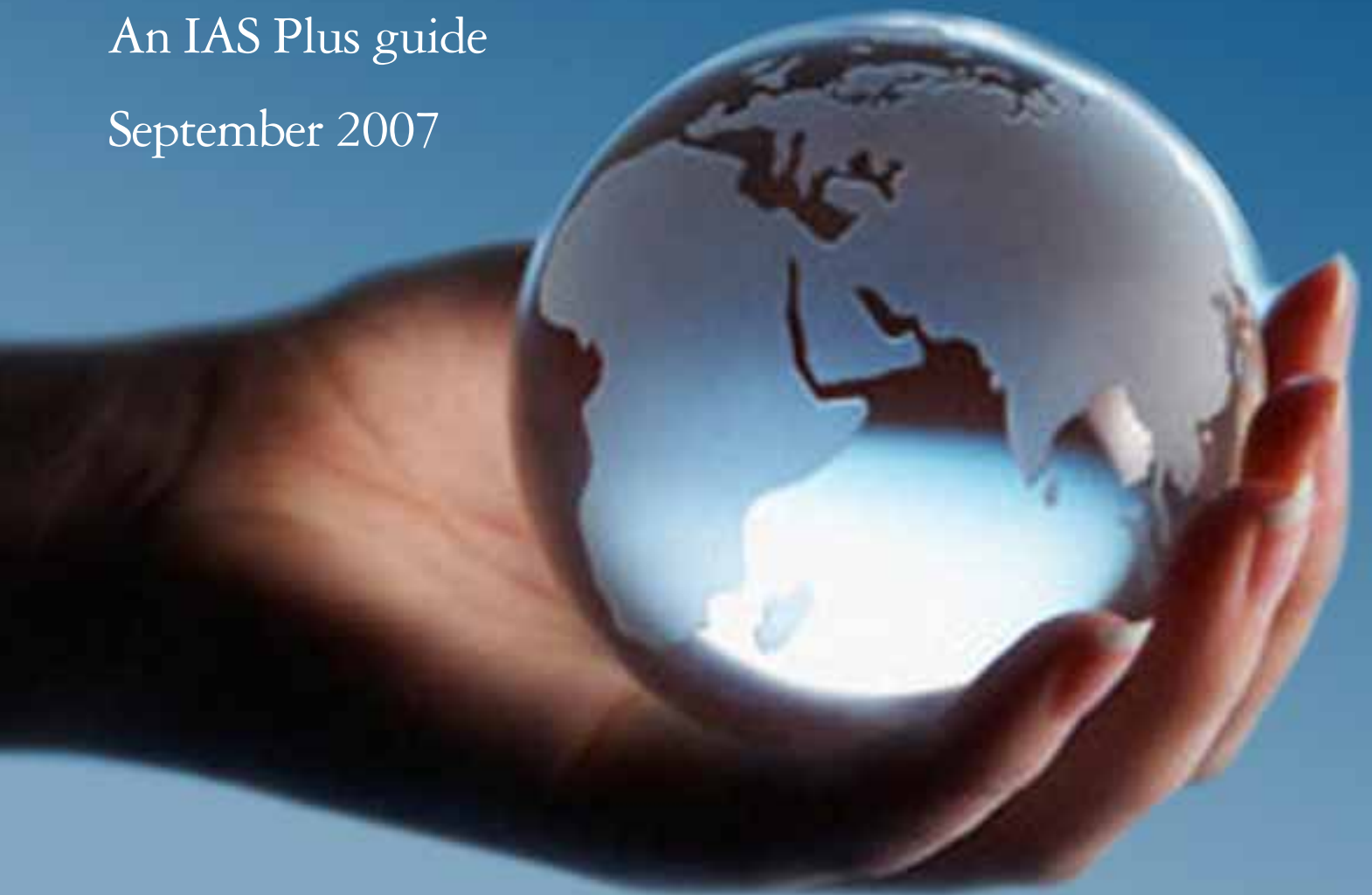


# Presentation of financial statements

*IAS 1(r2007) compliance checklist*

An IAS Plus guide

September 2007



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## IAS 1 Presentation of Financial Statements (revised 2007)

Reference	Presentation/disclosure requirement
	<p><i>This checklist addresses IAS 1 (revised 2007), which prescribes the basis for presentation of general purpose financial statements to ensure comparability both with the entity's financial statements of previous periods and with the financial statements of other entities.</i></p> <p><i>IAS 1(r2007) requires certain disclosures on the face of the financial statements, requires other line items to be disclosed either on the face of the financial statements or in the notes, and sets out recommended formats as an appendix to the Standard, which an entity may follow as appropriate in its own circumstances. IAS 7, Statement of Cash Flows, provides a structure for the presentation of the statement of cash flows.</i></p> <p><i>IAS 1 uses the term 'disclosure' in a broad sense, encompassing items presented on the face of each financial statement as well as in the notes to the financial statements. Disclosures required by other IFRSs are made in accordance with the requirements of those Standards. Unless this or another Standard specifies to the contrary, such disclosures are made either on the face of the relevant financial statement or in the notes.</i></p> <p><i>The illustrative guidance issued with IAS 1 provides simple examples of ways in which the requirements of the Standard for the presentation of the statement of financial position, statement of comprehensive income and statement of changes in equity might be met.</i></p> <p><i>IAS 1(r2007) is effective for periods beginning on or after 1 January 2009, although earlier application is permitted. If an entity adopts IAS 1(r2007) for a period beginning before 1 January 2009, that fact should be disclosed.</i></p>
	<p><b>Complete set of financial statements</b></p> <p>A complete set of financial statements comprises:</p> <p>IAS 1(r2007).10(a) a) a statement of financial position as at the end of the period;</p> <p>IAS 1(r2007).10(b) b) a statement of comprehensive income for the period;</p> <p>IAS 1(r2007).10(c) c) a statement of changes in equity for the period;</p> <p>IAS 1(r2007).10(d) d) a statement of cash flows for the period;</p> <p>IAS 1(r2007).10(e) e) notes, comprising a summary of significant accounting policies and other explanatory information; and</p> <p>IAS 1(r2007).10(f) f) a statement of financial position as at the beginning of the earliest comparative period when an entity applies an accounting policy retrospectively or makes a retrospective restatement of items in its financial statements, or when it reclassifies items in its financial statements.</p>
	<p><i>Notes:</i></p> <p>IAS 1(r2007).10 1) <i>An entity may use titles for the statements other than those used in IAS 1(r2007).</i></p> <p>IAS 1(r2007).12 2) <i>The components of profit or loss may be presented either as part of a single statement of comprehensive income or in an income statement, as permitted by paragraph 81 of IAS 1(r2007) (see below). When an income statement is presented, it is part of a complete set of financial statements and shall be displayed immediately before the statement of comprehensive income.</i></p>
	<p>IAS 1(r2007).11 An entity shall present with equal prominence all of the financial statements in a complete set of financial statements.</p>
	<p><b>Fair presentation and compliance with IFRSs</b></p> <p>IAS 1(r2007).15 The financial statements shall present fairly the financial position, financial performance and cash flows of the entity.</p>

