September year-end accounting reminders – IFRS

September 2023

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Introduction

This document relates to reporting requirements as at 30 September 2023.

The first section on topical issues includes items that entities might want to consider for this year end. The second part of the document includes the IFRS® Accounting Standards and IFRIC® Interpretations that are newly applicable for 30 September year ends.

The final part of the document includes the accounting standards and IFRIC interpretations that are effective in the future but as per paragraph 30 of IAS 8, might need disclosure of the possible impact of application if material.

This document is updated quarterly on Viewpoint.

Topical issues

Impacts of high inflation and interest rates

Many entities continue experiencing the effect of high inflation and interest rates which touch all aspects of an entity's business including increasing costs such as raw materials and wages, changes in customer behaviour and credit risk, negotiations of contract terms and investment and financing decisions. In turn, the effect on the financial statements is likely to be equally widespread, and companies need to consider the accounting implications for this year-end.

High inflation and interest rates will affect fair value measurements, expected future cash flows estimates, discount rates used to determine present value of cash flows, impairment indicators and impairment tests. Some of the key IFRS Accounting standards entities might consider in this regard include:

- IFRS 9, 'Financial instruments', and the impact on expected credit losses.
- IFRS 7, Financial instruments: Disclosures', in particular those relating to liquidity risk, sensitivity to market risks such as interest rate risk as well as concentration risk.
- IFRS 13, 'Fair value measurement', and the impact on the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants, for example the impact on market prices for fixed rate investment securities or investment properties.
- IFRS 15 'Revenue from contracts with customers', and the impact on contracts that include a significant finance component at inception.
- IAS 2, 'Inventories', and the estimation of the net realisable value (NRV) including the extent to which the costs of high inflation can be passed onto customers when estimating NRV.
- IAS 12 'Income taxes', and the impact on forecasts of future taxable income.
- IAS 19, 'Employee benefits', and in particular the impact on measuring defined benefit pension liabilities.
- IAS 21 'The effects of changes in foreign exchange rates', and the impact on volatility of exchange rates when assessing whether using an average rate is appropriate.
- IAS 23, 'Borrowing costs', and the potential increase in capitalised borrowing costs.
- IAS 36, 'Impairment of assets', and the impact on impairment indicators as well as cash flows and discount rates (see section 'Non-financial asset key reminders for impairment reviews) and
- IAS 37 'Provisions, contingent liabilities and assets', and the impact of discount rates and inflation estimates on provisions including decommissioning obligations, and the recognition and measurement of onerous contracts.

High inflation and interest rates may cause significant estimation uncertainty for both short and long duration assets and liabilities. Entities may therefore also need to consider new or expanded disclosures in this area. As a reminder, IAS 1 requires disclosures about sources of significant estimation certainty. This includes disclosing information about assumptions that could result in material adjustments to the carrying amount of assets and liabilities within the next financial year, and how sensitive those carrying amounts are to those assumptions. IAS 1 also requires disclosures about judgements that have a significant effect on the financial statements.

For further guidance see In depth INT2022-12.

Climate change

Climate-related risks are a topic that might have an impact on an entity's operations and financial performance. IFRS does not explicitly address climate-related risks, but the principles that underlie various judgements and estimates made in the preparation of the financial statements will often incorporate climate-related risk factors.

Examples of specific areas entities should consider as climate-related issues become more significant include 'green' loans (i.e. bonds / loans that are issued at an interest rate that is to a certain degree dependent on KPIs that are sustainability related), exchange traded climate-related credit schemes, estimates used in provisioning and recoverable amount calculations and participation in the voluntary carbon market. For further guidance on accounting considerations for entities participating in the voluntary carbon market see In depth INT2023-02.

