

International Financial Reporting Standard

Financial Instruments

October 2010

BASES FOR CONCLUSIONS – AMENDMENTS

[IFRS 1, 2, 3, 4, 5 & 7 and IAS 1, 17, 19, 20, 27, 28, 31, 32, 36, 39, 40 & 41 and IFRIC 2, 4, 5, 10, 12, 17 & 19 and SIC 27]

[Related to AASB 2010-7]

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Appendix

Amendments to the Basis for Conclusions on other IFRSs

This appendix contains amendments to the Basis for Conclusions on other IFRSs that are necessary in order to ensure consistency with IFRS 9 and the related amendments to other IFRSs.

IFRS 1 *First-time Adoption of International Financial Reporting Standards*

BCA1 The footnotes to the reference to 'IAS 39' in paragraphs BC58A, BC63A, BC65, BC66, BC74, BC89 and BC89A and to the heading 'Available-for-sale financial assets' above paragraph BC81 are deleted.

The reference to 'IAS 39 *Financial Instruments: Recognition and Measurement*' in paragraph BC17(a), and the first references to 'IAS 39' in paragraphs BC20–BC23, BC58A, BC63A, BC74, BC81, BC89 and BC89A are footnoted appropriately as follows:

* In November 2009 and October 2010 the IASB amended some of the requirements of IAS 39 and relocated them to IFRS 9 *Financial Instruments*. IFRS 9 applies to all items within the scope of IAS 39.

The first references to 'IAS 39' in paragraphs BC65 and BC66 are footnoted as follows:

* In November 2009 and October 2010 the IASB amended the requirements in IAS 39 to identify and separately account for embedded derivatives and relocated them to IFRS 9 *Financial Instruments*. This Basis for Conclusions has not been updated for changes in requirements since IFRIC 9 *Reassessment of Embedded Derivatives* was issued in March 2006.

The term 'available for sale' in paragraph BC63A, the term 'available-for-sale financial assets' in paragraph BC74(b) and the heading 'Available-for-sale financial assets' above paragraph BC81 are footnoted as follows:

* IFRS 9 *Financial Instruments*, issued in November 2009, with requirements added in October 2010, eliminated the category of available-for-sale financial assets.

IFRS 2 *Share-based Payment*

BCA2 The footnote to the reference to 'IAS 39' in the heading above paragraph BC25 is deleted.

The heading above paragraph BC25 is footnoted as follows:

* In November 2009 and October 2010 the IASB amended some of the requirements of IAS 39 and relocated them to IFRS 9 *Financial Instruments*. IFRS 9 applies to all items within the scope of IAS 39. Paragraphs BC25–BC28 refer to matters relevant when IFRS 2 was issued.

IFRS 3 *Business Combinations*

BCA3 The footnote to the reference to 'IAS 39 *Financial Instruments: Recognition and Measurement*' in paragraph BC185 and the first references to 'IAS 39' in paragraphs BC244, BC256 and BC437(c) are deleted.

The reference to 'IAS 39 *Financial Instruments: Recognition and Measurement*' in paragraph BC185 and the first references to 'IAS 39' in paragraphs BC246–BC251, BC256, BC354, BC434A and BC437(c) are footnoted as follows:

* In November 2009 and October 2010 the IASB amended some of the requirements of IAS 39 and relocated them to IFRS 9 *Financial Instruments*. IFRS 9 applies to all items within the scope of IAS 39.

The reference to 'IAS 39' in paragraph BC244 is footnoted as follows:

* IFRS 9 *Financial Instruments*, issued in November 2009 and amended in October 2010, relocated to IFRS 9 the requirements on the accounting for financial guarantees and commitments to provide loans at below-market interest rates.

The first reference to 'available-for-sale securities' in paragraph BC389 is footnoted as follows:

* IFRS 9 *Financial Instruments*, issued in November 2009 and amended in October 2010, eliminated the category of available-for-sale financial assets.

IFRS 4 *Insurance Contracts*

- BCA4 The footnotes to the reference to 'IAS 39 *Financial Instruments: Recognition and Measurement*' in paragraph BC11(a), the first references to 'IAS 39' in paragraphs BC22(c), BC28(b), BC41(b), BC47, BC55, BC73(d), BC82, BC161, the reference to 'available for sale' in paragraph BC145(b) and the heading above paragraph BC166 are deleted.

The reference to 'IAS 39 *Financial Instruments: Recognition and Measurement*' in paragraph BC11(a), the first references to 'IAS 39' in paragraphs BC21, BC22(c), BC28(b), BC40–BC54, BC55–BC60, BC62, BC73(d), BC82, BC117, BC146 and BC154–BC165 and the heading 'Issues related to IAS 39' above paragraph BC166 are footnoted as follows:

* In November 2009 and October 2010 the IASB amended some of the requirements of IAS 39 and relocated them to IFRS 9 *Financial Instruments*. IFRS 9 applies to all items within the scope of IAS 39.

