Editorial corrections

Date posted: March 2016

Compilations of editorial corrections are published three times a year: before *IFRS* (Red Book), *A Guide through IFRS* and *IFRS* (Blue Book) are issued.

These corrections only affect mandatory and core non-mandatory text (ie Basis for Conclusions, Illustrative Examples and Implementation Guidance). Corrections to other sections, including Introductions, will not be publicly logged. The Editorial department keeps a track of all the changes made so if a specific change that is not publicly logged is requested, please contact the department.

Urgent technical errors corrections are published ad-hoc.

If you find an error that you think we should include in the next issue of Editorial corrections, please contact editorial@ifrs.org.

The Editorial team

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Retraction of a previous editorial correction

The following is an editorial correction that had been previously made but that now needs to be retracted for technical reasons.

- **IFRS 9 *Financial Instruments* (issued July 2014)**

IFRS 9 *Financial Instruments* (issued July 2014)
In September 2014, an editorial correction was made to paragraph C15 of IFRS 9 which contained a consequential amendment to IFRS 7 *Financial Instruments: Disclosures* adding paragraphs B8A–B8J. In paragraph B8B, a reference to paragraph 35F(f)(i) was amended to read “paragraph 35F(f)(ii)”. However, this was the second of three references to paragraph 35F(f)(i) and the incorrect location was referenced. Therefore, the editorial correction is being retracted. New text is underlined. Paragraph B8B [Bound Volume references: BV (GB) page A319 and BV (RB) page A286.] B8B To assist users of financial statements in evaluating an entity’s restructuring and modification policies, paragraph 35F(f)(i) requires the disclosure of information about how an entity monitors the extent to which the loss allowance on financial assets previously disclosed in accordance with paragraph 35F(f)(~~ii~~i) are subsequently measured at an amount equal to lifetime expected credit losses in accordance with paragraph 5.5.3 of IFRS 9. Quantitative information that will assist users in understanding the subsequent increase in credit risk of modified financial assets may include information about modified financial assets meeting the criteria in paragraph 35F(f)(i) for which the loss allowance has reverted to being measured at an amount equal to lifetime expected credit losses (ie a deterioration rate).

Corrections to stand-alone Standards

The following editorial corrections have been made to the individual publications listed below. Subsequently these corrections may need to be made to *2015 IFRS* (Red Book; 'BV (RB)'), *A Guide through IFRS 2015* ('BV (GB)') and *2016 IFRS* (Blue Book; 'BV (BB)').

The 'original document and reference' column signifies the instance that the error first occurred. (For example, a consequential amendment in an individual Standard may be correct but during typesetting, the transition to a BV has been inserted incorrectly, therefore the BV is the original document and reference.)

- **Recognition of Deferred Tax Assets for Unrealised Losses (Amendments to IAS 12) (issued January 2016)**
- **IFRS 16 *Leases* (issued January 2016)**
- **IFRS 9 *Financial Instruments* (issued July 2014)**
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Original document and reference	Other publications affected	Deleted	Substituted/inserted
Recognition of Deferred Tax Assets for Unrealised Losses (Amendments to IAS 12)			
Page 6 Paragraph 29(a)	N/A	(a) … (i) compares the deductible temporary differences with future taxable profit that excludes tax deductions resulting from the reversal of those deductible temporary differences. This comparison shows the extent to which the future taxable profit is sufficient for the entity to deduct the amounts resulting from the reversal of those deductible temporary differences. (ii) ignores taxable amounts arising from deductible temporary differences that are expected to originate in future periods, because the deferred tax asset arising from these deductible temporary differences will itself require future taxable profit in order to be utilised. (b) …	(a) … (i) compares the deductible temporary differences with future taxable profit that excludes tax deductions resulting from the reversal of those deductible temporary differences. This comparison shows the extent to which the future taxable profit is sufficient for the entity to deduct the amounts resulting from the reversal of those deductible temporary differences; and (ii) ignores taxable amounts arising from deductible temporary differences that are expected to originate in future periods, because the deferred tax asset arising from these deductible temporary differences will itself require future taxable profit in order to be utilised; or (b) …

