# IFRS Core Tools

## IFRS Update of standards and interpretations in issue at 31 March 2026

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# Introduction

Entities reporting under IFRS accounting standards (IFRS) continue to face a steady flow of new standards The resulting changes range from significant amendments of fundamental principles to some minor changes from the annual improvements process (AIP). They will affect different areas of accounting, such as recognition, measurement, presentation and disclosure.

Some of the changes have implications that go beyond matters of accounting, also potentially impacting the information systems of many entities. Furthermore, the changes may impact business decisions, such as the creation of joint arrangements or the structuring of particular transactions.

The challenge for preparers is to gain an understanding of what lies ahead.

## Purpose of this publication

This publication consists of four sections:

**Section 1** provides a high-level overview of the key requirements of each pronouncement issued by the International Accounting Standards Board (IASB or the Board) and the IFRS Interpretations Committee (the Committee) as at 31 March 2026 that will be effective for the first-time for reporting periods ended at that date or thereafter. This overview provides a summary of the transitional requirements and a brief discussion of the potential impact that the changes may have on an entity's financial statements.

A table comparing mandatory application for different year ends is presented at the beginning of Section 1 In the table, the pronouncements are presented in order of their effective dates. Note that many pronouncements contain provisions that would allow entities to adopt in earlier periods.

When a standard or interpretation has been issued but has yet to be applied by an entity, IAS 8 *Accounting Policies, Changes in Accounting Estimates and* Errors requires the entity to either disclose any known (or reasonably estimable) information relevant to understanding the possible impact that the new pronouncement will have on the financial statements, or indicate the reason for not doing so. The table at the beginning of Section 1 is helpful in identifying the pronouncements that fall within the scope of this disclosure requirement.

**Section 2** provides a summary of the agenda decisions published in the *IFRIC Update*[1] since 1 January 2025. For agenda decisions published before 1 January 2025 please refer to previous editions of *IFRS Update.* In some agenda decisions, the Committee refers to the existing pronouncements that provide adequate guidance. These agenda decisions provide a view on the application of the pronouncements and fall within 'other accounting literature and accepted industry practices' in paragraph 12 of IAS 8. IFRS standards are required to be applied reflecting the explanatory material contained in agenda decisions.

**Section 3** sets out the IASB's work programme as at 31 March 2026.

**Section 4** provides a selection of useful IFRS publications, videos and podcasts that EY published as of 31 March 2026.

## IFRS Core Tools

EY's *IFRS Core Tools*[2] provide the starting point for assessing the impact of changes to IFRS. Our *IFRS Core Tools* include a number of practical building blocks that can help the user to navigate the changing landscape of IFRS. In addition to *IFRS Update*, EY's *IFRS Core Tools* include the publications described below.

### International GAAP® Disclosure Checklist

Our February 2026 edition of *International GAAP® Disclosure Checklist* captures disclosure requirements applicable to periods ended 30 June 2026, and disclosures that are permitted to be adopted early. The February 2026 edition of International *GAAP® Disclosure Checklist for Interim Condensed Financial Statements* captures disclosure requirements applicable to interim reports of entities with a year-end of 31 December 2026, and disclosures that are permitted to be adopted early. These disclosure requirements are for all pronouncements issued as at 28 February 2026. This tool assists preparers to comply with the presentation and disclosure requirements of IFRS in their interim and year-end IFRS financial statements. Previous editions of this tool for earlier period ends are available on EY's *IFRS Core Tools* webpage.

### Good Group (International) Limited

*Good Group (International) Limited* is a set of illustrative financial statements, incorporating presentation and disclosure requirements that are in issue as at 30 June 2025 and effective for annual periods beginning on 1 January 2025. *Good Group (International) Limited – Illustrative interim condensed financial statements* for the period ended 30 June 2026, based on IFRS in issue at 28 February 2026, supplements *Good Group (International) Limited – Illustrative financial statements*. Among other things, these illustrative financial statements can assist in understanding the impact accounting changes may have on the financial statements.