It is also important to note that IAS 1 has an overarching disclosure requirement to disclose information if that information is needed to enable investors to understand the effect of particular transactions, other events and conditions on the company's financial position and financial performance. In many cases, an entity's exposure to climate-related risks might not have changed significantly since its last annual reporting period. However, climate-related risks are becoming a more important topic for many users of financial statements.
Therefore, in light of the current focus on, and impact of, climate change, entities should ensure that they have undertaken a rigorous assessment to ensure that all of the material information affecting the financial statements in this respect is provided.

The IASB issued educational material that contains a non-exhaustive list of examples regarding how climate-related risk might affect the measurement and disclosure requirements of various standards and the various paragraphs of those standards that might be referenced in determining how to incorporate such risks. For further information see In brief INT2020-14, and In depth INT2021-11. Insurers can also refer to the publication – For Climate related risks – what do insurers need to know?

Entities should also ensure consistency between financial and non-financial reporting on key climate-related assumptions where such consistency is necessary for compliance with IFRS. For example, where entities publicly discuss a best estimate about the impact of the Paris Agreement In brief INT2021-14 on the entity in a sustainability report and an IFRS standard requires a best estimate approach to be used in measurement, the company would need to consider consistency between the estimates used for financial reporting and those disclosed in the sustainability reporting. Where there are statements in the sustainability report that haven't been reflected in financial reporting (for example, because the entity is relying on a market participant's assumptions which differ) the entity should consider the need for additional commentary on why such items have been reflected on a different basis in financial reporting.

The International Sustainability Standards Board (ISSB) issued its first two IFRS sustainability disclosure standards on 26 June 2023. This included:

- General Requirements for Disclosure of Sustainability-related Financial Information (IFRS S1), the core framework for the disclosure of material information about sustainability-related risks and opportunities across an entity's value chain.
- Climate-related Disclosures (IFRS S2), the first thematic standard issued that sets out requirements for entities to disclose information about climate-related risks and opportunities.

For further information see In brief INT2023-15 and In depth INT2023-05.

Russian invasion of Ukraine and Russian sanctions

The Russian invasion of Ukraine, alongside the imposition of international sanctions continue to have a pervasive economic impact, not only on businesses within Russia and Ukraine, but also globally where businesses engage in economic activities that might be affected by the recent developments. This necessitates careful consideration of the resulting accounting implications by entities who are affected by these developments. For 30 September 2023 year ends, there is a need to consider a number of areas including (but not limited to):

- Russia's restricted access to foreign currency reserves and restriction of certain Russian banks' access to SWIFT.
- Impairment of financial assets (such as loans, receivables and Russian bonds) as well as fair value measurement and hierarchy.

- Impairment of non-financial assets.
- Contingencies, onerous contracts and assessment of breaches of supply contracts to determine if an obligation exists.
- Financing arrangements, including liquidity constraints and possible breaches of covenants.
- Classification and availability of cash and cash equivalents which may now be restricted.
- Foreign exchange exposure and translation of foreign currency transactions.
- Level of influence or power over existing associates and subsidiaries within Russia and Ukraine.
- Classification of businesses / operations as non-current assets held for sale.
- Post balance sheet event considerations regarding measurement recognition and related disclosure for non-adjusting material events.
- Going concern presentation and disclosure of Russia / Ukraine specific impacts on the primary financial statements and notes thereof.
- Modification or termination of a contract with a customer.
- Change in settlement method of share-based payment award and accounting for other benefits given to employees.

The European Securities and Markets Authority (ESMA) has issued a report on the Implications of Russia's invasion of Ukraine on half-yearly financial reports. This report was prepared for half yearly reports in 2022, however is still relevant in 2023 and particularly for entities within the European Union however, the key messages and observations might be useful to any IFRS reporter.

For further guidance see In depth INT2022-05.

Hyper-inflationary economies

Based on the current global economic environment and following the deteriorating economic condition and currency controls, Haiti and Ethiopia are considered to be hyper-inflationary for the purpose of IAS 29 for reporting periods ending on or after 30 September 2023. Haiti was considered to be a hyper-inflationary economy from 31 March 2023 and Ethiopia from 31 December 2022. There have been no other changes in hyper-inflationary economies for the period 1 October 2022 to 30 September 2023.

