

Appendix C Annual Improvements to IFRSs 2011 – 2013 Cycle

Amended Standard	Title	Description of Change and Comments	Code Amendment
IFRS 1 <i>First-time Adoption of International Financial Reporting Standards</i>	Meaning of Effective IFRS	NA	NA
IFRS 3 <i>Business Combinations</i>	Scope exceptions for joint ventures	<p>Applicable to local authorities. This amendment is to clarify the scope of IFRS 3 ie that it</p> <ul style="list-style-type: none"> ▪ excludes the formation of all types of joint arrangements as defined in IFRS 11 <i>Joint Arrangements</i> from the scope of IFRS 3; and ▪ the scope exception only applies to the financial statements of the joint venture or the joint operation itself. <p>Although this may apply to local authorities it is unlikely to be a significant issue. However, for the application of IFRS 3 authorities should make direct reference to the IFRS.</p>	NA
IFRS 13 <i>Fair Value Measurement</i>	Scope of paragraph 52 portfolio exception	Applicable to local authorities. IFRS 13 includes a scope exception for measuring the fair value of a group of financial assets and financial liabilities on a net basis. However, it is unlikely that this is a frequent transaction for local authorities. In such cases direct reference will need to be made to IFRS 13.	NA
IAS 40 <i>Investment Property</i>	Clarifying the interrelationship between IFRS 3 and IAS 40 when classifying property as investment property or owner-occupied property.	Applicable to local authorities. This amendment is intended to clarify that judgement is needed to determine whether the acquisition of investment property is the acquisition of an asset, a group of assets or a business combination in the scope of IFRS 3. However, it is unlikely to be a frequent issue for local authorities. In such cases direct reference will need to be made to IFRS 3 and IAS 40.	NA