Reference	Presentation/disclosure requirement
IAS 1.(r2007).15	<p>Notes:</p> <p>1) <i>Fair presentation requires the faithful representation of the effects of transactions, other events and conditions, in accordance with the definitions and recognition criteria for assets, liabilities, income and expenses set out in the Framework for the Preparation and Presentation of Financial Statements (the Framework). The application of IFRSs, with additional disclosure when necessary, is presumed to result in financial statements that achieve a fair presentation.</i></p>
IAS 1(r2007).17	<p>2) <i>In virtually all circumstances, an entity achieves a fair presentation by compliance with applicable IFRSs. A fair presentation also requires an entity:</i></p> <ul style="list-style-type: none"> <li>• <i>to select and apply accounting policies in accordance with IAS 8, Accounting Policies, Changes in Accounting Estimates and Errors, which sets out a hierarchy of authoritative guidance that management considers in the absence of an IFRS that specifically applies to an item;</i></li> <li>• <i>to present information, including accounting policies, in a manner that provides relevant, reliable, comparable and understandable information; and</i></li> <li>• <i>to provide additional disclosures when compliance with the specific requirements in IFRSs is insufficient to enable users to understand the impact of particular transactions, other events and conditions on the entity's financial position and financial performance.</i></li> </ul>
IAS 1(r2007).16	<p>An entity whose financial statements comply with IFRSs shall make an explicit and unreserved statement of such compliance in the notes.</p>
IAS 1(r2007).16	<p>Notes:</p> <p>1) <i>An entity shall not describe financial statements as complying with IFRSs unless they comply with all the requirements of IFRSs.</i></p>
IAS 1(r2007).18	<p>2) <i>An entity cannot rectify inappropriate accounting policies either by disclosure of the accounting policies used or by notes or explanatory material.</i></p>
IAS 1(r2007).19	<p>In the extremely rare circumstances in which management concludes that compliance with a requirement in an IFRS would be so misleading that it would conflict with the objective of financial statements set out in the <i>Framework</i>, the entity shall depart from that requirement in the manner set out in paragraph 20 of IAS 1(r2007) (see below) if the relevant regulatory framework requires, or otherwise does not prohibit, such a departure.</p>
IAS 1(r2007).24	<p>Notes:</p> <p>1) <i>An item of information would conflict with the objective of financial statements when it does not represent faithfully the transactions, other events and conditions that it either purports to represent or could reasonably be expected to represent and, consequently, it would be likely to influence economic decisions made by users of financial statements.</i></p> <p>2) <i>When assessing whether complying with a specific requirement in an IFRS would be so misleading that it would conflict with the objective of financial statements set out in the Framework, management considers:</i></p> <ul style="list-style-type: none"> <li>• <i>why the objective of financial statements is not achieved in the particular circumstances; and</i></li> <li>• <i>how the entity's circumstances differ from those of other entities that comply with the requirement. If other entities in similar circumstances comply with the requirement, there is a rebuttable presumption that the entity's compliance with the requirement would not be so misleading that it would conflict with the objective of financial statements set out in the Framework.</i></li> </ul>
IAS 1(r2007).20(a)	<p>When an entity has departed from a requirement of an IFRS in accordance with paragraph 19 of IAS 1(r2007) (see above), it shall disclose:</p> <p>a) that management has concluded that the financial statements present fairly the entity's financial position, financial performance and cash flows;</p>
IAS 1(r2007).20(b)	<p>b) that it has complied with applicable IFRSs, except that it has departed from a particular requirement to achieve a fair presentation;</p>

Reference	Presentation/disclosure requirement
IAS 1(r2007).20(c)	c) the title of the IFRS from which the entity has departed;
IAS 1(r2007).20(c)	d) the nature of the departure (including the treatment that the IFRS would require);
IAS 1(r2007).20(c)	e) the reason why the treatment that the IFRS would require would be so misleading in the circumstances that it would conflict with the objective of financial statements set out in the <i>Framework</i> ;
IAS 1(r2007).20(c)	f) the treatment adopted; and
IAS 1(2007).20(d)	g) for each period presented, the financial impact of the departure on each item in the financial statements that would have been reported in complying with the requirement.
IAS 1(r2007).21	When an entity has departed from a requirement of an IFRS in a prior period, and that departure affects the amounts recognised in the financial statements for the current period, it shall make the disclosures set out in paragraphs 20(c) and 20(d) of IAS 1(r2007) (see above).
IAS 1(r2007).22	<i>Note: Paragraph 21 of IAS 1(r2007) (see above) applies, for example, when an entity departed in a prior period from a requirement in an IFRS for the measurement of assets or liabilities and that departure affects the measurement of changes in assets and liabilities recognised in the current period's financial statements.</i>
IAS 1(r2007).23	In the extremely rare circumstances in which management concludes that compliance with a requirement in an IFRS would be so misleading that it would conflict with the objective of financial statements set out in the <i>Framework</i> , but the relevant regulatory framework prohibits departure from the requirement, the entity shall, to the maximum extent possible, reduce the perceived misleading aspects of compliance by disclosing:
IAS 1(r2007).23(a)	a) the title of the IFRS in question;
IAS 1(r2007).23(a)	b) the nature of the requirement;
IAS 1(r2007).23(a)	c) the reason why management has concluded that complying with that requirement is so misleading in the circumstances that it would conflict with the objective of financial statements set out in the <i>Framework</i> ; and
IAS 1(r2007).23(b)	d) for each period presented, the adjustments to each item in the financial statements that management has concluded would be necessary to achieve a fair presentation.
IAS 1(r2007).24	<p><i>Notes:</i></p> <p>1) <i>An item of information would conflict with the objective of financial statements when it does not represent faithfully the transactions, other events and conditions that it either purports to represent or could reasonably be expected to represent and, consequently, it would be likely to influence economic decisions made by users of financial statements.</i></p> <p>2) <i>When assessing whether complying with a specific requirement in an IFRS would be so misleading that it would conflict with the objective of financial statements set out in the Framework, management considers:</i></p> <ul style="list-style-type: none"> <li>• <i>why the objective of financial statements is not achieved in the particular circumstances; and</i></li> <li>• <i>how the entity's circumstances differ from those of other entities that comply with the requirement. If other entities in similar circumstances comply with the requirement, there is a rebuttable presumption that the entity's compliance with the requirement would not be so misleading that it would conflict with the objective of financial statements set out in the Framework.</i></li> </ul>
	<b>Going concern</b>
IAS 1(r2007).25	When preparing financial statements, management shall make an assessment of an entity's ability to continue as a going concern.
IAS 1(r2007).25	An entity shall prepare financial statements on a going concern basis unless management either intends to liquidate the entity or to cease trading, or has no realistic alternative but to do so.

Reference	Presentation/disclosure requirement
IAS 1(r2007).25	When management is aware, in making its assessment of the entity's ability to continue as a going concern, of material uncertainties related to events or conditions that may cast significant doubt upon the entity's ability to continue as a going concern, the entity shall disclose those uncertainties.
IAS 1(r2007).25	When an entity does not prepare financial statements on a going concern basis, it shall disclose that fact, together with the basis on which the financial statements are prepared and the reason why the entity is not regarded as a going concern.
	<b>Accrual basis of accounting</b>
IAS 1(r2007).27	An entity shall prepare its financial statements, except for cash flow information, using the accrual basis of accounting.
	<b>Materiality and aggregation</b>
IAS 1(r2007).29	An entity shall present separately each material class of similar items.
	<i>Notes:</i>
IAS 1(r2007).7	<i>1) Omissions or misstatements of items are material if they could, individually or collectively, influence the economic decisions that users make on the basis of the financial statements. Materiality depends on the size and nature of the omission or misstatement judged in the surrounding circumstances. The size or nature of the item, or a combination of both, could be the determining factor.</i>
IAS 1(r2007).29	<i>2) An entity shall present separately items of a dissimilar nature or function unless they are immaterial.</i>
IAS 1(r2007).30	<i>3) If a line item is not individually material, it is aggregated with other items either in the financial statements or in the notes.</i>
IAS 1(r2007).30	<i>4) An item that is not sufficiently material to warrant separate presentation in the financial statements may warrant separate presentation in the notes.</i>
IAS 1(r2007).31	<i>5) An entity need not provide a specific disclosure required by an IFRS if the information is not material.</i>
	<b>Offsetting</b>
IAS 1(r2007).32	An entity shall not offset assets and liabilities unless required or permitted by an IFRS.
IAS 1(r2007).33	<i>Note: Measuring assets net of valuation allowances (e.g. obsolescence allowances on inventories and doubtful allowances on receivables) is not offsetting.</i>
IAS 1(r2007).32	An entity shall not offset income and expenses unless required or permitted by an IFRS.
IAS 1(r2007).34	Where an entity undertakes, in the course of its ordinary activities, transactions that do not generate revenue but that are incidental to its main revenue-generating activities, it presents the results of such transactions by netting any income with the related expenses arising on the same transaction, when such presentation reflects the substance of the transaction or other event.