The references to 'IAS 39' in paragraphs BC47 and BC161 are footnoted as follows:

* In November 2009 and October 2010 the IASB amended the requirements in IAS 39 to identify and separately account for embedded derivatives and relocated them to IFRS 9 *Financial Instruments*. This Basis for Conclusions has not been updated for changes in requirements since IFRIC 9 *Reassessment of Embedded Derivatives* was issued in March 2006.

The term 'available for sale' in paragraph BC145(b) and the heading 'Issues related to IAS 39' above paragraph BC166 are footnoted as follows:

* IFRS 9 *Financial Instruments*, issued in November 2009 and amended in October 2010, eliminated the category of available-for-sale financial assets.

- BCA5 The footnotes to the headings above paragraphs DO7, DO9 and DO18 are deleted and replaced as follows:

* In November 2009 and October 2010 the IASB amended some of the requirements of IAS 39 and relocated them to IFRS 9 *Financial Instruments*. IFRS 9 applies to all items within the scope of IAS 39.

IFRS 5 *Non-current Assets Held for Sale and Discontinued Operations*

BCA6 The footnote to the reference to 'IAS 39 *Financial Instruments: Recognition and Measurement*' in paragraph BC8(b), the first references to 'IAS 39' in paragraphs BC13(a) and BC54(b) and the reference to 'available-for-sale assets' in paragraph BC58 are deleted.

The reference to 'IAS 39 *Financial Instruments: Recognition and Measurement*' in paragraph BC8(b) and the reference to 'IAS 39' in paragraphs BC13(a), BC54(a) and BC81 are footnoted as follows:

* In November 2009 and October 2010 the IASB amended some of the requirements of IAS 39 and relocated them to IFRS 9 *Financial Instruments*. IFRS 9 applies to all items within the scope of IAS 39. This paragraph refers to matters relevant when IFRS 5 was issued.

The term 'held-for-trading financial asset' in paragraph BC54(b) is footnoted as follows:

* IFRS 9 *Financial Instruments*, issued in November 2009 and amended in October 2010, eliminated the category of held-for-trading financial assets. This paragraph refers to matters relevant when IFRS 5 was issued.

The term 'available-for-sale assets' in paragraph BC58 is footnoted as follows:

* IFRS 9 *Financial Instruments*, issued in November 2009 and amended in October 2010, eliminated the category of available-for-sale financial assets. This paragraph refers to matters relevant when IFRS 5 was issued.

IFRS 7 *Financial Instruments: Disclosures*

BCA7 In the rubric below the title a paragraph is added as follows:

In November 2009 and October 2010 the requirements of IAS 39 relating to classification and measurement of items within the scope of IAS 39 were relocated to IFRS 9 Financial Instruments, and IFRS 7 was amended accordingly. The text of this Basis for Conclusions has been amended for consistency with those changes.

Paragraphs BC14–BC16 are amended to read as follows:

- BC14 Paragraph 8 requires entities to disclose financial assets and financial liabilities by the measurement categories in IFRS 9 *Financial Instruments*. The Board concluded that disclosures for each measurement category would assist users in understanding the extent to which accounting policies affect the amounts at which financial assets and financial liabilities are recognised.
- BC15 The Board also concluded that separate disclosure of the carrying amounts of financial assets and financial liabilities that are designated upon initial recognition as financial assets and financial liabilities at fair value through profit or loss and those mandatorily measured at fair value is useful because such designation is at the discretion of the entity.

Financial assets or financial liabilities at fair value through profit or loss (paragraphs 9–11, B4 and B5)

- BC16 IFRS 9 permits entities to designate a non-derivative financial liability as at fair value through profit or loss, if specified conditions are met. If entities do so, they are required to provide the disclosures in paragraphs 10 and 11. The Board's reasons for these disclosures are set out in the Basis for Conclusions on IFRS 9, paragraphs BCZ5.29–BCZ5.34.

The heading above paragraph BC23 is amended to read as follows and paragraph BC23B is added:

Reclassification (paragraphs 12B–12D)

- BC23B In November 2009 the Board issued the requirements relating to the reclassification of financial assets in IFRS 9 *Financial Instruments* and revised accordingly the disclosure requirements relating to the reclassification of financial assets.

Paragraphs BC33 and BC34 are amended to read as follows:

- BC33 Paragraph 20(a) requires disclosure of income statement gains and losses by the measurement classifications in IFRS 9 (which complement the balance sheet disclosure requirement described in paragraph BC14). The Board concluded that the

disclosure is needed for users to understand the financial performance of an entity's financial instruments, given the different measurement bases in IFRS 9.