[1] IFRS - IFRS® Interpretations Committee Updates

[2] EY's Core Tools - http://www.ey.com/en_gl/ifrs-technical-resources.

*Good Group (International) Limited* is supplemented by illustrative financial statements that are aimed at specific sectors and circumstances. These include:

- Good Group (International) Limited – Alternative Format
- Good Group IFRS 18 illustrative financial statements (December 2025)
- Good Group (International) Limited – Agriculture: Supplement to Illustrative Consolidated Financial Statements
- Good First-time Adopter (International) Limited
- Good Investment Fund Limited (Equity)
- Good Investment Fund Limited (Liability)
- Good Real Estate Group 2024
- Good Real Estate Group (International) Limited 2025 – IFRS 18
- Good Bank (International) Limited (December 2025)
- Good Life Insurance (International) Limited
- Good General Insurance (International) Limited

## Also available from EY:

**Other EY publications**

References to other EY publications that contain further details and discussion on these topics are included throughout the *IFRS Update*, all of which can be downloaded from our website IFRS technical resources | EY - Global.

**International GAAP® 2026[3]**

Our *International GAAP® 2026* is a comprehensive guide to interpreting and implementing IFRS.[4] It includes pronouncements mentioned in this publication that were issued prior to July 2025, and it provides examples that illustrate how the requirements of those pronouncements are applied.

[3] International GAAP® is a registered trademark of Ernst & Young LLP (UK).

[4] International GAAP® 2026 - The global perspective on IFRS | EY - Global.

# Section 1: New pronouncements issued as at 31 March 2026

## Table of mandatory application

| | | | First time applied in annual periods ending on the last day of these months** | | | | | | | | | | | |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| New pronouncement | Page | Effective date* | Jan | Feb | Mar | Apr | May | Jun | Jul | Aug | Sep | Oct | Nov | Dec |
| *Lack of exchangeability – Amendments to IAS 21* | 5 | 1 Jan 2025 | 2026 | 2026 | 2026 | 2026 | 2026 | 2026 | 2026 | 2026 | 2026 | 2026 | 2026 | 2025 |
| *Classification and Measurement of Financial Instruments - Amendments to IFRS 9 and IFRS 7* | *5* | *1 Jan 2026* | *2027* | *2027* | *2027* | *2027* | *2027* | *2027* | *2027* | *2027* | *2027* | *2027* | *2027* | *2026* |
| *Annual Improvements to IFRS Accounting Standards– Volume 11* | *6* | *1 Jan 2026* | *2027* | *2027* | *2027* | *2027* | *2027* | *2027* | *2027* | *2027* | *2027* | *2027* | *2027* | *2026* |
| *Contracts Referencing Nature-dependent Electricity – Amendments to IFRS 9 and IFRS 7* | *8* | *1 Jan 2026* | *2027* | *2027* | *2027* | *2027* | *2027* | *2027* | *2027* | *2027* | *2027* | *2027* | *2027* | *2026* |
| *IFRS 18 – Presentation and Disclosure in Financial Statements* | *9* | *1 Jan 2027* | *2028* | *2028* | *2028* | *2028* | *2028* | *2028* | *2028* | *2028* | *2028* | *2028* | *2028* | *2027* |
| *IFRS 19 - Subsidiaries without Public Accountability: Disclosures* | *10* | *1 Jan 2027* | *2028* | *2028* | *2028* | *2028* | *2028* | *2028* | *2028* | *2028* | *2028* | *2028* | *2028* | *2027* |
| *Translation to a Hyperinflationary Presentation Currency – Amendments to IAS 21* | *11* | *1 Jan 2027* | *2028* | *2028* | *2028* | *2028* | *2028* | *2028* | *2028* | *2028* | *2028* | *2028* | *2028* | *2027* |
| *Amendments to Illustrative Examples on IFRS 7, IFRS 18, IAS 1, IAS 8, IAS 36 and IAS 37* | *11* | Note 1 | | | | | | | | | | | | |
| *Sale or Contribution of Assets between an Investor and its Associate or Joint Venture - Amendments to IFRS 10 and IAS 28* | *12* | *Note 2* | | | | | | | | | | | | |

* Effective for annual periods beginning on or after this date.