Reference	Presentation/disclosure requirement
IAS 1(r2007).34	<p><i>Note:</i> Examples of items to be presented net include the following:</p> <ul style="list-style-type: none"> <li>• an entity presents gains and losses on the disposal of non-current assets, including investments and operating assets, by deducting from the proceeds on disposal the carrying amount of the asset and related selling expenses; and</li> <li>• an entity may net expenditure related to a provision that is recognised in accordance with IAS 37, Provisions, Contingent Liabilities and Contingent Assets, and reimbursed under a contractual arrangement with a third party (e.g. a supplier's warranty agreement) against the related reimbursement.</li> </ul>
IAS 1(r2007).35	<p>An entity presents on a net basis gains and losses arising from a group of similar transactions (e.g. foreign exchange gains and losses, or gains and losses arising on financial instruments held for trading) unless the gains and losses are material, in which case they are reported separately.</p> <p><b>Frequency of reporting</b></p> <p>When an entity changes the end of its reporting period and presents financial statements for a period longer or shorter than one year, the entity shall disclose:</p>
IAS 1(r2007).36	a) the period covered by the financial statements;
IAS 1(r2007).36(a)	b) the reason for using a longer or shorter period; and
IAS 1(r2007).36(b)	c) the fact that comparative amounts for the statements of comprehensive income, changes in equity, cash flows, and related notes are not entirely comparable.
	<p><i>Notes:</i></p>
IAS 1(r2007).36	1) An entity shall present a complete set of financial statements (including comparative information) at least annually.
IAS 1(r2007).37	2) Normally, an entity consistently prepares financial statements for a one-year period. However, for practical reasons, some entities prefer to report, for example, for a 52-week period. IAS 1(r2007) does not preclude this practice.
	<p><b>Comparative information</b></p>
IAS 1(r2007).38	Except when IFRSs permit or require otherwise, an entity shall disclose comparative information in respect of the previous period for all amounts reported in the current period's financial statements.
IAS 1(r2007).38	An entity shall include comparative information for narrative and descriptive information when it is relevant to an understanding of the current period's financial statements.
	<p><i>Notes:</i></p>
IAS 1(r2007).40	1) In some cases, narrative information provided in the financial statements for the previous period(s) continues to be relevant in the current period (e.g. an entity discloses in the current period details of a legal dispute, the outcome of which was uncertain at the end of the immediately preceding reporting period and that is yet to be resolved). Users benefit from information that the uncertainty existed at the end of the immediately preceding reporting period, and about the steps that have been taken during the period to resolve the uncertainty.
IAS 1(r2007).39	<p>2) An entity disclosing comparative information shall present, as a minimum, two statements of financial position, two of each other statement, and related notes. When an entity applies an accounting policy retrospectively, or makes a retrospective restatement of items in the financial statements, or when it reclassifies items in its financial statements, it shall present, as a minimum, three statements of financial position, two of each of the other statements, and related notes. An entity presents statements of financial position as at:</p> <ul style="list-style-type: none"> <li>• the end of the current period;</li> <li>• the end of the previous period (which is the same as the beginning of the current period); and</li> <li>• the beginning of the earliest comparative period.</li> </ul>

Reference	Presentation/disclosure requirement
IAS 1(r2007).41	When the entity changes the presentation or classification of items in its financial statements, the entity shall reclassify comparative amounts, unless reclassification is impracticable.
IAS 1(r2007).44	<i>Note: IAS 8, Accounting Policies, Changes in Accounting Estimates and Errors, sets out the adjustments to comparative information required when an entity changes an accounting policy or corrects an error.</i>
	When the entity reclassifies comparative amounts, the entity shall disclose:
IAS 1(r2007).41(a)	a) the nature of the reclassification;
IAS 1(r2007).41(b)	b) the amount of each item or class of items that is reclassified; and
IAS 1(r2007).41(c)	c) the reason for the reclassification.
	When it is impracticable to reclassify comparative amounts, an entity shall disclose:
IAS 1(r2007).42(a)	a) the reason for not reclassifying the amounts; and
IAS 1(r2007).42(b)	b) the nature of the adjustments that would have been made if the amounts had been reclassified.
	<b>Consistency of presentation</b>
IAS 1(r2007).45	An entity shall retain the presentation and classification of items in the financial statements from one period to the next, unless: <ul style="list-style-type: none"> <li>a) it is apparent, following a significant change in the nature of the entity's operations or a review of its financial statements, that another presentation or classification would be more appropriate having regard to the criteria for the selection and application of accounting policies in IAS 8 <i>Accounting Policies, Changes in Accounting Estimates and Errors</i>; or</li> <li>b) an IFRS requires a change in presentation.</li> </ul>
IAS 1(r2007).46	<i>Note: For example, a significant acquisition or disposal, or a review of the presentation of the financial statements, might suggest that the financial statements need to be presented differently. An entity changes the presentation of its financial statements only if the changed presentation provides information that is reliable and more relevant to users of the financial statements and the revised structure is likely to continue, so that comparability is not impaired. When making such changes in presentation, an entity reclassifies its comparative information in accordance with paragraphs 41 and 42 of IAS 1(r2007) (see above).</i>
	<b>Identification of the financial statements</b>
IAS 1(r2007).49	An entity shall clearly identify the financial statements and distinguish them from other information in the same published document.
IAS 1(r2007).50	<i>Note: IFRSs apply only to the financial statements, and not necessarily to other information presented in an annual report, a regulatory filing, or another document. Therefore, it is important that users can distinguish information that is prepared using IFRSs from other information that may be useful to users but is not the subject of those requirements.</i>
IAS 1(r2007).51	An entity shall clearly identify each financial statement and the notes. <p>An entity shall display the following information prominently, and repeat it when necessary for the information presented to be understandable:</p>
IAS 1(r2007).51(a)	a) the name of the reporting entity or other means of identification, and any change in that information from the end of the preceding reporting period;
IAS 1(r2007).51(b)	b) whether the financial statements are of the individual entity or a group of entities;



