

Changes in this edition

This section is a brief guide to the changes to International Financial Reporting Standards (IFRSs) since the publication of the 2011 edition of the Bound Volume of International Financial Reporting Standards (the 'Red Book').

Introduction

This volume includes the latest consolidated versions of all IFRSs, including IASs and Interpretations.

This volume includes amendments to IFRSs that have an effective date after 1 January 2012. Readers seeking the consolidated text of IFRSs that are effective on 1 January 2012 should refer to the single-part edition of the Bound Volume (the 'Blue Book').

New requirements introduced in 2011

The following changes were made during 2011:

- four new standards—IFRSs 10, 11, 12 and 13
- one new Interpretation—IFRIC 20
- seven revised standards—IFRSs 7 and 9 and IASs 1, 12, 19, 27 and 28
- amendments to IFRSs that were issued as separate documents
- amendments to other IFRSs resulting from those amended standards.

New pronouncements

Details of the new, revised and amended standards, new Interpretation and amendments to IFRSs included in this edition are as follows.

IFRS 10, IFRS 11, IFRS 12, IAS 27 and IAS 28

In May 2011 the IASB issued IFRS 10 *Consolidated Financial Statements*, IFRS 11 *Joint Arrangements* and IFRS 12 *Disclosure of Interests in Other Entities* and two revised standards, IAS 27 *Separate Financial Statements* and IAS 28 *Investments in Associates and Joint Ventures*. All of the new standards are effective for annual periods beginning on or after 1 January 2013, and earlier application is permitted.

IFRS 10 supersedes IAS 27 *Consolidated and Separate Financial Statements* and SIC-12 *Consolidated—Special Purpose Entities*, IFRS 11 supersedes IAS 31 *Interests in Joint Ventures* and SIC-13 *Jointly Controlled Entities—Non-monetary Contributions by Venturers* and IFRS 12 applies to entities that have an interest in a subsidiary, a joint arrangement, an associate or an unconsolidated structured entity.

IAS 27, together with IFRS 10 and IFRS 12, supersedes IAS 27 *Consolidated and Separate Financial Statements* (as amended in 2008). IAS 28 prescribes the accounting for investments in associates and sets out the requirements for the application of the equity method when accounting for investments in associates and joint ventures.

Changes in this edition

IFRS 13

IFRS 13 *Fair Value Measurement* was issued in May 2011. It defines fair value, sets out a framework for measuring fair value and requires disclosures about fair value measurement. It is effective for annual periods beginning on or after 1 January 2013. Earlier application is permitted.

IFRIC 20

IFRIC 20 *Stripping Costs in the Production Phase of a Surface Mine* was issued in October 2011. It clarifies how an entity allocates the stripping costs it incurs during the production phase of a surface mine between inventory and other assets, as well as the period over which it should amortise any capitalised stripping costs. It is effective for annual periods beginning on or after 1 January 2013. Earlier application is permitted.

Amendments to IFRSs issued as separate documents

Amendments to IFRS 7

Disclosures—Offsetting Financial Assets and Financial Liabilities (Amendments to IFRS 7) was issued in December 2011. These amendments require entities to disclose information so that users of its financial statements are able to evaluate the effect or potential effect of netting arrangements and similar agreements on the entity's financial position. It is required to be applied for annual periods beginning on or before 1 January 2013. Earlier application is permitted.

Amendments to IFRS 9

Mandatory Effective Date and Transition Disclosures (Amendments to IFRS 9 and IFRS 7) was issued in December 2011. The amendments require IFRS 9 to be applied for annual periods beginning on or after 1 January 2015, and must be applied when IFRS 9 is first applied. Earlier application of IFRS 9 is permitted. These amendments to IFRS 9 modify the relief from restating prior periods, and also added transition disclosures to IFRS 7 that are required to be applied when IFRS 9 is first applied.

Amendments to IAS 1

Presentation of Items of Other Comprehensive Income (Amendments to IAS 1) was issued in June 2011. The amendment is required to be applied for annual periods beginning on or after 1 July 2012. Earlier application is permitted.

Amendments to IAS 19

IAS 19 *Employee Benefits* was issued in June 2011. It prescribes the accounting and disclosure by employers for employee benefits and is effective for annual periods beginning on or after 1 January 2013. Earlier application is permitted.

Amendments to IAS 32

Offsetting Financial Assets and Financial Liabilities (Amendments to IAS 32) was issued in December 2011. The amendments clarify (a) the meaning of ‘currently has a legally enforceable right of set-off’; and (b) that some gross settlement systems would be considered equivalent to net settlement if they eliminate or result in insignificant credit and liquidity risk and process receivables and payables in a single settlement process or cycle. The amendment is required to be applied for annual periods beginning on or before 1 January 2014. Earlier application is permitted.

Other material that has changed

The Glossary of Terms has been revised.

Minor editorial corrections to IFRSs (including necessary updating) have been made; a list of these is available on the website.

We have included a reference table (‘Table of IFRSs’) at the back of the Red Bound Volume. This lists all IFRSs that have been published before 1 January 2012.

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