BC34 Some entities include interest and dividend income in gains and losses on financial assets and financial liabilities measured at fair value through profit or loss and others do not. To assist users in comparing income arising from financial instruments across different entities, the Board decided that an entity should disclose how the income statement amounts are determined. For example, an entity should disclose whether net gains and losses on financial assets or financial liabilities measured at fair value through profit or loss include interest and dividend income (see Appendix B, paragraph B5(e)).

Paragraphs BC39 and BC39B–BC39E are amended to read as follows:

BC39 Paragraph 28 requires disclosure about the difference that arises if the transaction price differs from the fair value of a financial instrument that is determined in accordance with paragraph B5.4.8 of IFRS 9. Those disclosures relate to matters addressed in the December 2004 amendment to IAS 39 *Transition and Initial Recognition of Financial Assets and Financial Liabilities*. That amendment does not specify how entities should account for those initial differences in subsequent periods. The disclosures required by paragraph 28 inform users about the amount of gain or loss that will be recognised in profit or loss in future periods. The Board noted that the information required to provide these disclosures would be readily available to the entities affected.

BC39B Because its own fair value measurement project was not yet completed, the Board decided not to propose a fair value hierarchy for measurement, but only for disclosures. The fair value hierarchy for disclosures is the same as that in SFAS 157 but uses IFRS language pending completion of the fair value measurement project. Although the implicit fair value hierarchy for measurement in IFRS 9 is different from the fair value hierarchy in SFAS 157, the Board recognised the importance of using a three-level hierarchy for disclosures that is the same as that in SFAS 157.

BC39C The Board noted the following three-level measurement hierarchy implicit in IFRS 9:

...

BC39D For example, the Board acknowledged that some financial instruments that for measurement purposes are considered to have an active market in accordance with paragraphs B5.4.3–B5.4.5 of IFRS 9 might be in Level 2 for disclosure purposes. Also, the application of paragraph B5.4.9 of IFRS 9 might result in no gain or loss being recognised on the initial recognition of a financial instrument that is in Level 2 for disclosure purposes.

BC39E The introduction of the fair value disclosure hierarchy does not affect any measurement or recognition requirements of other standards. In particular, the Board noted that the recognition of gains or losses at inception of a financial instrument (as required by paragraph B5.4.8 of IFRS 9) would not change as a result of the fair value disclosure hierarchy.

Paragraph BC73(b) is amended to read as follows:

BC73 The main changes to the proposals in ED 7 are:

- (a) ...
- (b) a requirement has been added for disclosures about the difference between the transaction price at initial recognition (used as fair value in accordance with paragraph B5.4.8 of IFRS 9) and the results of a valuation technique that will be used for subsequent measurement.
- (c) ...

BCA8 The reference to 'IAS 39 *Financial Instruments: Recognition and Measurement*' in paragraph BC17 and the reference to 'IAS 39' in paragraph BC23A are footnoted as follows:

* In November 2009 and October 2010 the IASB amended some of the requirements of IAS 39 and relocated them to IFRS 9 *Financial Instruments*. IFRS 9 applies to all items within the scope of IAS 39. This paragraph refers to matters relevant when IFRS 7 was issued.

IAS 1 *Presentation of Financial Statements*

BCA9 The footnotes to the reference to 'IAS 39 *Financial Instruments: Recognition and Measurement*' in paragraph BC38A, to the reference to 'IAS 39' in paragraph BC38B and to the references to 'available-for-sale' in paragraphs BC49 and BC69 are deleted.

The reference to 'IAS 39 *Financial Instruments: Recognition and Measurement*' in paragraph BC38A and the reference to 'IAS 39' in paragraph BC38B are footnoted as follows:

* In November 2009 and October 2010 the IASB amended some of the requirements of IAS 39 and relocated them to IFRS 9 *Financial Instruments*. IFRS 9 applies to all items within the scope of IAS 39. This paragraph refers to matters relevant when IAS 1 was issued.

The term 'available-for-sale financial assets' in paragraphs BC49 and BC69 is footnoted as follows:

* IFRS 9 *Financial Instruments*, issued in November 2009 and amended in October 2010, eliminated the category of available-for-sale financial assets. This paragraph refers to matters relevant when IAS 1 was issued.

The term 'held-to-maturity investments' in paragraph BC77 is footnoted as follows:

* IFRS 9 *Financial Instruments*, issued in November 2009 and amended in October 2010, eliminated the category of held-to-maturity financial assets. This paragraph refers to matters relevant when IAS 1 was issued.