Reference	Presentation/disclosure requirement
IAS 1(r2007).51(c)	c) the date of the end of the reporting period or the period covered by the set of financial statements or notes;
IAS 1(r2007).51(d)	d) the presentation currency, as defined in IAS 21 <i>The Effects of Foreign Exchange Rates</i> ; and
IAS 1(r2007).51(e)	e) the level of rounding used in presenting amounts in the financial statements.
	<i>Notes:</i>
IAS 1(r2007).52	1) <i>An entity meets the requirements of paragraph 51 of IAS 1(r2007) (see above) by presenting appropriate headings for pages, statements, notes, columns and the like. Judgement is required in determining the best way of presenting such information. For example, when an entity presents the financial statements electronically, separate pages are not always used. An entity then presents the above items to ensure that the information included in the financial statements can be understood.</i>
IAS 1(r2007).52	2) <i>An entity often makes financial statements more understandable by presenting information in thousands or millions of units of the presentation currency. This is acceptable as long as the entity discloses the level of rounding and does not omit material information.</i>
	<b>Statement of financial position</b>
	<b>Information to be presented in the statement of financial position</b>
	As a minimum, the statement of financial position shall include line items that present the following amounts:
IAS 1(r2007).54(a)	a) property, plant and equipment;
IAS 1(r2007).54(b)	b) investment property;
IAS 1(r2007).54(c)	c) intangible assets;
IAS 1(r2007).54(d)	d) financial assets (excluding amounts shown under (e), (h) and (i) below);
IAS 1(r2007).54(e)	e) investments accounted for using the equity method;
IAS 1(r2007).54(f)	f) biological assets;
IAS 1(r2007).54(g)	g) inventories;
IAS 1(r2007).54(h)	h) trade and other receivables;
IAS 1(r2007).54(i)	i) cash and cash equivalents;
IAS 1(r2007).54(j)	j) the total of assets classified as held for sale and assets included in disposal groups classified as held for sale in accordance with IFRS 5 <i>Non-current Assets Held for Sale and Discontinued Operations</i> ;
IAS 1(r2007).54(k)	k) trade and other payables;
IAS 1(r2007).54(l)	l) provisions;
IAS 1(r2007).54(m)	m) financial liabilities (excluding amounts shown under (k) and (l) above);

Reference	Presentation/disclosure requirement
IAS 1(r2007).54(n)	n) liabilities and assets for current tax, as defined in IAS 12 <i>Income Taxes</i> ;
IAS 1(r2007).54(o)	o) deferred tax liabilities and deferred tax assets, as defined in IAS 12;
IAS 1(r2007).54(p)	p) liabilities included in disposal groups classified as held for sale in accordance with IFRS 5;
IAS 1(r2007).54(q)	q) minority interest, presented within equity; and
IAS 1(r2007).54(r)	r) issued capital and reserves attributable to owners of the parent.
	Notes:
IAS 1(r2007).57	1) <i>IAS 1(r2007) does not prescribe the order or format in which an entity presents items. Paragraph 54 of IAS 1(r2007)(see above) simply lists items that are sufficiently different in nature or function to warrant separate presentation in the statement of financial position.</i>
IAS 1(r2007).57	2) <i>In addition:</i> <ul style="list-style-type: none"> <li>• <i>line items are included when the size, nature or function of an item or aggregation of similar items is such that separate presentation is relevant to an understanding of the entity's financial position; and</i></li> <li>• <i>the descriptions used and the ordering of items or aggregation of similar items may be amended according to the nature of the entity and its transactions, to provide information that is relevant to an understanding of the entity's financial position (e.g. a financial institution may amend the above descriptions to provide information that is relevant to the operations of a financial institution).</i></li> </ul>
IAS 1(r2007).55	An entity shall present additional line items, headings and sub-totals in the statement of financial position when such presentation is relevant to an understanding of the entity's financial position.
	Notes:
IAS 1(r2007).58	1) <i>An entity makes the judgement about whether to present additional items separately on the basis of an assessment of:</i> <ul style="list-style-type: none"> <li>• <i>the nature and liquidity of assets;</i></li> <li>• <i>the function of assets within the entity; and</i></li> <li>• <i>the amounts, nature and timing of liabilities.</i></li> </ul>
IAS 1(r2007).59	2) <i>The use of different measurement bases for different classes of assets suggests that their nature or function differs and, therefore, that an entity presents them as separate line items. For example, different classes of property, plant and equipment can be carried at cost or at revalued amounts in accordance with IAS 16, Property, Plant and Equipment.</i>
IAS 1(r2007).56	When an entity presents current and non-current assets, and current and non-current liabilities, as separate classifications in its statement of financial position, it shall not classify deferred tax assets (liabilities) as current assets (liabilities).  <b>Current/non-current distinction</b>
IAS 1(r2007).60	An entity shall present current and non-current assets, and current and non-current liabilities, as separate classifications in its statement of financial position except when a presentation based on liquidity provides information that is reliable and is more relevant.
IAS 1(r2007).60	When a presentation based on liquidity provides information that is reliable and is more relevant than presentation on a current/non-current basis, an entity shall present all assets and liabilities in order of liquidity.

Reference	Presentation/disclosure requirement
IAS 1(r2007).63	<p><i>Notes:</i></p> <p>1) For some entities, such as financial institutions, a presentation of assets and liabilities in increasing or decreasing order of liquidity provides information that is reliable and is more relevant than a current/non-current presentation because the entity does not supply goods or services within a clearly identifiable operating cycle.</p>
IAS 1(r2007).64	<p>2) An entity is permitted to present some of its assets and liabilities using a current/non-current distinction and others in order of liquidity when this provides information that is reliable and more relevant. The need for a mixed basis of presentation may arise when an entity has diverse operations.</p>
IAS 1(r2007).61	<p>Whichever of the methods of presentation allowed for under paragraph 60 of IAS 1(r2007) (see above) is adopted, for each asset and liability line item that combines amounts expected to be recovered or settled:</p> <p>a) no more than twelve months after the end of the reporting period, and</p> <p>b) more than twelve months after the end of the reporting period,</p> <p>an entity shall disclose the amount expected to be recovered or settled after more than twelve months.</p>
IAS 1(r2007).65	<p><i>Note: For example, an entity discloses the amount of inventories that are expected to be recovered more than twelve months after the end of the reporting period.</i></p>
IAS 1(r2007).66(a)	<p><b>Current assets</b></p> <p>An entity shall classify an asset as current when it satisfies any of the following criteria:</p> <p>a) it expects to realise the asset, or intends to sell or consume it, in its normal operating cycle; or</p>
IAS 1(r2007).68	<p><i>Note: The operating cycle of an entity is the time between the acquisition of assets for processing and their realisation in cash or cash equivalents. When the entity's normal operating cycle is not clearly identifiable, its duration is assumed to be twelve months. Current assets include assets (such as inventories and trade receivables) that are sold, consumed or realised as part of the normal operating cycle even when they are not expected to be realised within twelve months after the end of the reporting period.</i></p>
IAS 1(r2007).66(b)	<p>b) it holds the asset primarily for the purpose of trading; or</p>
IAS 1(r2007).66(c)	<p>c) it expects to realise the asset within twelve months after the end of the reporting period; or</p>
IAS 1(r2007).66(d)	<p>d) the asset is cash or a cash equivalent (as defined in IAS 7 Statement of Cash Flows), unless the asset is restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period.</p>
IAS 1(r2007).66	<p>An entity shall classify all assets, other than those meeting one of the criteria set out in paragraph 66 of IAS 1(r2007) (see above), as non-current.</p>
IAS 1(r2007).67	<p><i>Note: IAS 1(r2007) uses the term 'non-current' to include tangible, intangible and financial assets of a long-term nature. It does not prohibit the use of alternative descriptions as long as the meaning is clear.</i></p>
IAS 1(r2007).69(a)	<p><b>Current liabilities</b></p> <p>An entity shall classify a liability as current when it satisfies any of the following criteria:</p> <p>a) it expects to settle the liability in its normal operating cycle; or</p>

