800
business acquisitions 772–3	trusts 768
consolidations 774	twelve months expected credit loss 603, 637
deductible 750, 755, 759–63	***** ** *** ***
deferred tax 754–6, 759–63, 772–4	UK see United Kingdom
definition 751	unbundling 869, 874
examples 755–6	uncertainty 43, 435, 765–7
future differences 762	unconsolidated structured entities 316
taxable 751, 755, 759, 762–3	underlying assets 538
termination benefits	understandability 32, 43–4, 51
definition 460	unearned finance income 538, 549
employee benefits 460, 462, 479, 480	unearned revenues 139
IAS 19 principles 462	unguaranteed residual values 538, 550
third parties 472–3, 733–5	unidentifiable intangible assets 206
timeliness 32, 51	United Kingdom (UK) 4, 18
time value of money 615	United States (US)
time value of options 416, 670–2	IASB 9–12
total comprehensive income 59, 97, 100-1, 111	IFRS for SMEs 18
trade dates 608	reporting models 4
trade receivables 645–6, 713, 819	SEC 2-5, 9-11, 14, 63, 91
trading financial assets 86	see also Financial Accounting Standards
transaction costs	Board; US GAAP
definition 608	units of account 35-6, 39, 724, 725, 726
fair value measurement 724, 727, 743	units of production method 180
financial instruments 608, 609	unobservable inputs 724, 737, 739, 746–7
transaction dates 567	unpaid capital 375
transaction prices 483, 490, 494, 508	unquoted equity instruments 677
transfer of financial assets 620–3	US see United States
transfer pricing 805	usage-based royalties 514
transition requirements of IFRS 9 674–8, 882	useful life
transition to IFRS see first-time adoption of	amortisation methods 225–6
IFRS	definitions 171, 208, 248
translation	depreciation 177, 181
comprehensive example 578–85, 590, 592	intangible assets 208, 222–6
cumulative differences 934	residual value 225–6
definition 566	reviews of assumptions 225–6
financial instruments 634–5	US GAAP
financial statements 574–85	accounting policies 136
first-time adoption of IFRS 934	DaimlerChrysler case study 941–7
functional currency 574, 575–7, 586	fairness exception 69
interim reporting 903–4	history of IFRS 2–3
inventory of foreign operation 586	IASB and Europe 14
net investment in foreign operation 577	IASB and US 9–11
net investment in foreign operation 3//	IASD alia OS 7-11

LIC CAAD (Continued)	:
US GAAP (Continued)	inputs 736–9, 746–7
IFRS for SMEs 18–19	inventories 159–62, 165
shareholders' equity 373	liabilities 732–3, 735
US GAAP comparisons	premises for asset measurement 725–6, 731–2
accounting policies 150	techniques 739–43, 746–7
agriculture 857–8	see also revaluation
asset impairment 267	value in use
associates 316–18	asset impairment 248, 250–2, 258
borrowing costs 203	conceptual frameworks 41–2, 44
business combinations 368–9	definitions 208, 248, 261
conceptual frameworks 54–5	variable consideration
consolidations 316–18	allocation of 496–7
contingent liabilities 456	constraining estimates of 491
contracts 518–20	contracts 490–2, 496–7
deferred tax 783	methods of estimating amounts 491
discontinuations 112, 267	revenue model 490–2, 496–7
earnings per share 800–1	variable costing 152
employee benefits 479–80	see also direct costing
extractive industries 866	variable interest entity (VIE) model 317–18
fair value 748	variable lease payments 538, 554, 562
financial statement presentation 76	variance allocation 901
foreign currency 595	vendor-specific objective evidence (VSOE)
government grants 533	520
hyperinflation 914	
income taxes 783–4	verifiability 31–2, 44, 51
insurance contracts 886	vest, definition 397
intangible assets 232	vested benefits 836
interim reporting 904–5	vesting conditions 397, 400–2, 407–9
inventories 167–8	vesting period 397
intangible assets 232 interim reporting 904–5 inventories 167–8 investment property 246	VIE see variable interest entity model
joint arrangements 316–18	volatility 416–21
leases 561–3	volume rebates 899–900
operating segments 820	voting rights 274–6, 299
PPE 195–6	VSOE see vendor-specific objective evidence
provisions 455–6	
related party disclosures 833	warranties 444, 510
retirement benefit plans 842	warrants 685, 786, 793–4
separate financial statements 316–18	WAs see weighted averages
shareholders' equity 392	Waste Electrical and Electronic Equipment
statement of cash flows 130	(WE&EE) 440
statement of changes in equity 112	website development 227–8
statement of financial position 91	weighted averages (WAs)
statement of profit or loss and OCI 112	accounting policies 140–1
US Securities and Exchange Commission	earnings per share 788–91, 799, 801
(SEC) 2–5, 9–11, 14, 63, 91	inventories 153–4, 163, 164
	work in progress (WIP) 152, 153
valuation	write-off 632
employee share options 416–24	written put options 797
F 7	Tittell put options ///