IAS 17 *Leases*

BCA10 The footnote to the reference to 'IAS 39 *Financial Instruments: Recognition and Measurement*' in paragraph BC21 is deleted.

The reference to 'IAS 39 *Financial Instruments: Recognition and Measurement*' in paragraph BC21 is footnoted as follows:

* In November 2009 and October 2010 the IASB amended some of the requirements of IAS 39 and relocated them to IFRS 9 *Financial Instruments*. IFRS 9 applies to all items within the scope of IAS 39. This paragraph refers to matters relevant when IAS 17 was issued.

IAS 19 *Employee Benefits*

BCA11 The rubric below the title is amended to read as follows:

The original text has been marked up to reflect the revision of IAS 39 Financial Instruments: Recognition and Measurement in 2003 and the issue of IFRS 2 Share-based Payment in 2004, Improvements to IFRSs in May 2008 and IFRS 9 Financial Instruments in October 2010; new text is underlined and deleted text is struck through. The terminology ...

Paragraph BC68D(b) is amended and footnoted to read as follows:

BC68D Supporters of ...

- (b) if offsetting is allowed when condition (c) is not met, this would seem to be equivalent to permitting a net presentation for ‘in-substance defeasance’ and other analogous cases where IAS 32 indicates explicitly that offsetting is inappropriate. The Board has rejected ‘in-substance defeasance’ for financial instruments (see ~~IAS 39 Application Guidance paragraph AG59~~ IFRS 9 paragraph AG3.3.3)* and there is no obvious reason to permit it in accounting for defined benefit plans. In these cases the entity retains an obligation that should be recognised as a liability and the entity’s right to reimbursement from the plan is a source of economic benefits that should be recognised as an asset. Offsetting would be permitted if the conditions in paragraph ~~33~~42 of IAS 32 are satisfied;

...

* In November 2009 and October 2010 the IASB amended some of the requirements of IAS 39 and relocated them to IFRS 9 *Financial Instruments*. IFRS 9 applies to all items within the scope of IAS 39.

BCA12 The footnotes to the reference to ‘IAS 39 *Financial Instruments: Recognition and Measurement*’ in paragraph BC75A, to the references to ‘IAS 39’ in paragraphs BC68H and BC68I, to the reference to ‘available-for-sale financial assets’ in paragraph BC48W and to the references to ‘IAS 25 *Accounting for Investments*’ in paragraphs BC69 and BC73 are deleted.

The reference to 'IAS 39 *Financial Instruments: Recognition and Measurement*' in paragraph BC75A and the reference to 'IAS 39' in paragraph BC68H are footnoted as follows:

* In November 2009 and October 2010 the IASB amended some of the requirements of IAS 39 and relocated them to IFRS 9 *Financial Instruments*. IFRS 9 applies to all items within the scope of IAS 39. This paragraph refers to matters relevant when IAS 19 was issued.

The term 'available-for-sale financial assets' in paragraph BC48W is footnoted as follows:

* IFRS 9 *Financial Instruments*, issued in November 2009 and amended in October 2010, eliminated the category of available-for-sale financial assets. This paragraph refers to matters relevant when IAS 19 was issued.

The references to 'IAS 25 *Accounting for Investments*' in paragraphs BC69 and BC73 are footnoted as follows:

* superseded by IAS 39 *Financial Instruments: Recognition and Measurement* and IAS 40 *Investment Property*. In November 2009 and October 2010 the IASB amended some of the requirements of IAS 39 and relocated them to IFRS 9 *Financial Instruments*. IFRS 9 applies to all items within the scope of IAS 39. This paragraph refers to matters relevant when IAS 19 was issued.

IAS 20 *Accounting for Government Grants and Disclosure of Government Assistance*

BCA13 The reference to 'IAS 39 *Financial Instruments: Recognition and Measurement*' in paragraph BC2 and the first reference to 'IAS 39' in paragraph BC3 are footnoted as follows:

* In November 2009 and October 2010 the IASB amended some of the requirements of IAS 39 and relocated them to IFRS 9 *Financial Instruments*. IFRS 9 applies to all items within the scope of IAS 39. This paragraph refers to matters relevant when IAS 20 was amended in 2008.

IAS 27 Consolidated and Separate Financial Statements

- BCA14 The footnotes to the reference to 'IAS 39 *Financial Instruments: Recognition and Measurement*' in paragraph BC22 and to the references to 'IAS 39' in paragraphs BC65–BC66C are deleted.

The reference to 'IAS 39 *Financial Instruments: Recognition and Measurement*' in paragraph BC22 and the first references to 'IAS 39' in paragraphs BC65–BC66C are footnoted as follows:

* In November 2009 and October 2010 the IASB amended some of the requirements of IAS 39 and relocated them to IFRS 9 *Financial Instruments*. IFRS 9 applies to all items within the scope of IAS 39.

