

International Financial Reporting Standard

Mandatory Effective Date of IFRS 9 and Transition Disclosures

December 2011

IMPLEMENTATION GUIDANCE (ILLUSTRATIVE EXAMPLE) – AMENDMENTS

[IFRS 9]

[Related to AASB 2012-6]

International Financial Reporting Standards together with their accompanying documents are issued by the IFRS Foundation.

COPYRIGHT

Copyright © 2011 IFRS Foundation.

Reproduction of this extract within Australia in unaltered form (retaining this notice) is permitted for non-commercial use subject to the inclusion of an acknowledgment of the IFRS Foundation's copyright.

All other rights reserved. Requests and enquiries concerning reproduction and rights for commercial purposes within Australia or for any purpose outside Australia should be addressed to the IFRS Foundation at www.ifrs.org.

Amendments to the Implementation Guidance of IFRS 9 *Financial Instruments* (2010)

After paragraph IE5 of IFRS 9 (2010), the heading and paragraph IE6 are added.

Disclosures on Transition from IAS 39 to IFRS 9

- IE6 The following illustration is an example of one possible way to meet the quantitative disclosure requirements in paragraphs 44S–44W of IFRS 7 at the date of initial application of IFRS 9. However, this illustration does not address all possible ways of applying the disclosure requirements of this IFRS.

Reconciliation of statement of financial position balances from IAS 39 to IFRS 9 at 1 January 2015

Financial assets	(i) IAS 39 carrying amount 31 December 2014 (1)	(ii) Reclassifications	(iii) Remeasurements	(iv) = (i) + (ii) + (iii) IFRS 9 carrying amount 1 January 2015	(v) = (iii) Retained earnings effect on 1 January 2015 (2)
Measurement category:					
Fair value through profit or loss					
<i>Additions:</i>					
From available for sale (IAS 39)		(a)			(c)
From amortised cost (IAS 39)					
–required reclassification		(b)			
From amortised cost (IAS 39)					
–fair value option elected at 1 January 2015					
<i>Subtractions:</i>					
To amortised cost (IFRS 9)					
Total change to fair value through profit or loss					
Fair value through other comprehensive income					
<i>Additions:</i>					
From fair value through profit or loss (fair value option under IAS 39)–fair value through other comprehensive income elected at 1 January 2015					
From cost (IAS 39)					
<i>Subtractions:</i>					
Available for sale (IAS 39) to fair value through profit or loss (IFRS 9)					(d)
Available for sale (IAS 39) to amortised cost (IFRS 9)					(e)
Total change to fair value through other comprehensive income					
<i>continued...</i>					

...continued

Reconciliation of statement of financial position balances from IAS 39 to IFRS 9 at 1 January 2015

Financial assets	(i)	(ii)	(iii)	(iv) = (i) + (ii) + (iii)	(v) = (iii)
	IAS 39 carrying amount 31 December 2014 (1)	Reclassifications	Remeasurements	IFRS 9 carrying amount 1 January 2015	Retained earnings effect on 1 January 2015 (2)
Amortised cost					
<i>Additions:</i>					(f)
From available for sale (IAS 39)					
From fair value through profit or loss (IAS 39)–required reclassification					
From fair value through profit or loss (IAS 39)–fair value option revoked at 1 January 2015					
<i>Subtractions:</i>					
To fair value through profit or loss (IFRS 9) –required reclassification					
To fair value through profit or loss (IFRS 9) –fair value option elected at 1 January 2015					
Total change to amortised cost					
Total financial asset balances, reclassifications and remeasurements at 1 January 2015		Total (ii) = 0	(iii)	(iv) = (i) + (ii) + (iii)	

(1) Includes the effect of reclassifying hybrid instruments that were bifurcated under IAS 39 with host contract components of (a), which had associated embedded derivatives with a fair value of X at 31 December 2014, and (b), which had associated embedded derivatives with a fair value of Y at 31 December 2014.

(2) Includes (c), (d), (e) and (f), which are amounts reclassified from other comprehensive income to retained earnings at the date of initial application.

continued...

...continued

Reconciliation of statement of financial position balances from IAS 39 to IFRS 9 at 1 January 2015

Financial liabilities	(i)	(ii)	(iii)	(iv) = (i) + (ii) + (iii)	(v) = (iii)
	IAS 39 carrying amount 31 December 2014 (1)	Reclassifications	Remeasurements	IFRS 9 carrying amount	Retained earnings effect on 1 January 2015 (2)
Fair value through profit or loss					
<i>Additions:</i>					
From amortised cost (IAS 39)—fair value option elected at 1 January 2015					
<i>Subtractions:</i>					
To amortised cost (IFRS 9)—fair value option revoked at 1 January 2015					
Total change to fair value through profit or loss					
Amortised cost					
<i>Additions:</i>					
From fair value through profit or loss (IAS 39) —required reclassification					
From fair value through profit or loss (IAS 39) —fair value option revoked at 1 January 2015					
<i>Subtractions:</i>					
To fair value through profit or loss (IFRS 9) —fair value option elected at 1 January 2015					
Total change to amortised cost					
Total financial liability balances, reclassifications and remeasurements at 1 January 2015	(i)	Total (ii) = 0	(iii)	(iv) = (i) + (ii) + (iii)	(v) = (iii)
Total change to retained earnings at 1 January 2015					

Note: This illustration assumes that the entity's date of initial application for IFRS 9 (2009) and IFRS 9 (2010) is 1 January 2015.