Ghana and Sierra Leone are expected to become hyperinflationary by the end of 2023 (not yet confirmed for reporting periods ending on 30 September2023). Refer to In brief INT2023-09.

IAS 29 requires financial statements of an entity whose functional currency is the currency of a hyper-inflationary country to be restated into the measuring unit current at the end of the reporting period. Therefore, transactions in the reporting period and non-monetary balances at the end of the period would be restated to reflect a price index that is current at the balance sheet date. Comparatives are typically restated to reflect a price index that is current at the balance sheet date. This is because IAS 29 is applied as if the economy had always been hyper-inflationary. Entities are not, however, required to present an additional balance sheet as at the beginning of the preceding period.

Multinational companies that have subsidiaries that are in a hyper-inflationary economy should consider paragraph 43 of IAS 21. This requires the financial statements of a subsidiary entity that has the functional currency of a hyper-inflationary economy to be restated, in accordance with IAS 29, before being included in the consolidated financial statements. Comparative amounts of these subsidiaries that were presented previously in the parent's stable currency are not restated.

Implementation of IFRS 17 insurance contracts

Disclosures prior to application of IFRS 17

IAS 8, 'Accounting policies, changes in accounting estimates and errors' requires entities to provide disclosures about the expected impact of new accounting standards that have not yet been applied. In particular, IAS 8

requires an entity to disclose known or reasonably estimable information relevant to assessing the possible impact that IFRS 17 will have on the entity's financial statements in the period of initial application.

As IFRS 17 implementation continues to progress, information about its impact will become more reasonably estimable or known and therefore it is expected that entities will generally be able to provide progressively more entity-specific qualitative and quantitative information about the impact of IFRS 17. With reference to the requirements of IAS 8, we set out below our considerations with respect to matters that entities should consider when disclosing the expected impact of IFRS 17 in the September 2023 financial statements:

- the date the entity will first apply IFRS 17.
- the structure and status of the entity's implementation project.
- changes in accounting policy that will take effect, including accounting policy choices that will be taken and any exemptions that will be applied.
- the transition approaches that the entity will use under IFRS 17 and, for the modified retrospective approach, a description of the modifications the entity will use.
- the transition approach for IFRS 9 if applicable.
- the key judgements and estimates the entity has made or will need to make.
- the expected quantitative impacts of initial application (for example quantitative impact at the transition date (e.g.1 October 2022), income statement and balance sheet changes from the transition date through to the date of initial application (e.g. 1 October 2023) and an explanation of how quantitative impacts have been determined or, if applicable, why particular quantitative impacts are not yet reasonably estimable).
- if IFRS 17 is expected to have a significant effect on any alternative performance measures used by investors (such as 'adjusted earnings') the estimated quantum (or qualitative explanation) of that effect.

In May 2022, the European regulator (ESMA) issued a public statement setting out guidance on disclosures pre-application of IFRS 17. ESMA expects that the annual financial statements in the year prior to the adoption of IFRS 17 will provide the quantitative impact of the application of IFRS 17, and explain the changes compared to the amounts reported under IFRS 4, disaggregated as appropriate.

For further guidance on disclosures prior to the first set of IFRS 17 financial statements see In depth INT2022-03.

Not just for insurance companies

The previous requirements for insurance contracts (IFRS 4) allowed flexibility to follow the measurement principles of other standards. IFRS 17 is more prescriptive. This means it is critical to identify insurance contracts, to determine whether they are within the scope of IFRS 17 and, if so, to determine the accounting implications.

For further information see In depth INT2022-14, which provides guidance to help non-insurance companies identify whether they have any contracts in the scope of IFRS 17.