The first references to the term 'available-for-sale' in paragraphs BC54, BC56 and BC65 are footnoted as follows:

* IFRS 9 *Financial Instruments*, issued in November 2009, and amended in October 2010, eliminated the category of available-for-sale financial assets.

- BCA15 In the dissenting opinions on the amendments to IFRS 1 and IAS 27 issued in May 2008 the footnote to the reference to 'IAS 39 *Financial Instruments: Recognition and Measurement*' in paragraph DO3 is deleted and replaced by the following footnote:

* In November 2009 and October 2010 the IASB amended some of the requirements of IAS 39 and relocated them to IFRS 9 *Financial Instruments*. IFRS 9 applies to all items within the scope of IAS 39.

IAS 28 Investments in Associates

- BCA16 The footnotes to the reference to 'IAS 39 *Financial Instruments: Recognition and Measurement*' in paragraph BC7 and the references to 'IAS 39' in paragraphs BC9, BC22 and BC26 are deleted.

The reference to 'IAS 39' in the heading above paragraph BC7 and the first references to 'IAS 39' in paragraphs BC22 and BC26 are footnoted as follows:

* In November 2009 and October 2010 the Board amended some of the requirements of IAS 39 and relocated them to IFRS 9 *Financial Instruments*. IFRS 9 applies to all items within the scope of IAS 39.

The first reference to 'IAS 39' in paragraph BC9 is footnoted as follows:

† In November 2009 and October 2010 the Board amended some of the requirements of IAS 39 and relocated them to IFRS 9 *Financial Instruments*. IFRS 9 applies to all items within the scope of IAS 39. IFRS 9 eliminated the category of available-for-sale financial assets and permits entities to make an irrevocable election to present in other comprehensive income subsequent changes in the fair value of an investment in an equity instrument that is not held for trading.

The term 'available-for-sale equity instrument' in paragraph BC26 is footnoted as follows:

* IFRS 9 *Financial Instruments*, issued in November 2009 and amended in October 2010, eliminated the category of available-for-sale financial assets.

IAS 31 *Investments in Joint Ventures*

BCA17 The footnotes to the reference to 'IAS 39 *Financial Instruments: Recognition and Measurement*' in paragraph BC7 and to the references to 'IAS 39' in paragraphs BC9 and BC17 are deleted.

The heading above paragraph BC7 and the first references to 'IAS 39' in paragraphs BC9 and BC17 are footnoted as follows:

* In November 2009 and October 2010 the Board amended some of the requirements of IAS 39 and relocated them to IFRS 9 *Financial Instruments*. IFRS 9 applies to all items within the scope of IAS 39.

IAS 32 *Financial Instruments: Presentation*

BCA18 The footnotes to the reference to 'IAS 39 *Financial Instruments: Recognition and Measurement*' in paragraph BC2 and to the references to 'IAS 39' in paragraphs BC25, BC26 and BC53(a) are deleted.

The reference to 'IAS 39 *Financial Instruments: Recognition and Measurement*' in paragraph BC2 and the first references to 'IAS 39' in paragraphs BC26 and BC53(a) are footnoted as follows:

* In November 2009 and October 2010 the Board amended some of the requirements of IAS 39 and relocated them to IFRS 9

Financial Instruments. IFRS 9 applies to all items within the scope of IAS 39.

The first reference to 'IAS 39' in paragraph BC25 is footnoted as follows:

* In November 2009 and October 2010 the Board amended some of the requirements of IAS 39 and relocated them to IFRS 9 *Financial Instruments*. The requirements of paragraph 43 of IAS 39 relating to the initial measurement of financial assets were relocated to paragraph 5.1.1 of IFRS 9.

BCA19 In the dissenting opinion on the issue of IAS 32 in December 2003, the reference to 'IAS 39' in paragraph DO2 is footnoted as follows:

* In November 2009 and October 2010 the IASB amended some of the requirements of IAS 39 and relocated them to IFRS 9 *Financial Instruments*. IFRS 9 applies to all items within the scope of IAS 39.

IAS 36 *Impairment of Assets*

BCA20 The footnote to the reference to 'IAS 39' in paragraph BCZ15(d) is deleted.

The reference to 'IAS 39' in paragraph BCZ15(d) is footnoted as follows:

* The IASB's project to revise IAS 32 and IAS 39 in 2003 resulted in the relocation of the requirements on fair value measurement from IAS 32 to IAS 39. In November 2009 and October 2010 the IASB amended some of the requirements of IAS 39 and relocated them to IFRS 9 *Financial Instruments*. IFRS 9 applies to all items within the scope of IAS 39.

