International Accounting Standards Board®

Press Release

22 May 2008

IASB concludes first annual improvements project

The International Accounting Standards Board (IASB) issued today *Improvements to IFRSs* — a collection of amendments to International Financial Reporting Standards (IFRSs). These amendments are the result of conclusions the Board reached on proposals made in its annual improvements project.

The IASB decided to initiate an annual improvements project in 2007 as a method of making necessary, but non-urgent, amendments to IFRSs that will not be included as part of another major project. The IASB's objective was to ease the burden for all concerned by presenting the amendments in a single document rather than as a series of piecemeal changes. The amendments issued today are presented in two parts:

- those that involve accounting changes for presentation, recognition or measurement purposes (a list of standards affected by these amendments and the issues addressed is included in the notes following), and

- those involving terminology or editorial changes with minimal effect on accounting.

Unless otherwise specified the amendments are effective for annual periods beginning on or after 1 January 2009, although entities are permitted to adopt them earlier.

During its deliberations of comments received on the exposure draft of proposals published in October 2007, the IASB decided to postpone reconsideration of some of the proposals until more analysis could be completed. The Board also decided to issue separately the amendment to restructure IFRS 1 *First-time Adoption of International Financial Reporting Standards*. The amendments issued today do not include those proposals.

Improvements to IFRSs is available for *e*IFRS subscribers from today. Those wishing to subscribe to *e*IFRSs should visit the online shop at www.iasb.org or contact:

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Printed copies (ISBN 978-1-905590-66-7) will be available shortly, at £15.00 plus shipping, from the IASC Foundation Publications Department.

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Notes for editors

About the annual improvements process

In 2007 the IASB adopted an annual process to deal with non-urgent amendments to IFRSs arising from matters raised by the International Financial Reporting Interpretations Committee (IFRIC) and suggestions from staff or practitioners. The improvements focus on areas of inconsistency in IFRSs or where clarification of wording is required. Each year the IASB discusses and decides on proposed improvements to IFRSs as they arise throughout the year. In the third or fourth quarter of the year, an omnibus exposure draft of the collected proposals is published for public comment, with a comment period of 90 days. After the IASB has considered the comments received, it aims to issue the amendments in final form in the following second quarter, with an effective date of 1 January of the following year.

IFRSs addressed

The following table shows the list of IFRSs where amendments have been made that can result in accounting changes for presentation, recognition or measurement purposes and the topics addressed by these amendments.

IFRS	**Subject of amendment**
IFRS 5 Non-current Assets Held for Sale and Discontinued Operations	Plan to sell the controlling interest in a subsidiary
IAS 1 Presentation of Financial Statements	Current/non-current classification of derivatives
IAS 16 Property, Plant and Equipment	Recoverable amount
	Sale of assets held for rental
IAS 19 Employee Benefits	Curtailments and negative past service cost

	Plan administration costs
	Replacement of term ‘fall due’
	Guidance on contingent liabilities
IAS 20 Accounting for Government Grants and Disclosure of Government Assistance	Government loans with a below-market rate of interest
IAS 23 Borrowing Costs	Components of borrowing costs
IAS 27 Consolidated and Separate Financial Statements	Measurement of subsidiary held for sale in separate financial statements
IAS 28 Investments in Associates	Required disclosures when investments in associates are accounted for at fair value through profit or loss
	Impairment of investment in associate
IAS 31 Interests in Joint Ventures	Required disclosures when interests in jointly controlled entities are accounted for at fair value through profit or loss
IAS 29 Financial Reporting in Hyperinflationary Economies	Description of measurement basis in financial statements
IAS 36 Impairment of Assets	Disclosure of estimates used to determine recoverable amount
IAS 38 Intangible Assets	Advertising and promotional activities
	Units of production method of amortisation
IAS 39 Financial Instruments: Recognition and Measurement	Reclassification of derivatives into or out of the classification of at fair value through profit or loss
	Designating and documenting hedges at the segment level
	Applicable effective interest rate on cessation of fair value hedge accounting
IAS 40 Investment Property	Property under construction or development for future use as investment property
IAS 41 Agriculture	Discount rate for fair value calculations
	Additional biological transformation

About the IASB

The IASB was established in 2001 and is the standard-setting body of the International Accounting Standards Committee (IASC) Foundation, an independent private sector, not-for-profit organisation. The IASB is committed to developing, in the public interest, a single set of high quality, global accounting standards that provide high quality transparent and comparable information in general purpose financial statements. In pursuit of this objective the IASB conducts extensive public consultations and seeks the co-operation of international and national bodies around the world.

Its 14 members (12 of whom are full-time) are drawn from nine countries and have a variety of professional backgrounds. They are appointed by and accountable to the Trustees of the IASC Foundation, who are required to select the best available combination of technical expertise and diversity of international business and market experience.