

# Changes in this edition

This is a brief guide to the changes incorporated in this 2024 edition since the publication of *The Annotated IFRS® Standards – Required at 1 January 2023*.

## Basis of preparation

This edition contains only IFRS Accounting Standards issued by the International Accounting Standards Board (IASB) as at 31 December 2023 that are required for accounting periods beginning on or after 1 January 2024 (that is, all Accounting Standards with an effective date on or before 1 January 2024).

Accounting Standards and amendments to Accounting Standards issued by 31 December 2023 with an effective date after 1 January 2024 are excluded from this edition; they will be reproduced in *IFRS® Accounting Standards – Issued at 1 January 2024* and in *The Annotated IFRS® Accounting Standards – Standards issued at 1 January 2024*.

The IFRS Accounting Standards in this edition have been annotated with extensive cross-references, explanatory notes and IFRS Interpretations Committee (Committee) agenda decisions to help users apply the Accounting Standards.

## New in this edition

The documents and amendments in this edition are effective from 1 January 2024 and include amendments to five Accounting Standards, issued in:

- *Classification of Liabilities as Current or Non-current*
- *Lease Liability in a Sale and Leaseback*
- *Non-current Liabilities with Covenants*
- *Supplier Finance Arrangements*
- *International Tax Reform – Pillar Two Model Rules*

The table and subsequent summaries provide further details about the documents and amendments.

<b>Standard/ amendment</b>	<b>When issued</b>	<b>Effective date</b> (early application is possible unless otherwise noted)	<b>Standards/ Interpretations amended</b>	<b>Standard withdrawn</b>
<i>Classification of Liabilities as Current or Non-current</i> Amendment to IAS 1	January 2020	1 January 2024	IAS 1	
<i>Lease Liability in a Sale and Leaseback</i> Amendment to IFRS 16	September 2022	1 January 2024	IFRS 16	

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<b>Table—New requirements effective from 1 January 2024</b>				
<b>Standard/ amendment</b>	<b>When issued</b>	<b>Effective date</b> (early application is possible unless otherwise noted)	<b>Standards/ Interpretations amended</b>	<b>Standard withdrawn</b>
<i>Non-current Liabilities with Covenants</i> Amendments to IAS 1	October 2022	1 January 2024	IAS 1	
<i>Supplier Finance Arrangements</i> Amendments to IAS 7 and IFRS 7	May 2023	1 January 2024	IAS 7, IFRS 7	
<i>International Tax Reform—Pillar Two Model Rules</i> Amendments to IAS 12	May 2023	1 January 2023	IAS 12	

Minor editorial corrections to Standards (including necessary updating) have also been made; a list of all such corrections is available at [www.ifrs.org/issued-standards/editorial-corrections/](http://www.ifrs.org/issued-standards/editorial-corrections/).

Agenda decisions published since 1 January 2023 have been added as annotations to IFRS 9, IFRS 16, IFRS 17 and IAS 19.

New and revised Standards, IFRIC Interpretations and practice statements are available to IFRS Digital subscribers on the IFRS Standards Navigator at <https://www.ifrs.org/issued-standards/list-of-standards/>.

## **Amendments to Accounting Standards**

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### ***Classification of Liabilities as Current and Non-current***

*Classification of Liabilities as Current or Non-current* clarifies a criterion in IAS 1 *Presentation of Financial Statements* for classifying a liability as non-current: the requirement for an entity to have the right to defer settlement of the liability for at least 12 months after the reporting period.

### ***Lease Liability in a Sale and Leaseback***

*Lease Liability in a Sale and Leaseback* amends IFRS 16 *Leases* by adding subsequent measurement requirements for sale and leaseback transactions.

## **Non-current Liabilities with Covenants**

*Non-current Liabilities with Covenants* amends IAS 1 *Presentation of Financial Statements*. The amendments improve the information an entity provides when its right to defer settlement of a liability for at least twelve months is subject to compliance with covenants. The amendments also respond to stakeholders' concerns about the classification of such a liability as current or non-current.

## **Supplier Finance Arrangements**

*Supplier Finance Arrangements* amends IAS 7 *Statement of Cash Flows* to require an entity to provide additional disclosures about its supplier finance arrangements. The amendments also add supplier finance arrangements as an example within the liquidity risk disclosure requirements of IFRS 7 *Financial Instruments: Disclosures*.

## **International Tax Reform—Pillar Two Model Rules**

*International Tax Reform—Pillar Two Model Rules* amends IAS 12 *Income Taxes*. The amendments introduce a temporary exception to the requirements to recognise and disclose information about deferred tax assets and liabilities related to Pillar Two income taxes. The amendments also introduce targeted disclosure requirements for affected entities.

## **Disclosure of the possible effect of issued Accounting Standards that are not yet required**

This edition does not include Accounting Standards that have an effective date later than 1 January 2024.

These Accounting Standards are relevant, however, even if an entity does not intend to adopt a requirement early. Paragraph 30 of IAS 8 *Accounting Policies, Changes in Accounting Estimates and Errors* requires an entity to disclose 'information relevant to assessing the possible impact that application of the new IFRS [Accounting Standard] will have on the entity's financial statements in the period of initial application'.

The table shows amendments and Accounting Standards that have an effective date after 1 January 2024.

<b>Standard/ amendment</b>	<b>When issued</b>	<b>Effective date</b> (early application is possible unless otherwise noted)	<b>Standards/ Interpretations amended</b>	<b>Standard withdrawn</b>
<i>Lack of Exchangeability</i> Amendments to IAS 21	August 2023	1 January 2025	IAS 21, IFRS 1	

This section summarises changes to be introduced by the documents listed in the table 'Accounting Standards and amendments issued, but not effective, as at 1 January 2024'.

### ***Lack of Exchangeability***

*Lack of Exchangeability* amends IAS 21 *The Effects of Changes in Foreign Exchange Rates* to require an entity to apply a consistent approach to assessing whether a currency is exchangeable into another currency and, when it is not, to determining the exchange rate to use and the disclosures to provide.