IAS 39 *Financial Instruments: Recognition and Measurement*

BCA21 The following paragraphs are added to the rubric:

In November 2009 the Board amended the requirements of IAS 39 relating to classification and measurement of financial assets within the scope of IAS 39 and relocated them to IFRS 9 Financial Instruments. Accordingly, the following were deleted: paragraphs BC13 and BC14, the heading above paragraph BC25 and paragraphs BC25–BC29, paragraph BC70, the heading above paragraph BC104A and paragraphs BC104A–BC104E, the headings above paragraphs BC125, BC127 and BC129 and paragraphs BC125–BC130, the heading above paragraph BC221 and that paragraph and the heading above paragraph BC222 and that paragraph.

In October 2010 the Board relocated to IFRS 9 the requirements of IAS 39 relating to classification and measurement of financial liabilities and derecognition of financial assets and financial liabilities. The Board did not reconsider most of those requirements. Accordingly the following were relocated to IFRS 9: paragraphs BC11C, BC37–BC79A and BC85–BC104.

Paragraphs BC11C, BC11E, BC11F, BC13 and BC14, BC25–BC29, BC37–BC104E, BC105–BC107, BC125–BC130, BC221 and BC222 and the headings above BC25, BC37, BC104A, BC105 ('Impairment of investments in equity instruments (paragraph 61)' only), BC221 and BC222 are deleted.

Paragraph BC20A is amended to read as follows:

BC20A As discussed in paragraphs BC21–BC23E, the Board amended IAS 39 in 2005 to address financial guarantee contracts. In making those amendments, the Board moved the material on loan commitments from the scope section of the Standard to the section on subsequent measurement. The purpose of this change was to rationalise the presentation of this material without making substantive changes.

The headings above paragraphs BC15, BC21 and BC24 are amended to read as follows:

Loan commitments

Financial guarantee contracts

Contracts to buy or sell a non-financial item

BCA22 The footnotes to the references to 'IAS 39' in paragraphs BC185(d), BC186 and BC189(a) are deleted. The following footnotes are amended to read as follows and added:

To the reference to 'IAS 39' in paragraph BC12	<p>In November 2009 the Board amended the requirements of IAS 39 relating to classification and measurement of assets within the scope of IAS 39 and relocated them to IFRS 9 <i>Financial Instruments</i>. In October 2010 the Board amended IFRS 9 to add the requirements for classifying and measuring financial liabilities and derecognising financial assets and financial liabilities. Those requirements were relocated from IAS 39.</p>
To the heading above paragraph BC15	<p>In October 2010 the Board amended IFRS 9 to add the requirements for classifying and measuring financial liabilities and derecognising financial assets and financial liabilities. Those requirements were relocated from IAS 39.</p>
At the end of paragraph BC16	<p>IFRS 9 <i>Financial Instruments</i>, issued in November 2009, eliminated the category of loans and receivables.</p>
To the heading above paragraphs BC21, BC24, BC40B, BC41 and BC70A	<p>In October 2010 the Board amended IFRS 9 to add the requirements for classifying and measuring financial liabilities and derecognising financial assets and financial liabilities. Those requirements were relocated from IAS 39.</p>
To the reference to 'held-to-maturity' in paragraph BC80A	<p>IFRS 9 <i>Financial Instruments</i>, issued in November 2009, eliminated the category of held-to-maturity.</p>
To the reference to 'loans and receivables' in paragraph BC111	<p>IFRS 9 <i>Financial Instruments</i>, issued in November 2009, eliminated the category of loans and receivables.</p>

At the end of paragraph BC185(d) and to the references to 'required to be paid' in paragraphs BC186 and BC189(a)

In October 2010 the Board amended IFRS 9 to add the requirements for classifying and measuring financial liabilities and derecognising financial assets and financial liabilities. Those requirements were relocated from IAS 39.

To the reference to 'held-to-maturity' in paragraph BC201(f)

IFRS 9 *Financial Instruments*, issued in November 2009, eliminated the category of held-to-maturity.

At the end of paragraph BC203(b)

In October 2010 the Board amended IFRS 9 to add the requirements for classifying and measuring financial liabilities and derecognising financial assets and financial liabilities. Those requirements were relocated from IAS 39.

BCA23 The dissenting opinions from the issue of IAS 39 in December 2003, *The Fair Value Option* in June 2005 and *Reclassification of Financial Assets* in October 2008 are deleted.

IAS 40 *Investment Property*

BCA24 The footnotes to the reference to 'IAS 39 *Financial Instruments: Recognition and Measurement*' in paragraph BC8, to the references to 'IAS 39' in paragraphs B35 and B67(a)(i) and to the reference to 'available-for-sale investments' in paragraph B63(a) are deleted.