Reference	Presentation/disclosure requirement
IAS 1(r2007).70	<p><i>Note: Some current liabilities, such as trade payables and some accruals for employee and other operating costs, are part of the working capital used in the entity's normal operating cycle. Such operating items are classified as current liabilities even if they are due to be settled more than twelve months after the end of the reporting period. The same normal operating cycle applies to the classification of an entity's assets and liabilities. When the entity's normal operating cycle is not clearly identifiable, its duration is assumed to be twelve months.</i></p>
IAS 1(r2007).69(b)	b) it holds the liability primarily for the purpose of trading; or
IAS 1(r2007).69(c)	c) the liability is due to be settled within twelve months after the end of the reporting period; or
IAS 1(r2007).69(d)	d) the entity does not have an unconditional right to defer settlement of the liability for at least twelve months after the reporting period.
IAS 1(r2007).69	An entity shall classify all liabilities, other than those meeting one of the criteria set out in paragraph 69 of IAS 1(r2007) (see above), as non-current.
IAS 1(r2007).72	<p>An entity classifies its financial liabilities as current when they are due to be settled within twelve months after the reporting period, even if:</p> <ul style="list-style-type: none"> <li>a) the original term was for a period longer than twelve months; and</li> <li>b) an agreement to refinance, or to reschedule payments, on a long-term basis is completed after the reporting period and before the financial statements are authorised for issue.</li> </ul>
IAS 1(r2007).73	If an entity expects, and has the discretion, to refinance or roll over an obligation for at least twelve months after the reporting period under an existing loan facility, it classifies the obligation as non-current, even if it would otherwise be due within a shorter period.
IAS 1(r2007).73	<p><i>Note: However, when refinancing or rolling over the obligation is not at the discretion of the entity (e.g. there is no agreement for refinancing), the potential to refinance is not considered and the obligation is classified as current.</i></p>
IAS 1(r2007).74	<p>When an entity breaches a provision of a long-term loan agreement on or before the end of the reporting period with the effect that the liability becomes payable on demand, it classifies the liability as current, even if the lender agreed, after the reporting period and before the authorisation of the financial statements for issue, not to demand payment as a consequence of the breach.</p> <p><i>Notes:</i></p> <ul style="list-style-type: none"> <li>1) <i>An entity classifies the liability as current because, at the end of the reporting period, the entity does not have an unconditional right to defer its settlement for at least twelve months after that date.</i></li> <li>2) <i>See the next point below for circumstances where the lender has agreed to an extended period of grace on or before the end of the reporting period.</i></li> </ul>
IAS 1(r2007).75	When an entity breaches a provision under a long-term loan agreement on or before the end of the reporting period with the effect that the liability becomes payable on demand, it classifies the liability as non-current if the lender has agreed by the end of the reporting period to provide a period of grace ending at least twelve months after the reporting period, within which the entity can rectify the breach and during which the lender cannot demand immediate repayment.
IAS 1(r2007).76	<p>In respect of loans classified as current liabilities, if the following events occur between the end of the reporting period and the date the financial statements are authorised for issue, those events are disclosed as non-adjusting events in accordance with IAS 10 <i>Events after the Reporting Period</i>:</p> <ul style="list-style-type: none"> <li>a) refinancing on a long-term basis;</li> <li>b) rectification of a breach of a long-term loan agreement; and</li> <li>c) the granting by the lender of a period of grace to rectify a breach of a long-term loan agreement ending at least twelve months after the reporting period.</li> </ul>

Reference	Presentation/disclosure requirement
IAS 1(r2007).77	<p><b>Information to be presented either in the statement of financial position or in the notes</b></p> <p>An entity shall disclose, either in the statement of financial position or in the notes, further sub-classifications of the line items presented, classified in a manner appropriate to the entity's operations.</p>
IAS 1(r2007).78	<p><i>Note: The detail provided in sub-classifications depends on the requirements of IFRSs and on the size, nature and function of the amounts involved. An entity also uses the factors set out in paragraph 58 of IAS 1(r2007) (see above) to decide the basis of sub-classification. The disclosures vary for each item, for example:</i></p> <ul style="list-style-type: none"> <li>• <i>items of property, plant and equipment are disaggregated into classes in accordance with IAS 16, Property, Plant and Equipment;</i></li> <li>• <i>receivables are disaggregated into amounts receivable from trade customers, receivables from related parties, prepayments and other amounts;</i></li> <li>• <i>inventories are disaggregated (in accordance with IAS 2, Inventories) into classifications such as merchandise, production supplies, materials, work in progress and finished goods;</i></li> <li>• <i>provisions are disaggregated into provisions for employee benefits and other items; and</i></li> <li>• <i>equity capital and reserves are disaggregated into various classes, such as paid-in capital, share premium and reserves.</i></li> </ul>
IAS 1(r2007).79(a)	<p>An entity shall disclose the following, either in the statement of financial position or the statement of changes in equity, or in the notes:</p> <p>a) for each class of share capital:</p> <ol style="list-style-type: none"> <li>i) the number of shares authorised;</li> <li>ii) the number of shares issued and fully paid, and issued but not fully paid;</li> <li>iii) par value per share, or that the shares have no par value;</li> <li>iv) a reconciliation of the number of shares outstanding at the beginning and at the end of the period;</li> <li>v) the rights, preferences and restrictions attaching to that class, including restrictions on the distribution of dividends and the repayment of capital;</li> <li>vi) shares in the entity held by the entity or by its subsidiaries or associates; and</li> <li>vii) shares reserved for issue under options and contracts for the sale of shares, including the terms and amounts; and</li> </ol>
IAS 1(r2007).79(b)	<p>b) a description of the nature and purpose of each reserve within equity.</p>
IAS 1(r2007).80	<p>An entity without share capital (e.g. a partnership or trust), shall disclose information equivalent to that required by paragraph 79(a) of IAS 1(r2007) (see above), showing changes during the period in each category of equity interest and the rights, preferences and restrictions attaching to each category of equity interest.</p>
IAS 1(r2007).81	<p><b>Statement of comprehensive income</b></p> <p>An entity shall present all items of income and expense recognised in a period either:</p> <ol style="list-style-type: none"> <li>a) in a single statement of comprehensive income; or</li> <li>b) in two statements: a statement displaying components of profit or loss (income statement) and a second statement beginning with profit or loss and displaying components of other comprehensive income (statement of comprehensive income).</li> </ol>

Reference	Presentation/disclosure requirement
	<p><b>Information to be presented in the statement of comprehensive income</b></p> <p>As a minimum, the statement of comprehensive income shall include line items that present the following amounts for the period:</p>
IAS 1(r2007).82(a)	a) revenue;
IAS 1(r2007).82(b)	b) finance costs;
IAS 1(r2007).82(c)	c) share of profit or loss of associates and joint ventures accounted for using the equity method;
IAS 1(r2007).82(d)	d) tax expense;
IAS 1(r2007).82(e)	e) a single amount comprising the total of: <ul style="list-style-type: none"> <li>i) the post-tax profit or loss of discontinued operations; and</li> <li>ii) the post-tax gain or loss recognised on the measurement to fair value less costs to sell or on the disposal of the assets or disposal group(s) constituting the discontinued operation;</li> </ul>
IAS 1(r2007).82(f)	f) profit or loss;
IAS 1(r2007).82(g)	g) each component of other comprehensive income classified by nature (excluding amounts in (h) – see below);
IAS 1(r2007).82(h)	h) share of the other comprehensive income of associates and joint ventures accounted for using the equity method; and
IAS 1(r2007).82(i)	i) total comprehensive income.
	<p>An entity shall disclose the following items in the statement of comprehensive income as allocations of profit or loss for the period:</p>
IAS 1(r2007).83(a)	a) profit or loss for the period attributable to: <ul style="list-style-type: none"> <li>i) minority interest; and</li> <li>ii) owners of the parent;</li> </ul>
IAS 1(r2007).83(b)	b) total comprehensive income for the period attributable to: <ul style="list-style-type: none"> <li>i) minority interest; and</li> <li>ii) owners of the parent.</li> </ul>
IAS 1(r2007).84	An entity may present in a separate income statement (paragraph 81 of IAS 1(r2007) – see above) the line items in paragraph 82(a)-(f) (see above) and the disclosures in paragraph 83(a) (see above).
IAS 1(r2007).85	An entity shall present additional line items, headings and subtotals in the statement of comprehensive income and the separate income statement (if presented), when such presentation is relevant to an understanding of the entity's financial performance.
IAS 1(r2007).86	<p><i>Note: An entity includes additional line items in the statement of comprehensive income and in the separate income statement (if presented), and it amends the descriptions used and the ordering of items, when this is necessary to explain the elements of financial performance. An entity considers factors including materiality and the nature and function of the items of income and expense. For example, a financial institution may amend the descriptions to provide information that is relevant to the operations of a financial institution.</i></p>