Expected changes to tax legislation

On 8 October 2021 agreement was reached between 136 countries for a two-pillar approach to international tax reform ('the OECD agreement'). Amongst other things, Pillar one proposes a reallocation of a proportion of tax to market jurisdictions, while Pillar two seeks to apply a global minimum effective tax rate of 15%. The OECD Agreement is likely to see changes in corporate tax rates in a number of countries in the next few years. The impact of changes in corporate tax rates on the measurement of tax assets and liabilities depends on the nature and timing of the legislative changes in each country.

In May 2023 the IASB issued amendments to IAS 12, 'Income taxes' that provide a temporary relief from accounting for deferred taxes arising from the implementation of the Pillar Two Model rules, including any qualifying domestic minimum top up taxes. The temporary exception is effective immediately and the disclosure requirements are effective for accounting periods beginning on or after 1 January 2023, with early application permitted.,. The May 2023 amendments to IAS 12 also include other related disclosure requirements, but these

disclosure requirements are only effective for financial years beginning on or after 1 January 2023. For further details refer to In depth INT2023-10. At the September 2023 reporting period, there would be no impact on the recognition and measurement of deferred tax on qualifying top-up taxes where Pillar Two legislation has been substantively enacted. There might be some disclosure required if the entity is impacted or expected to be impacted by Pillar Two legislation.

Debt restructurings

Debt restructuring is a complex area of accounting which can require significant judgement. Relevant guidance is provided in IFRS Manual of accounting paras 44.106 – 44.119. Some of the key accounting considerations are summarised below.

- Determining whether the new and old debt have substantially different terms – applying IFRS 9, it is necessary for an entity to assess if the terms are substantially different when a financial liability is exchanged or its terms are modified but the liability remains between the same borrower and the same lender. If the terms are substantially different, the transaction should be accounted for as an extinguishment of the original financial liability and the recognition of a new financial liability.
- Treatment of gain or loss on modification of debt – when a financial liability measured at amortised cost is modified without the modification resulting in derecognition, an entity should recognise a gain or loss immediately in profit or loss. The gain or loss is calculated as the difference between the original contractual cash flows and the modified cash flows discounted at the original effective interest rate.
- Treatment of fees incurred as part of the renegotiation – the fees should be recognised immediately or capitalised depending on whether the exchange of debt instruments or modification of terms is accounted for as an extinguishment or not.

Non-financial asset key reminders for impairment reviews

Impairment is an ongoing area of concern for many entities in the current economic environment. Regulators remain focused on this area and continue to push for increased transparency in disclosures. Groups holding significant amounts of goodwill and intangibles, or those that are affected to a greater extent by, climate change, high inflation or the current economic impact of the Russian invasion, are at greater risk of a regulatory challenge to their impairment assessments and in particular the related disclosures.

For the impacts of Russia's invasion of Ukraine and Russian sanctions see In depth INT2022-05 and for the impact of high inflation see In depth INT2022-12.

The key points in impairment testing are:

- For the value-in-use (VIU) model key assumptions should stand up against external market data. Cash flow growth assumptions should be comparable with up-to-date economic forecasts. The fair-value-less-costs-of-disposal (FVLCD) model, which is a post-tax model, must use market participant assumptions, rather than those of management.
- In times of greater uncertainty, it is likely to be easier to incorporate the impact of the economic environment uncertainties in impairment testing by using multiple cash-flow scenarios and applying relative probability weightings to derive a weighted average set of cash flows, rather than using a single central forecast and attempting to risk adjust the discount rate to reflect the higher degree of uncertainty in the environment.
- Specific challenges might relate to incorporating cash outflows for replacing leased assets on expiry of the leases into the impairment models, for further guidance see FAQ 24.84.2.
- IAS 36 requires that the VIU model uses pre-tax cash flows discounted using a pre-tax discount rate. In practice, post-tax discount rates and cash flows are used which theoretically can give the same answer but the need to consider deferred taxes makes this complicated.

  For guidance on how one might deal with deferred tax in a post-tax VIU model see EX 24.87.1 The fair value less costs of disposal model, which is a post-tax model, must use market participant assumptions, rather than those of management.