The reference to 'IAS 39 *Financial Instruments: Recognition and Measurement*' in paragraph BC8 is footnoted as follows:

* In November 2009 and October 2010 the IASB amended some of the requirements of IAS 39 and relocated them to IFRS 9 *Financial Instruments*. IFRS 9 applies to all items within the scope of IAS 39. Paragraph BC8 refers to matters relevant when IAS 40 was issued.

BCA25 The reference to 'IAS 39 *Financial Instruments: Recognition and Measurement*' in paragraph B2 and the references to 'IAS 39' in paragraphs B46(b), B54 and B63(d) are footnoted as follows:

* In November 2009 and October 2010 the IASB amended some of the requirements of IAS 39 and relocated them to IFRS 9 *Financial Instruments*. IFRS 9 applies to all items within the scope of IAS 39. This paragraph refers to matters relevant when IAS 40 was issued.

The reference to 'IAS 39' in paragraph B35 is footnoted as follows:

* IFRS 9 *Financial Instruments*, issued in November 2009 and amended in October 2010, eliminated the held-to-maturity category. This paragraph discusses matters relevant when IAS 40 was issued.

The reference to 'IAS 39' in paragraph B63(a) is footnoted as follows:

* IFRS 9 *Financial Instruments*, issued in November 2009 and amended in October 2010, eliminated the category of available-for-sale financial assets.

In paragraph B67(a)(i) the footnote to 'IAS 39' is amended to read as follows:

* Paragraph 69 was replaced by paragraph 46 when the IASB revised IAS 39 in 2003. In 2009 paragraph 46 of IAS 39 was deleted by IFRS 9 *Financial Instruments*.

IAS 41 *Agriculture*

BCA26 The footnotes to the reference to 'IAS 39 *Financial Instruments: Recognition and Measurement*' in paragraph B48 and to the reference to 'IAS 39' in paragraph B54 are deleted.

The reference to 'IAS 39 *Financial Instruments: Recognition and Measurement*' in paragraph B48 and the first reference to 'IAS 39' in paragraph B54 are footnoted as follows:

* In November 2009 and October 2010 the IASB amended some of the requirements of IAS 39 and relocated them to IFRS 9 *Financial Instruments*. IFRS 9 applies to all items within the scope of IAS 39.

IFRIC 2 *Members' Shares in Co-operative Entities and Similar Instruments*

BCA27 In paragraph BC18 the reference to 'IAS 39' is footnoted as follows:

* In November 2009 and October 2010 the Board amended some of the requirements of IAS 39 and relocated them to IFRS 9 *Financial Instruments*. Paragraph 49 of IAS 39 was relocated to paragraph 5.4.3 of IFRS 9. Paragraph BC18 refers to matters relevant when IFRIC 2 was issued.

IFRIC 4 *Determining whether an Arrangement contains a Lease*

BCA28 The footnote to the reference to 'IAS 39 *Financial Instruments: Recognition and Measurement*' in paragraph BC14 is deleted.

The reference to 'IAS 39 *Financial Instruments: Recognition and Measurement*' in paragraph BC14 is footnoted as follows:

* In November 2009 and October 2010 the Board amended some of the requirements of IAS 39 and relocated them to IFRS 9 *Financial Instruments*. IFRS 9 applies to all items within the scope of IAS 39.

IFRIC 5 *Rights to Interests arising from Decommissioning, Restoration and Environmental Rehabilitation Funds*

BCA29 The footnotes to the reference to 'IAS 39 *Financial Instruments: Recognition and Measurement*' in paragraph BC6 and to the references to 'IAS 39' in paragraphs BC11(a), BC12, BC20 and BC24 are deleted.

The reference to 'IAS 39 *Financial Instruments: Recognition and Measurement*' in paragraph BC6, the first references to 'IAS 39' in paragraphs BC8(c), BC20, BC24 and BC27 and the heading above paragraph BC11 are footnoted as follows:

* In November 2009 and October 2010 the Board amended some of the requirements of IAS 39 and relocated them to IFRS 9 *Financial Instruments*. IFRS 9 applies to all items within the scope of IAS 39.

The term 'available-for-sale financial asset' in paragraph BC11 is footnoted as follows:

* IFRS 9 *Financial Instruments*, issued in November 2009 and amended in October 2010, eliminated the categories of available-for-sale and held-to-maturity financial assets.

IFRIC 10 *Interim Financial Reporting and Impairment*

BCA30 The footnotes to the references to 'IAS 39' in paragraphs BC2 and BC9 are deleted.