Original document and reference	Other publications affected	Deleted	Substituted/inserted
Page 6 Paragraph 98G	N/A	*98G* *Recognition of Deferred Tax Assets for Unrealised Losses* (Amendments to IAS 12), issued in January 2016, amended paragraph 29 and added paragraphs 27A, 29A and the example following paragraph 26. An entity shall apply those amendments for annual periods beginning on or after 1 January 2017. Earlier application is permitted. If an entity applies those amendments for an earlier period, it shall disclose that fact. An entity shall apply those amendments retrospectively in accordance with IAS 8 *Accounting Policies, Changes in Accounting Estimates and Errors*. However, on initial application of the amendment, the change in the opening equity of the earliest comparative period may be recognised in opening retained earnings (or in another component of equity, as appropriate), without allocating the change between opening retained earnings and other components of equity. If an entity applies this relief, it shall disclose that fact.	*98H* *Recognition of Deferred Tax Assets for Unrealised Losses* (Amendments to IAS 12), issued in January 2016, amended paragraph 29 and added paragraphs 27A, 29A and the example following paragraph 26. An entity shall apply those amendments for annual periods beginning on or after 1 January 2017. Earlier application is permitted. If an entity applies those amendments for an earlier period, it shall disclose that fact. An entity shall apply those amendments retrospectively in accordance with IAS 8 *Accounting Policies, Changes in Accounting Estimates and Errors*. However, on initial application of the amendment, the change in the opening equity of the earliest comparative period may be recognised in opening retained earnings (or in another component of equity, as appropriate), without allocating the change between opening retained earnings and other components of equity. If an entity applies this relief, it shall disclose that fact.
Standard booklet page 69 Consequential amendment to paragraph 28F of IFRIC 12	N/A	28F IFRS 16, issued in January 2016, amended paragraph AG8 and Appendix B. An entity shall apply those amendments when it applies IFRS 16.	28F IFRS 16, issued in January 2016, amended paragraph AG8. An entity shall apply that amendment when it applies IFRS 16.
IFRS 9 *Financial Instruments*			
Standard booklet page 199 Paragraph C15 Consequential amendment to paragraph B8B of IFRS 7	BV (GB) page A319 and BV (RB) page A286	… policies, paragraph 35F(f)(i) requires …	… policies, paragraph 35F(f)(ii) requires …

Corrections to *2015 IFRS* (Red Book), *A Guide through IFRS 2015* and *2016 IFRS* (Blue Book)

The following editorial corrections have been made to *2015 IFRS* (Red Book; 'BV (RB)'), *A Guide through IFRS 2015* ('BV (GB)') and *2016 IFRS* (Blue Book; 'BV (BB)') as a consequence of errors that were made when compiling those volumes. The original individual publications do not contain these errors and so are unaffected by these corrections.

- **IAS 39 *Financial Instruments: Recognition and Measurement***

Original document and reference	Other publications affected	Deleted	Substituted/inserted
IAS 39 *Financial Instruments: Recognition and Measurement*			
BV (BB) page 1104 Paragraph 88	N/A		**88 A hedging relationship qualifies for hedge accounting under paragraphs 89–102 if, and only if, all the following conditions are met.** **(a) At the inception of the hedge there is formal designation and documentation of the hedging relationship and the entity's risk management objective and strategy for undertaking the hedge. That documentation shall include identification of the hedging instrument, the hedged item or transaction, the nature of the risk being hedged and how the entity will assess the hedging instrument's effectiveness in offsetting the exposure to changes in the hedged item's fair value or cash flows attributable to the hedged risk.** **(b) The hedge is expected to be highly effective (see Appendix A paragraphs AG105–AG113A) in achieving offsetting changes in fair value or cash flows attributable to the hedged risk, consistently with the originally documented risk management strategy for that particular hedging**

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			relationship. **(c) For cash flow hedges, a forecast transaction that is the subject of the hedge must be highly probable and must present an exposure to variations in cash flows that could ultimately affect profit or loss.** **(d) The effectiveness of the hedge can be reliably measured, ie the fair value or cash flows of the hedged item that are attributable to the hedged risk and the fair value of the hedging instrument can be reliably measured.** **(e) The hedge is assessed on an ongoing basis and determined actually to have been highly effective throughout the financial reporting periods for which the hedge was designated.**