- Rising costs are becoming a noticeable issue in many countries that have not suffered significant inflation for many years so it is worth noting that a VIU calculation should incorporate specific price changes as well as the effect of general inflation either by:
  - (a) estimating future cash flows in real terms (i.e. excluding the effect of general inflation but including the effect of specific price changes) and discounting them at a rate that excludes the effect of general inflation or
  - (b) estimating future cash flows in nominal terms (i.e. including the effect of general inflation) and discounting them at a rate that includes the effects of general inflation.

  Where inflation assumptions could have a material impact on the financial statements, additional disclosures may be required to explain how inflation has been incorporated into the VIU.
- In assessing for impairment, the carrying value should be determined on a consistent basis as the recoverable amount. For example:
  - Where the recoverable amount is determined using the FVLCD model, the carrying amount tested should include current and deferred tax assets / liabilities (but exclude deferred tax assets for existing tax losses, because these are generally not part of the CGU).
- Where the VIU model (i.e. pre-tax) is applied, deferred tax assets should not be added to the carrying value and deferred tax liabilities should not be deducted (i.e. are not included in the carrying amount of the CGU). Refer to EX 24.87.1 for details on how this calculation might be performed.

  If impairment of goodwill is identified at the group level this will most likely trigger an impairment review of the parent entity's investment in the relevant subsidiaries in the parent's separate financial statements. VIU of an investment in a subsidiary would be determined by the present value of expected dividend receipts. The present value of the estimated post tax cash flows from the subsidiary's underlying assets might be used as a proxy for this if the subsidiary has no debt. Otherwise, the present value of expected cash flows should be reduced by the fair value of outstanding debt (both external and inter-company), in order to determine the net amount available for distribution see FAQ 24.165.2.

The required disclosures in IAS 36 are extensive. IAS 36 requires disclosure of the key assumptions (those that the recoverable amount is most sensitive to) and related sensitivity analysis. Note also IAS 1 para 125 requires disclosure of critical accounting judgements and of key sources of estimation uncertainty. Where a reasonable possible change in key assumptions would reduce the headroom (excess of the recoverable amount over the carrying amount) of a CGU to nil, it is required to disclose this headroom.

Where the headroom is sensitive to changes in key assumptions, an entity would need to disclose the specific changes in assumptions that would erode headroom to nil (for example + / - x% in sales growth or discount rates). However, in cases where no reasonably possible change would either erode headroom for CGUs when testing goodwill or give rise to a material adjustment to any carrying value in the next year, companies should take care that additional sensitivity disclosures do not give the wrong impression that any such adjustment is reasonably possible.

Given the increased uncertainty and volatility in many markets at present, the range of reasonably possible changes has widened which means that more extensive impairment disclosures will typically be required.

Key assumptions and wider ranging assumptions covering multiple Cash Generating Units ('CGUs') should be clearly disclosed. Where material, assumptions specific to each CGU should be identified. Changes to assumptions used, such as the discount rate, which has changed significantly from the previous year should be explained. Furthermore, in an impairment case, entities would need to clearly disclose the cause of the impairment and whether this is based on external data or changes in the company's own estimates. An entity with a material impairment loss or reversal additionally needs to disclose the recoverable amount of the asset(s) or CGU(s) affected IAS 36 para 130 [e].

Regulators have observed that, whilst the long-term growth rate used to extrapolate cash flow projections (to estimate a terminal value) and the pre-tax discount rate are important. they are not 'key assumptions' on which the cash flow projections for the period covered by the most recent budgets or forecasts are based. Therefore,

attention should also be paid to the discrete growth rate assumptions applied to the cash flows projected to occur before the terminal period. Accounting policy disclosures should always be consistent with the basis used in the according impairment test. The regulators have pointed out that they will continue to challenge companies where the recoverable amount is measured using VIU, but the cash flow forecasts appear to include the benefits of developing new business or to rely on future investment capacity.