Reference	Presentation/disclosure requirement
IAS 1(r2007).87	An entity shall <u>not</u> present any items of income and expense as extraordinary items, in the statement of comprehensive income or the separate income statement (if presented), or in the notes.
	<b>Profit or loss for the period</b>
IAS 1(r2007).88	An entity shall recognise all items of income and expense in a period in profit or loss unless an IFRS requires or permits otherwise.
	<i>Notes:</i>
IAS 1(r2007).89	1) <i>Some IFRSs specify circumstances when an entity recognises particular items outside profit or loss in the current period. IAS 8, Accounting Policies, Changes in Accounting Estimates and Errors, specifies two such circumstances: the correction of errors and the effect of changes in accounting policies.</i>
IAS 1(r2007).89	2) <i>Other IFRSs require components of other comprehensive income that meet the Framework's definition of income or expense to be excluded from profit or loss (see paragraph 7 of IAS 1(r2007)).</i>
	<b>Other comprehensive income for the period</b>
IAS 1(r2007).90	An entity shall disclose the amount of income tax relating to each component of other comprehensive income, including reclassification adjustments, either in the statement of comprehensive income or in the notes.
IAS 1(r2007).91	<i>Note: An entity may present components of other comprehensive income either:</i> <ul style="list-style-type: none"> <li>• <i>net of related tax effects; or</i></li> <li>• <i>before related tax effects with one amount shown for the aggregate amount of income tax relating to those components.</i></li> </ul>
IAS 1(r2007).92	An entity shall disclose reclassification adjustments relating to components of other comprehensive income.
IAS 1(r2007).93	<i>Note: Other IFRSs specify whether and when amounts previously recognised in other comprehensive income are reclassified to profit or loss. Such reclassifications are referred to in IAS 1(r2007) as reclassification adjustments. A reclassification adjustment is included with the related component of other comprehensive income in the period that the adjustment is reclassified to profit or loss. For example, gains realised on the disposal of available-for-sale financial assets are included in profit or loss of the current period. These amounts may have been recognised in other comprehensive income as unrealised gains in the current or previous periods. Those unrealised gains must be deducted from other comprehensive income in the period in which the realised gains are reclassified to profit or loss to avoid including them in total comprehensive income twice.</i>
IAS 1(r2007).94	An entity may present reclassification adjustments in the statement of comprehensive income or in the notes.
IAS 1(r2007).94	An entity presenting reclassification adjustments in the notes presents the components of other comprehensive income after any related reclassification adjustments.
	<i>Notes:</i>
IAS 1(r2007).95	1) <i>Reclassification adjustments arise, for example, on disposal of a foreign operation (see IAS 21, The Effects of Foreign Exchange Rates), on derecognition of available-for-sale financial assets (see IAS 39, Financial Instruments: Recognition and Measurement) and when a hedged forecast transaction affects profit or loss (see paragraph 100 of IAS 39 in relation to cash flow hedges).</i>
IAS 1(r2007).96	2) <i>Reclassification adjustments do not arise on changes in revaluation surplus recognised in accordance with IAS 16, Property, Plant and Equipment, or IAS 38, Intangible Assets, or actuarial gains and losses on defined benefit plans recognised in accordance with paragraph 93A of IAS 19, Employee Benefits. These components are recognised in other comprehensive income and are not reclassified to profit or loss in subsequent periods.</i>

Reference	Presentation/disclosure requirement
	<p><b>Information to be presented in the statement of comprehensive income or in the notes</b></p>
IAS 1(r2007).97	When items of income and expense are material, an entity shall disclose their nature and amount separately.
IAS 1(r2007).98	<p><i>Note: Circumstances that would give rise to the separate disclosure of items of income and expense include:</i></p> <ul style="list-style-type: none"> <li>• write-downs of inventories to net realisable value or of property, plant and equipment to recoverable amount, as well as reversals of such write-downs;</li> <li>• restructurings of the activities of an entity and reversals of any provisions for the costs of restructuring;</li> <li>• disposals of items of property, plant and equipment;</li> <li>• disposals of investments;</li> <li>• discontinued operations;</li> <li>• litigation settlements; and</li> <li>• other reversals of provisions.</li> </ul>
IAS 1(r2007).99	An entity shall present an analysis of expenses recognised in profit or loss using a classification based on either their nature or their function within the entity, whichever provides information that is reliable and more relevant.
	<p><i>Notes:</i></p>
IAS 1(r2007).100	1) Entities are encouraged to present the analysis in paragraph 99 of IAS 1(r2007) (see above) in the statement of comprehensive income or in the separate income statement (if presented).
IAS 1(r2007).102	2) Under the 'nature of expense' method, an entity aggregates expenses within profit or loss according to their nature (e.g. depreciation, purchases of materials, transport costs, employee benefits and advertising costs), and does not reallocate them among functions within the entity. This method may be simple to apply because no allocations of expenses to functional classifications are necessary. See paragraph 102 of IAS 1(r2007) for an example of a classification using the nature of expense method.
IAS 1(r2007).103	3) The second form of analysis is the 'function of expense' or 'cost of sales' method, and classifies expenses according to their function as part of cost of sales or, for example, the costs of distribution or administrative activities. At a minimum, an entity discloses its cost of sales under this method separately from other expenses. This method can provide more relevant information to users than the classification of expenses by nature, but allocating costs to functions may require arbitrary allocations and involve considerable judgement. See paragraph 103 of IAS 1(r2007) for an example of a classification using the function of expense method.
IAS 1(r2007).104	An entity classifying expenses by function shall disclose additional information on the nature of expenses, including depreciation and amortisation expense and employee benefits expense.
IAS 1(r2007).105	<p><i>Note: Although entities are permitted to select the classification of expenses as described in previous paragraphs, because information on the nature of expenses is useful in predicting future cash flows, additional disclosure is required when the function of expense classification is used. In paragraph 104 of IAS 1(r2007) (see above), 'employee benefits' has the same meaning as in IAS 19, Employee Benefits.</i></p>
	<p><b>Statement of changes in equity</b></p> <p>An entity shall present a statement of changes in equity, showing in the statement:</p> <ol style="list-style-type: none"> <li>a) total comprehensive income for the period, showing separately the total amounts attributable to owners of the parent and to minority interests;</li> <li>b) for each component of equity, the effects of retrospective application or retrospective restatement recognised in accordance with IAS 8 <i>Accounting Policies, Changes in Accounting Estimates and Errors</i>;</li> <li>c) the amounts of transactions with owners in their capacity as owners, showing separately contributions by and distributions to owners; and</li> </ol>
IAS 1(r2007).106(a)	
IAS 1(r2007).106(b)	
IAS 1(r2007).106(c)	