** Assuming that an entity has not early adopted the pronouncement according to specific provisions in the standard, interpretation or amendment.

Note 1: The examples do not have an effective date or transition requirements. Entities are entitled to sufficient time to implement any changes as a result of illustrative examples.

Note 2: In December 2015, the IASB postponed the effective date of this amendment indefinitely pending the outcome of its research project on the equity method of accounting.

## *Lack of exchangeability – Amendments to IAS 21*

Effective for annual periods beginning on or after 1 January 2025.

**Key requirements**

In August 2023, the Board issued *Lack of Exchangeability* (Amendments to IAS 21).

The amendment to IAS 21 *The Effects of Changes in Foreign Exchange Rates* specifies how an entity should assess whether a currency is exchangeable and how it should determine a spot exchange rate when exchangeability is lacking.

A currency is considered to be exchangeable into another currency when an entity is able to obtain the other currency within a time frame that allows for a normal administrative delay and through a market or exchange mechanism in which an exchange transaction would create enforceable rights and obligations.

If a currency is not exchangeable into another currency, an entity is required to estimate the spot exchange rate at the measurement date. An entity's objective in estimating the spot exchange rate is to reflect the rate at which an orderly exchange transaction would take place at the measurement date between market participants under prevailing economic conditions. The amendments note that an entity can use an observable exchange rate without adjustment or another estimation technique.

**Disclosure requirements**

When an entity estimates a spot exchange rate because a currency is not exchangeable into another currency, it discloses information that enables users of its financial statements to understand how the currency not being exchangeable into the other currency affects, or is expected to affect, the entity's financial performance, financial position and cash flows.

**Transition**

The amendments will be effective for annual reporting periods beginning on or after 1 January 2025. Early adoption is permitted, but will need to be disclosed.

When applying the amendments, an entity cannot restate comparative information.

**Other EY publications**

*IFRS Developments Issue 220: Amendments to IAS 21: Lack of Exchangeability (September 2023) EYG No. 008283-23Gbl*

## *Classification and Measurement of Financial Instruments - Amendments to IFRS 9 and IFRS 7*

Effective for annual periods beginning on or after 1 January 2026.

**Key requirements**

In May 2024, the Board issued *Amendments to the Classification and Measurement of Financial Instruments (Amendments to IFRS 9 and IFRS 7),* which:

- Clarifies that a financial liability is derecognised on the 'settlement date', i.e., when the related obligation is discharged, cancelled, expires or the liability otherwise qualifies for derecognition. It also introduces an accounting policy option to derecognise financial liabilities that are settled through an electronic payment system before settlement date if certain conditions are met
- Clarified how to assess the contractual cash flow characteristics of financial assets that include environmental, social and governance (ESG)-linked features and other similar contingent features
- Clarifies the treatment of non-recourse assets and contractually linked instruments
- Requires additional disclosures in IFRS 7 for financial assets and liabilities with contractual terms that reference a contingent event (including those that are ESG-linked), and equity instruments classified at fair value through other comprehensive income

The publication of the amendments concludes the classification and measurement phase of the IASB's post implementation review (PIR) of IFRS 9 *Financial Instruments*.

**Transition**

The amendments are effective for annual reporting periods beginning on or after 1 January 2026. Entities can early adopt the amendments that relate to the classification of financial assets plus the related disclosures and apply the other amendments later.

The new requirements will be applied retrospectively with an adjustment to opening retained earnings. Prior periods are not required to be restated and can only be restated without using hindsight. An entity is required to disclose information about financial assets that change their measurement category due to the amendments.