The first references to 'IAS 39' in paragraphs BC2 and BC9 are footnoted as follows:

* In November 2009 and October 2010 the Board amended some of the requirements of IAS 39 and relocated them to IFRS 9 *Financial Instruments*. IFRS 9 applies to all items within the scope of IAS 39.

IFRIC 12 *Service Concession Arrangements*

BCA31 The footnotes to the reference to 'IAS 39' in paragraph BC59 and to the heading above paragraph BC60 are deleted.

The references to 'IAS 39 *Financial Instruments: Recognition and Measurement*' in paragraph BC43(a) and to 'IAS 39' in paragraph BC59 and the heading above paragraph BC60 are footnoted as follows:

* In November 2009 and October 2010 the IASB amended some of the requirements of IAS 39 and relocated them to IFRS 9 *Financial Instruments*. IFRS 9 applies to all items within the scope of IAS 39.

IFRIC 17 *Distributions of Non-cash Assets to Owners*

BCA32 The footnotes to the reference to 'IAS 39 *Financial Instruments: Recognition and Measurement*' in paragraph BC22, to the last sentence of paragraph BC28(a), to the reference to 'AG81' in paragraph BC29, to the reference to 'IAS 39' in paragraph BC32 and to the reference to 'available-for-sale' in paragraph BC47(e) are deleted.

The reference to 'IAS 39 *Financial Instruments: Recognition and Measurement*' in paragraph BC22 and the references to 'IAS 39' in paragraphs BC37 and BC50 are footnoted as follows:

* In November 2009 and October 2010 the IASB amended some of the requirements of IAS 39 and relocated them to IFRS 9 *Financial Instruments*. IFRS 9 applies to all items within the scope of IAS 39.

The reference to 'IAS 39' in paragraph BC28(a) is footnoted as follows:

* IFRS 9 *Financial Instruments*, issued in November 2009 and amended in October 2010, requires all investments in equity instruments to be measured at fair value.

The reference to 'AG81' in paragraph BC29 is footnoted as follows:

* IFRS 9 *Financial Instruments*, issued in November 2009, amended paragraphs AG80 and AG81 of IAS 39 so that they apply only to derivatives on unquoted equity instruments. IFRS 9, issued in October 2010, deleted paragraphs AG80 and AG81 of IAS 39.

The reference to 'IAS 39' in paragraph BC32 is footnoted as follows:

* IFRS 9 *Financial Instruments*, issued in November 2009 and amended in October 2010, eliminated the requirement in IAS 39 for some assets to be measured using a historical cost basis.

The term 'available-for-sale investment' in paragraph BC47(e) is footnoted as follows:

* IFRS 9 *Financial Instruments*, issued in November 2009 and amended in October 2010, eliminated the category of available-for-sale financial assets.

IFRIC 19 Extinguishing Financial Liabilities with Equity Instruments

BCA33 The reference to 'IAS 39 *Financial Instruments: Recognition and Measurement*' in paragraph BC2 and the references to 'IAS 39' in paragraphs BC10, BC20, BC24, BC31 and BC34(c) are footnoted as follows:

* In November 2009 and October 2010 the IASB amended some of the requirements of IAS 39 and relocated them to IFRS 9 *Financial Instruments*. IFRS 9 applies to all items within the scope of IAS 39.

SIC Interpretation 27 Evaluating the Substance of Transactions Involving the Legal Form of a Lease

BCA34 The rubric '[The original text ... struck through]' is deleted and replaced with the following rubric:

*[In November 2009 and October 2010 the requirements of IAS 39 relating to classification and measurement of items within the scope of IAS 39 were relocated to IFRS 9 **Financial Instruments**. To avoid confusion with earlier amendments marked up on the original text to reflect the revision of IAS 39 in 2003 and the subsequent issue of IFRS 4, paragraphs 14 and 15 have been amended for consistency with IFRS 9 as issued in 2010.]*

Paragraph 14 is amended to read as follows:

- 14 When an Entity ... A financial asset and a financial liability, or a portion of either, are derecognised only when the requirements of paragraphs 3.2.1–3.2.23, 3.3.1–3.3.4, B3.2.1–B3.2.17 and B3.3.1–B3.3.7 of IFRS 9 are met.
- 15 IFRS 4 provides guidance for recognising and measuring financial guarantees and similar instruments that provide for payments to be made if the debtor fails to make payments when due, if that contract transfers significant insurance risk to the issuer. Financial guarantee contracts that provide for payments to be made in response to changes in relation to a variable (sometimes referred to as an ‘underlying’) are subject to IAS 39.*

* In November 2009 and October 2010 the IASB amended some of the requirements of IAS 39 and relocated them to IFRS 9 *Financial Instruments*. IFRS 9 applies to all items within the scope of IAS 39.