An additional issue to consider is whether an impairment would need to be reversed. For all assets that have been impaired, other than goodwill, paragraph 110 of IAS 36 requires entities to assess, at the end of each reporting period, whether there is any indication that an impairment loss might no longer exist or might have decreased. Determining whether there is an identifiable impairment reversal indicator might require the use of judgement. If there is any such indication, the entity has to recalculate the recoverable amount of the asset.

Paragraph 111 of IAS 36 sets out example indicators that should be considered when assessing whether an impairment loss recognised in prior periods might no longer exist or might have decreased.

The indicators are arranged, as in paragraph 12 of IAS 36, into two categories: external and internal sources of information. These indicators of a potential reversal of an impairment loss mainly mirror the indications of a potential impairment loss in paragraph 12 of IAS 36. The passage of time alone (also known as the 'unwinding' of the discount) would not be a sufficient trigger for reversal or impairment. Further details are in FAQ 24.153.2 and FAQ 24.154.2.

Accounting standards and IFRIC interpretations newly applicable for companies with 30 September 2023 year ends

A number of narrow-scope amendments to IFRS 3, IAS 16, IAS 37 and some annual improvements on IFRS 1, IFRS 9, IAS 41 and IFRS 16 (effective 1 January 2022)

Amendments to IFRS 3, 'business combinations' update a reference in IFRS 3 to the conceptual framework for financial reporting without changing the accounting requirements for business combinations. See IFRS Manual of accounting para 29.89.

Amendments to IAS 16, 'Property, plant and equipment' prohibit a company from deducting from the cost of property, plant and equipment amounts received from selling items produced while the company is preparing the asset for its intended use. Instead, a company will recognise such sales proceeds and related costs in profit or loss. See IFRS Manual of accounting para 22.20.

Amendments to IAS 37, 'provisions, contingent liabilities and contingent assets' specify which costs a company includes when assessing whether a contract will be loss-making. See FAQ 16.72.1.

Annual improvements make minor amendments to IFRS 1, 'First-time Adoption of IFRS', IFRS 9, 'Financial instruments', IAS 41, 'Agriculture' and the Illustrative Examples accompanying IFRS 16, 'Leases'.

Amendment to IAS 12 - International tax reform - pillar two model rules

These amendments give companies temporary relief from accounting for deferred taxes arising from the Organisation for Economic Co-operation and Development's (OECD) international tax reform. The amendments also introduce targeted disclosure requirements for affected companies. For further details see In depth INT2023-10.

IFRIC Agenda decision – Lessor forgiveness of lease payments (IFRS 9 and IFRS 16)

In October 2022, the IASB finalised the agenda decision approved by the IFRS Interpretation Committee (IFRS IC) on 'Lessor Forgiveness of Lease Payments (IFRS 9 and IFRS 16)'. The agenda decision addresses the accounting from the perspective of the lessor, and in particular:

- how the expected credit loss ('ECL') model in IFRS 9 should be applied to the operating lease receivable when the lessor expects to forgive payments due from the lessee under the lease contract before the rent concession is granted.
- whether to apply the derecognition requirements in IFRS 9 or the lease modification requirements in IFRS 16 when accounting for the rent concession.

Refer to In brief INT2022-15 for further details.

New IFRS accounting standards effective after 1 October 2023

Paragraph 30 of IAS 8 requires an entity to disclose if there are new accounting standards that are issued but not yet effective, and information relevant to assessing the possible impact that the application of the new accounting standards will have on the entity's financial statements. This summary includes all new accounting standards and amendments issued before 30 September 2023 with an effective date for accounting periods beginning on or after 1 October 2022.