**Other EY publications**

*IFRS Developments Issue 228: IASB issues amendments to classification and measurement of financial instruments (June 2024) EYG No. 005111-24Gbl*

*Applying IFRS: Amendments to classification and measurement of financial instruments (November 2024) EYG no. 010424-24Gbl*

## Improvements to International Financial Reporting Standards

**Key requirements**

The IASB's annual improvements process deals with non-urgent, but necessary, clarifications and amendments to IFRS. In July 2024, the IASB issued *Annual Improvements to IFRS Accounting Standards — Volume 11*.

The following is a summary of the amendments from the Annual Improvements to IFRS Accounting Standards—Volume 11:

| | |
|---|---|
| IFRS 1 *First-time Adoption of International Financial Reporting Standards* | Hedge Accounting by a First-time Adopter<br>▪ Paragraphs B5 and B6 of IFRS 1 have been amended to include cross references to the qualifying criteria for hedge accounting in paragraph 6.4.1(a), (b) and (c) of IFRS 9. These amendments are intended to address potential confusion arising from an inconsistency between the wording in IFRS 1 and the requirements for hedge accounting in IFRS 9.<br>▪ An entity applies the amendments for annual reporting periods beginning on or after 1 January 2026. Earlier application is permitted. |
| IFRS 7 *Financial Instruments: Disclosures* | Gain or Loss on Derecognition<br>▪ The amendments update the language on unobservable inputs in paragraph B38 of IFRS 7 and include a cross reference to paragraphs 72 and 73 of IFRS 13 *Fair Value Measurement*.<br>▪ An entity applies the amendments for annual reporting periods beginning on or after 1 January 2026. Earlier application is permitted. |
| Guidance on implementing IFRS 7 *Financial Instruments: Disclosures* | Introduction<br>▪ The amendments to paragraph IG1 of the *Guidance on implementing IFRS 7* clarify that the guidance does not necessarily illustrate all the requirements in the referenced paragraphs of IFRS 7, nor does it create additional requirements. |
| Guidance on implementing IFRS 7 *Financial Instruments: Disclosures* | Disclosure of Deferred Difference between Fair Value and Transaction Price<br>▪ Paragraph IG14 of the *Guidance on implementing IFRS 7* has been amended mainly to make the wording consistent with the requirements in paragraph 28 of IFRS 7 and with the concepts and terminology used in IFRS 9 and IFRS 13. |
| Guidance on implementing IFRS 7 *Financial Instruments: Disclosures* | Credit Risk Disclosures<br>▪ Paragraph IG20B of the *Guidance on implementing IFRS 7* has been amended to simplify the explanation of which aspects of the IFRS requirements are not illustrated in the example. |
| IFRS 9 *Financial Instruments* | Lessee Derecognition of Lease Liabilities<br>▪ Paragraph 2.1 of IFRS 9 has been amended to clarify that, when a lessee has determined that a lease liability has been extinguished in accordance with IFRS 9, the lessee is required to apply paragraph 3.3.3 and recognise any resulting gain or loss in profit or loss. However, the amendment does not address how a lessee distinguishes between a lease modification as defined in IFRS 16 and an extinguishment of a lease liability in accordance with IFRS 9.<br>▪ An entity applies the amendments for annual reporting periods beginning on or after 1 January 2026. Earlier application is permitted. |