Reference	Presentation/disclosure requirement
IAS 1(r2007).106(d)	d) for each component of equity, a reconciliation between the carrying amount at the beginning and the end of the period, separately disclosing each change.
IAS 1(r2007).108	<p>Notes:</p> <p>1) <i>The components of equity referred to in paragraph 106 of IAS 1(r2007) (see above) include, for example, each class of contributed equity, the accumulated balance of each class of other comprehensive income and retained earnings.</i></p>
IAS 1(r2007).110	<p>2) <i>IAS 8, Accounting Policies, Changes in Accounting Estimates and Errors, requires retrospective adjustments to effect changes in accounting policies, to the extent practicable, except when the transition provisions in another IFRS require otherwise. IAS 8 also requires restatements to correct errors to be made retrospectively, to the extent practicable. Retrospective adjustments and retrospective restatements are not changes in equity but they are adjustments to the opening balance of retained earnings, except when an IFRS requires retrospective adjustment of another component of equity. Paragraph 106(d) of IAS 1(r2007) requires disclosure in the statement of changes in equity of the total adjustment to each component of equity resulting from changes in accounting policies and, separately, from corrections of errors. These adjustments are disclosed for each prior period and the beginning of the period.</i></p>
IAS 1(r2007).107	<p>The amount of dividends recognised as distributions to owners during the period, and the related amount per share, shall be presented either in the statement of changes in equity or in the notes.</p> <p><b>Notes</b></p> <p><b>Structure of notes</b></p> <p>The notes shall:</p>
IAS 1(r2007).112(a)	a) present information about the basis of preparation of the financial statements and the specific accounting policies used in accordance with paragraphs 117 to 124 of IAS 1(r2007) (see below);
IAS 1(r2007).112(b)	b) disclose the information required by IFRSs that is not presented elsewhere in the financial statements; and
IAS 1(r2007).112(c)	c) provide information that is not presented elsewhere in the financial statements, but is relevant to an understanding of any of them.
IAS 1(r2007).113	An entity shall, as far as practicable, present notes in a systematic manner.
IAS 1(r2007).114	<p>Notes:</p> <p>1) <i>An entity normally presents notes in the following order, to assist users to understand the financial statements and to compare them with financial statements of other entities:</i></p> <ul style="list-style-type: none"> <li>• <i>statement of compliance with IFRSs (paragraph 16 of IAS 1(r2007) - see above);</i></li> <li>• <i>summary of significant accounting policies applied (paragraph 117 of IAS 1(r2007) - see below);</i></li> <li>• <i>supporting information for items presented in the statements of financial position and of comprehensive income, in the separate income statement (if presented), and in the statements of changes in equity and of cash flows, in the order in which each statement and each line item is presented; and</i></li> <li>• <i>other disclosures, including (i) contingent liabilities (see IAS 37, Provisions, Contingent Liabilities and Contingent Assets) and unrecognised contractual commitments; and (ii) non-financial disclosures, e.g. the entity's financial risk management objectives and policies (see IFRS 7, Financial Instruments: Disclosures).</i></li> </ul>
IAS 1(r2007).115	2) <i>In some circumstances, it may be necessary or desirable to vary the order of specific items within the notes. For example, an entity may combine information on changes in fair value recognised in profit or loss with information on maturities of financial instruments, although the former disclosures relate to the statement of comprehensive income or separate income statement (if presented) and the latter relate to the statement of financial position. Nevertheless, an entity retains a systematic structure for the notes as far as practicable.</i>
IAS 1(r2007).116	3) <i>An entity may present notes providing information about the basis of preparation of the financial statements and specific accounting policies as a separate section of the financial statements.</i>

Reference	Presentation/disclosure requirement
IAS 1(r2007).113	<p>An entity shall cross-reference each item in the statements of financial position and of comprehensive income, in the separate income statement (if presented), and in the statements of changes in equity and of cash flows to any related information in the notes.</p>
IAS 1(r2007).117(a) IAS 1(r2007).117(b)	<p><b>Disclosure of accounting policies</b></p> <p>An entity shall disclose in the summary of significant accounting policies:</p> <ul style="list-style-type: none"> <li>a) the measurement basis (or bases) used in preparing the financial statements; and</li> <li>b) the other accounting policies used that are relevant to an understanding of the financial statements.</li> </ul>
IAS 1(r2007).118 IAS 1(r2007).119 IAS 1(r2007).120 IAS 1(r2007).121	<p><i>Notes:</i></p> <ol style="list-style-type: none"> <li>1) <i>It is important for an entity to inform users of the measurement basis or bases used in the financial statements (e.g. historical cost, current cost, net realisable value, fair value or recoverable amount) because the basis on which an entity prepares the financial statements significantly affects users' analysis. When an entity uses more than one measurement basis in the financial statements (e.g. when particular classes of assets are revalued), it is sufficient to provide an indication of the categories of assets and liabilities to which each measurement basis is applied.</i></li> <li>2) <i>In deciding whether a particular accounting policy should be disclosed, management considers whether disclosure would assist users in understanding how transactions, other events and conditions are reflected in the reported financial performance and financial position. Disclosure of particular accounting policies is especially useful to users when those policies are selected from alternatives allowed in IFRSs. An example is disclosure of whether a venturer recognises its interest in a jointly controlled entity using proportionate consolidation or the equity method (see IAS 31, Interests in Joint Ventures). Some IFRSs specifically require disclosure of particular accounting policies, including choices made by management between different policies they allow. For example, IAS 16 requires disclosure of the measurement bases used for classes of property, plant and equipment.</i></li> <li>3) <i>Each entity considers the nature of its operations and the policies that the users of its financial statements would expect to be disclosed for that type of entity. For example, users would expect an entity subject to income taxes to disclose its accounting policies for income taxes, including those applicable to deferred tax liabilities and assets. When an entity has significant foreign operations or transactions in foreign currencies, users would expect disclosure of accounting policies for the recognition of foreign exchange gains and losses.</i></li> <li>4) <i>An accounting policy may be significant because of the nature of the entity's operations even if amounts for current and prior periods are not material.</i></li> </ol>
IAS 1(r2007).121	<p>It is appropriate to disclose each significant accounting policy that is not specifically required by IFRSs, but the entity selects and applies in accordance with IAS 8 <i>Accounting Policies, Changes in Accounting Estimates and Errors</i>.</p>
IAS 1(r2007).122	<p>An entity shall disclose, in the summary of significant accounting policies or other notes, the judgements (apart from those involving estimations – see paragraph 125 of IAS 1(r2007) as described below) that management has made in the process of applying the entity's accounting policies and that have the most significant effect on the amounts recognised in the financial statements.</p>

Reference	Presentation/disclosure requirement
	<p><i>Notes:</i></p>
IAS 1(r2007).123	<p>1) <i>Judgements involving estimations are dealt with under paragraph 125 of IAS 1(r2007) (see below).</i></p>
IAS 1(r2007).123	<p>2) <i>In the process of applying the entity's accounting policies, management makes various judgements, apart from those involving estimations, that can significantly affect the amounts it recognises in the financial statements. For example, management makes judgements in determining:</i></p> <ul style="list-style-type: none"> <li>• <i>whether financial assets are held-to-maturity investments;</i></li> <li>• <i>when substantially all the significant risks and rewards of ownership of financial assets and lease assets are transferred to other entities;</i></li> <li>• <i>whether, in substance, particular sales of goods are financing arrangements and therefore do not give rise to revenue; and</i></li> <li>• <i>whether the substance of the relationship between the entity and a special purpose entity indicates that the special purpose entity is controlled by the entity.</i></li> </ul>
	<p><b>Sources of estimation uncertainty</b></p>
IAS 1(r2007).125	<p>An entity shall disclose information about the assumptions it makes about the future, and other major sources of estimation uncertainty at the end of the reporting period, that have a significant risk of resulting in a material adjustment to the carrying amounts of assets and liabilities within the next financial year.</p> <p>In respect of those assets and liabilities, the notes shall include details of:</p>
IAS 1(r2007).125(a)	<p>a) their nature; and</p>
IAS 1(r2007).125(b)	<p>b) their carrying amount as at the end of the reporting period.</p>
	<p><i>Notes:</i></p>
IAS 1(r2007).126	<p>1) <i>Determining the carrying amounts of some assets and liabilities requires estimation of the effects of uncertain future events on those assets and liabilities at the end of the reporting period. For example, in the absence of recently observed market prices, future-oriented estimates are necessary to measure the recoverable amount of classes of property, plant and equipment, the effect of technological obsolescence on inventories, provisions subject to the future outcome of litigation in progress, and long-term employee benefit liabilities such as pension obligations. These estimates involve assumptions about such items as the risk adjustment to cash flows or discount rates, future changes in salaries and future changes in prices affecting other costs.</i></p>
IAS 1(r2007).127	<p>2) <i>The assumptions and other sources of estimation uncertainty disclosed in accordance with paragraph 125 of IAS 1(r2007) (see above) relate to the estimates that require management's most difficult, subjective or complex judgements. As the number of variables and assumptions affecting the possible future resolution of the uncertainties increases, those judgements become more subjective and complex, and the potential for a consequential material adjustment to the carrying amounts of assets and liabilities normally increases accordingly.</i></p>
IAS 1(r2007).128	<p>3) <i>The disclosures in paragraph 125 of IAS 1(r2007) (see above) are not required for assets and liabilities with a significant risk that their carrying amounts might change materially within the next financial year if, at the end of the reporting period, they are measured at fair value based on recently observed market prices. Such fair values might change materially within the next financial year but those changes would not arise from assumptions or other sources of estimation uncertainty at the end of the reporting period.</i></p>