IFRS 17, 'Insurance contracts'	This standard replaces IFRS 4, which permits a wide variety of practices in accounting for insurance contracts. IFRS 17 will fundamentally change the accounting by all entities that issue insurance contracts and investment contracts with discretionary participation features. See IFRS Manual of accounting chapter 50a for further details.
Published	May 2017 with amendments in June 2020 and December 2021
Effective date	Annual periods beginning on or after 1 January 2023.
Narrow scope amendments to IAS 1, Practice statement 2 and IAS 8	The amendments aim to improve accounting policy disclosures and to help users of the financial statements to distinguish between changes in accounting estimates and changes in accounting policies. For further details see IFRS Manual of accounting para 3.24 – 3.31.
Published	February 2021
Effective date	Annual periods beginning on or after 1 January 2023.
Amendment to IAS 12 – deferred tax related to assets and liabilities arising from a single transaction	These amendments require companies to recognise deferred tax on transactions that, on initial recognition, give rise to equal amounts of taxable and deductible temporary differences. For further details see IFRS Manual of accounting para 14.18.
Published	May 2021
Effective date	Annual periods beginning on or after 1 January 2023.
Amendment to IFRS 16 – Leases on sale and leaseback	These amendments include requirements for sale and leaseback transactions in IFRS 16 to explain how an entity accounts for a sale and leaseback after the date of the transaction. Sale and leaseback transactions where some or all the lease payments are variable lease payments that do not depend on an index or rate are most likely to be impacted. For further details see IFRS Manual of Accounting para 15.155.1.
Published	September 2022
Effective date	Annual periods beginning on or after 1 January 2024.

Amendment to IAS 1 – Non-current liabilities with covenants	These amendments clarify how conditions with which an entity must comply within twelve months after the reporting period affect the classification of a liability. The amendments also aim to improve information an entity provides related to liabilities subject to these conditions. For further details see In brief INT2022-16.
Published	January 2020 and November 2022
Effective date	Annual periods beginning on or after 1 January 2024.
Amendment to IAS 12 - International tax reform - pillar two model rules	These amendments give companies temporary relief from accounting for deferred taxes arising from the Organisation for Economic Co-operation and Development's (OECD) international tax reform. The amendments also introduce targeted disclosure requirements for affected companies. For further details see In depth INT2023-10
Published	May 2023
Effective date	The deferred tax exemption and disclosure of the fact that the exception has been applied, is effective immediately. The other disclosure requirements are effective annual periods beginning on or after 1 January 2023.
Amendment to IAS 7 and IFRS 7 - Supplier finance	These amendments require disclosures to enhance the transparency of supplier finance arrangements and their effects on a company's liabilities, cash flows and exposure to liquidity risk. The disclosure requirements are the IASB's response to investors' concerns that some companies' supplier finance arrangements are not sufficiently visible, hindering investors' analysis. For further details see In brief INT2023-03.
Published	May 2023
Effective date	Annual periods beginning on or after 1 January 2024 (with transitional reliefs in the first year).
Amendments to IAS 21 - Lack of Exchangeability	An entity is impacted by the amendments when it has a transaction or an operation in a foreign currency that is not exchangeable into another currency at a measurement date for a specified purpose. A currency is exchangeable when there is an ability to obtain the other currency (with a normal administrative delay), and the transaction would take place through a market or exchange mechanism that creates enforceable rights and obligations. For further details see In brief INT2023-19.
Published	August 2023
Effective date	Annual periods beginning on or after 1 January 2025 (early adoption is available)

New IFRS sustainability disclosure standards effective after 1 October 2023

IFRS S1, 'General requirements for disclosure of sustainability-related financial information	This standard includes the core framework for the disclosure of material information about sustainability-related risks and opportunities across an entity's value chain.
Published	June 2023
Effective date	Reporting periods beginning on or after 1 January 2024. This is subject to endorsement of the standards by local jurisdictions.
IFRS S2, 'Climate-related disclosures'	This is the first thematic standard issued that sets out requirements for entities to disclose information about climate-related risks and opportunities.
Published	June 2023

Effective date	Reporting periods beginning on or after 1 January 2024. This is subject to endorsement of the standards by local jurisdictions.

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