| | |
|---|---|
| IFRS 9 *Financial Instruments* | **Transaction Price**<br>▪ Paragraph 5.1.3 of IFRS 9 has been amended to replace the reference to 'transaction price as defined by IFRS 15 *Revenue from Contracts with Customers*' with 'the amount determined by applying IFRS 15'. The use of the term 'transaction price' in relation to IFRS 15 was potentially confusing and so it has been removed. The term was also deleted from Appendix A of IFRS 9.<br>▪ An entity applies the amendments for annual reporting periods beginning on or after 1 January 2026. Earlier application is permitted. |
| IFRS 10 *Consolidated Financial Statements* | **Determination of a 'De Facto Agent'**<br>▪ Paragraph B74 of IFRS 10 has been amended to clarify that the relationship described in paragraph B74 is just one example of various relationships that might exist between the investor and other parties acting as de facto agents of the investor. The amendments are intended to remove the inconsistency with the requirement in paragraph B73 for an entity to use judgement to determine whether other parties are acting as de facto agents.<br>▪ An entity applies the amendments for annual reporting periods beginning on or after 1 January 2026. Earlier application is permitted. |
| IAS 7 *Statement of Cash Flows* | **Cost Method**<br>▪ Paragraph 37 of IAS 7 has been amended to replace the term 'cost method' with 'at cost', following the prior deletion of the definition of 'cost method'.<br>▪ An entity applies the amendments for annual reporting periods beginning on or after 1 January 2026. Earlier application is permitted. |

## *Contracts Referencing Nature-dependent Electricity – Amendments to IFRS 9 and IFRS 7*

Effective for annual periods beginning on or after 1 January 2026.

**Key requirements**

In December 2024, the Board issued *Contracts Referencing Nature-dependent Electricity* (Amendments to IFRS 9 and IFRS 7). The amendments:

- Update the 'own-use' requirements for in-scope contracts. Under the amendments, the sale of unused nature-dependent electricity will be in accordance with an entity's expected purchase or usage requirements, if specified criteria are met.
- Amend the designation requirements for a hedged item in a cash flow hedging relationship for in-scope contracts. The amendments will allow an entity to designate a variable nominal volume of forecast electricity transactions as a hedged item, if specified criteria are met.
- Add new disclosure requirements to enable investors to understand the effect of these contracts on a company's financial performance and cash flows. IFRS 7 has been amended to require specific disclosures relating to contracts that have been excluded from the scope of IFRS 9 as a result of the amendments.

The amendments only apply to contracts that reference nature-dependent electricity. These are contracts that expose an entity to variability in an underlying amount of electricity because the source of electricity generation depends on uncontrollable natural conditions, typically associated with renewable electricity sources such as sun and wind.

**Transition**

The amendments relating to the own-use exception must be applied retrospectively. An entity is not required to restate prior periods, and it is only permitted to do so if this can be done without using hindsight.

The hedge accounting amendments must be applied prospectively to new hedging relationships designated on or after the date of initial application.

The IFRS 7 disclosure amendments must be applied when the IFRS 9 amendments are applied. If an entity does not restate comparative information, then the entity must not present comparative disclosures.

**Other EY publications**

*IFRS Developments Issue 234: Nature-dependent Electricity – IFRS 9 and IFRS 7 amendments (January 2025) EYG No.000345-25Gbl*

## *IFRS 18 – Presentation and Disclosure in Financial Statements*

Effective for annual periods beginning on or after 1 January 2027.

**Key requirements**

In April 2024, the Board issued IFRS 18 *Presentation and Disclosure in Financial Statements* which replaces IAS 1. IFRS 18 introduces new categories and subtotals in the statement of profit or loss. It also requires disclosure of management-defined performance measures (as defined) and includes new requirements for the location, aggregation and disaggregation of financial information.

*Statement of profit or loss*

An entity will be required to classify all income and expenses within its statement of profit or loss into one of five categories: operating; investing; financing; income taxes; and discontinued operations. In addition, IFRS 18 requires an entity to present subtotals and totals for 'operating profit or loss', 'profit or loss before financing and income taxes' and 'profit or loss'.

*Main business activities*

For the purposes of classifying its income and expenses into the categories required by IFRS 18, an entity will need to assess whether it has a 'main business activity' of investing in assets or providing financing to customers, as specific classification requirements will apply to such entities. Determining whether an entity has such a specified main business activity is a matter of fact and circumstances which requires judgement. An entity may have more than one main business activity.