Reference	Presentation/disclosure requirement
IAS 1(r2007).129	An entity presents the disclosures in paragraph 125 of IAS 1(r2007) (see above) in a manner that helps users of financial statements to understand the judgements management makes about the future and about other sources of estimation uncertainty.
IAS 1(r2007).129	<p>Notes:</p> <p>1) <i>The nature and extent of the information provided vary according to the nature of the assumptions and other circumstances. Examples of the types of disclosures an entity makes are:</i></p> <ul style="list-style-type: none"> <li>• <i>the nature of the assumption or other estimation uncertainty;</i></li> <li>• <i>the sensitivity of carrying amounts to the methods, assumptions and estimates underlying their calculation, including the reasons for the sensitivity;</i></li> <li>• <i>the expected resolution of an uncertainty and the range of reasonably possible outcomes within the next financial year in respect of the carrying amounts of the assets and liabilities affected; and</i></li> <li>• <i>an explanation of changes made to past assumptions concerning those assets and liabilities, if the uncertainty remains unresolved.</i></li> </ul>
IAS 1(r2007).130	2) <i>Entities are not required to disclose budget information or forecasts in making the disclosures in paragraph 125 of IAS 1(r2007) (see above).</i>
IAS 1(r2007).131	When it is impracticable to disclose the extent of the possible effects of an assumption or another source of estimation uncertainty at the end of the reporting period, the entity discloses that it is reasonably possible, on the basis of existing knowledge, that outcomes within the next financial year that are different from the assumption could require a material adjustment to the carrying amount of the asset or liability affected. In all cases, the entity discloses the nature and carrying amount of the specific asset or liability (or class of assets or liabilities) affected by the assumption.
	<b>Capital</b>
IAS 1(r2007).134	An entity shall disclose information that enables users of its financial statements to evaluate the entity's objectives, policies and processes for managing capital.
	To comply with paragraph 134 of IAS 1(r2007) (see above), the entity discloses the following:
IAS 1(r2007).135(a)	a) qualitative information about its objectives, policies and processes for managing capital, including: <ul style="list-style-type: none"> <li>i) a description of what it manages as capital;</li> <li>ii) when an entity is subject to externally imposed capital requirements, the nature of those requirements and how those requirements are incorporated into the management of capital; and</li> <li>iii) how it is meeting its objectives for managing capital;</li> </ul>
IAS 1(r2007).135(b)	b) summary quantitative data about what it manages as capital;
IAS 1(r2007).135(b)	<i>Note: Some entities regard some financial liabilities (e.g. some forms of subordinated debt) as part of capital. Other entities regard capital as excluding some components of equity (e.g. components arising from cash flow hedges).</i>
IAS 1(r2007).135(c)	c) any changes in 135(a) and 135(b) (see above) from the previous period;
IAS 1(r2007).135(d)	d) whether during the period it complied with any externally imposed capital requirements to which it is subject; and
IAS 1(r2007).135(e)	e) when the entity has not complied with such externally imposed capital requirements, the consequences of such non-compliance.
IAS 1(r2007).135	<i>Note: The entity bases these disclosures on the information provided internally to key management personnel.</i>

Reference	Presentation/disclosure requirement
IAS 1(r2007).136	When an aggregate disclosure of capital requirements and how capital is managed would not provide useful information or distorts a financial statement user's understanding of an entity's capital resources, the entity shall disclose separate information for each capital requirement to which the entity is subject.
IAS 1(r2007).136	<p><i>Note: An entity may manage capital in a number of ways and be subject to a number of different capital requirements. For example, a conglomerate may include entities that undertake insurance activities and banking activities and those entities may operate in several jurisdictions.</i></p>
	<p><b>Other disclosures</b></p>
	An entity shall disclose in the notes:
IAS 1(r2007).137(a)	a) the amount of dividends proposed or declared before the financial statements were authorised for issue but not recognised as a distribution to owners during the period, and the related amount per share; and
IAS 1(r2007).137(b)	b) the amount of any cumulative preference dividends not recognised.
	An entity shall disclose the following, if not disclosed elsewhere in information published with the financial statements:
IAS 1(r2007).138 (a)	a) the domicile and legal form of the entity, its country of incorporation and the address of its registered office (or principal place of business, if different from the registered office);
IAS 1(r2007).138(b)	b) a description of the nature of the entity's operations and its principal activities; and
IAS 1(r2007).138(c)	c) the name of the parent entity and the ultimate parent of the group.
	<p><b>Adoption of IAS 1(r2007) before effective date</b></p>
IAS 1(r2007).139	If the entity has applied IAS 1(r2007) for an annual period beginning before 1 January 2009, it shall disclose that fact.
	<p><i>Note: IAS 1 (r2007) is effective for accounting periods beginning on or after 1 January 2009. Earlier application is permitted.</i></p>



## Deloitte IFRS resources

In addition to this publication, Deloitte Touche Tohmatsu has a range of tools and publications to assist in implementing and reporting under IFRSs. These include:

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IFRSs in your pocket

Published in English, French, Spanish, Polish, Finnish, Chinese, and other languages, this pocket-sized guide includes summaries of all IASB Standards and Interpretations, updates on agenda projects, and other IASB-related information.

IFRSs and US GAAP: A pocket comparison

A summary of the principal differences in pocket-sized format, including a status report as to what is being done about each difference.

Presentation and disclosure checklist

Checklist incorporating all of the presentation and disclosure requirements of Standards.

Model financial statements

Model financial statements illustrating the presentation and disclosure requirements of IFRSs.

iGAAP 2007

Financial instruments: IAS 32, IAS 39 and IFRS 7 explained

3rd edition (March 2007). Guidance on how to apply these complex Standards, including illustrative examples and interpretations.

First-time adoption: A guide to IFRS 1

Application guidance for the "stable platform" Standards effective in 2005.

Share-based payment: A guide to IFRS 2

2nd edition (June 2007). Expanded guidance on applying IFRS 2 to many common share-based payment transactions.

Business combinations: A guide to IFRS 3

Supplements the IASB's own guidance for applying this Standard.

Interim financial reporting: A guide to IAS 34

Guidance on applying the interim reporting standard, including a model interim financial report and an IAS 34 compliance checklist.

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