*Management-defined performance measures*

IFRS 18 introduces the concept of a management-defined performance measure (MPM) which it defines as a subtotal of income and expenses that an entity uses in public communications outside financial statements, to communicate management's view of an aspect of the financial performance of the entity as a whole to users. IFRS 18 requires disclosure of information about all of an entity's MPMs within a single note to the financial statements and requires several disclosures to be made about each MPM, including how the measure is calculated and a reconciliation to the most comparable subtotal specified by IFRS 18 or another IFRS accounting standard.

*Location of information, aggregation and disaggregation*

IFRS 18 differentiates between 'presenting' information in the primary financial statements and 'disclosing' it in the notes, and introduces a principle for determining the location of information based on identified 'roles' of the primary financial statements and the notes. IFRS 18 requires aggregation and disaggregation of information to be performed with reference to similar and dissimilar characteristics. Guidance is also provided for determining meaningful descriptions, or labels, for items that are aggregated in the financial statements.

*Consequential amendments to other accounting standards*

Narrow-scope amendments have been made to IAS 7 *Statement of Cash Flows*, which include changing the starting point for determining cash flows from operations under the indirect method from 'profit or loss' to 'operating profit or loss'. The optionality around classification of cash flows from dividends and interest in the statement of cash flows has also largely been removed.

New requirements have been added to IAS 33 *Earnings per Share* that only permit entities to disclose additional amounts per share, if the numerator used in the calculation meets specified criteria. The numerator must be:

- An amount attributable to ordinary equity holders of the parent entity; and
- A total or subtotal identified by IFRS 18 or an MPM as defined by IFRS 18.

Some requirements previously included within IAS 1 have been moved to IAS 8 *Accounting Policies, Changes in Accounting Estimates and Errors,* which has been renamed IAS 8 *Basis of Preparation of Financial Statements*. IAS 34 *Interim Financial Reporting* has been amended to require disclosure of MPMs.

**Transition**

IFRS 18, and the consequential amendments to the other accounting standards, is effective for reporting periods beginning on or after 1 January 2027 and must be applied retrospectively. Early adoption is permitted and must be disclosed.

**Other EY publications**

*Applying IFRS: A closer look at IFRS 18: Appendix - Additional considerations for banks (December 2025) EYG No. 010253-25Gbl*

*Applying IFRS: A closer look at IFRS 18 (Updated July 2025) EYG No. 005700-25Gbl*

*IFRS Developments Issue 223: The IASB issues IFRS 18 Presentation and Disclosure in Financial Statements (April 2024) EYG No. 003270-24Gbl*

## *IFRS 19 - Subsidiaries without Public Accountability: Disclosures*

Effective for annual periods beginning on or after 1 January 2027.

**Key requirements**

In May 2024, the Board issued IFRS 19 *Subsidiaries without Public Accountability: Disclosures*, which allows eligible entities to elect to apply reduced disclosure requirements while still applying the recognition, measurement and presentation requirements in other IFRS accounting standards. Unless otherwise specified, eligible entities that elect to apply IFRS 19 will not need to apply the disclosure requirements in other IFRS accounting standards.

An entity applying IFRS 19 is required to disclose that fact as part of its general IFRS accounting standards compliance statement. IFRS 19 requires an entity whose financial statements comply with IFRS accounting standards including IFRS 19 to make an explicit and unreserved statement of such compliance.

*Eligible entities*

An entity may elect to apply IFRS 19 if at the end of the reporting period:

- It is a subsidiary as defined in IFRS 10;
- It does not have public accountability; and
- It has a parent (either ultimate or intermediate) that prepares consolidated financial statements, available for public use, which comply with IFRS accounting standards.

*Public accountability*

An entity has public accountability if:

- Its debt or equity instruments are traded in a public market, or it is in the process of issuing such instruments for trading in a public market; or
- It holds assets in a fiduciary capacity for a broad group of outsiders as one of its primary businesses (i.e., not for reasons incidental to its primary business).

*Disclosure requirements and references to other IFRS accounting standards*

The disclosure requirements in IFRS 19 are organised into subheadings per IFRS accounting standard and where disclosure requirements in other IFRS Accounting Standards remain applicable, these are specified under the subheading of each IFRS accounting standard.

IFRS 19 disclosures exclude IFRS 8 *Operating Segments*, IFRS 17 *Insurance Contracts* and IAS 33 *Earnings per Share*. Therefore, if an entity that applies IFRS 19 is required to apply IFRS 17 or elects to apply IFRS 8 and/or IAS 33, that entity would be required to apply all the relevant disclosure requirements in those standards.

*Amendments to IFRS 19 (August 2025)*

In August 2025, the Board issued amendments to IFRS 19. These amendments reduce the disclosure requirements of new IFRS accounting standards and amendments issued between February 2021 and May 2024, which had been included in full when IFRS 19 was first issued. In general, the Board has removed disclosure objectives from the IFRS 19 reduced disclosure requirements in relation to these new standards and amendments to avoid creating the impression that an entity is required to provide the same disclosures as entities that do not apply IFRS 19.

**Transition**

IFRS 19 is effective for reporting periods beginning on or after 1 January 2027 and earlier adoption is permitted.

If an eligible entity chooses to apply the standard earlier, it is required to disclose that fact. An entity is required, during the first period (annual and interim) in which it applies the standard, to align the disclosures in the comparative period with the disclosures included in the current period under IFRS 19, unless IFRS 19 or another IFRS accounting standard permits or requires otherwise.

**Other EY publications**

*IFRS Developments Issue 226: IASB issues IFRS 19 Subsidiaries without public accountability: Disclosures (May 2024) EYG No. 004381-24Gbl*

*IFRS Developments Issue 241: IASB issues Amendments to IFRS 19 (August 2025) EYG No. 006819-25Gbl*

## *Translation to a Hyperinflationary Presentation Currency – Amendments to IAS 21*

Effective for annual periods beginning on or after 1 January 2027.

**Key requirements**

In November 2025, the Board issued *Translation to a Hyperinflationary Presentation Currency – Amendments to IAS 21*. The amendments require translation from a non-hyperinflationary functional currency into a hyperinflationary presentation currency at the closing rate.

If an entity's functional currency is the currency of a non-hyperinflationary economy, but its presentation currency is the currency of a hyperinflationary economy, its results and financial position are translated into the presentation currency by translating all amounts (i.e., assets, liabilities, equity items, income and expenses) and all comparatives at the closing rate at the date of the most recent statement of financial position

An entity whose functional currency and presentation currency are the currency of a hyperinflationary economy, restates the comparative amounts of a foreign operation, whose functional currency is that of a non-hyperinflationary economy, by applying the general price index, in accordance with paragraph 34 of IAS 29, to the foreign operation's comparative figures.

The amendments also introduce certain additional disclosure requirements.

**Transition**

The amendments apply for annual reporting periods beginning on or after 1 January 2027 and earlier application is permitted.

If an entity's functional currency and presentation currency are the currency of a hyperinflationary economy (or are the currencies of different hyperinflationary economies) and it translates the results and financial position of foreign operations whose functional currency is that of a non-hyperinflationary economy, then it is required to apply the amendments from the beginning of the annual reporting period in which it first applies the amendments. In addition, it restates the comparative amounts of its foreign operations included in the entity's previously issued financial statements by applying the general price index it applies to corresponding figures in accordance with paragraph 34 of IAS 29.

**Other EY publications**

*IFRS Developments Issue 243: Translation to a Hyperinflationary Presentation Currency (Amendments to IAS 21) (November 2025) EYG no. 009757-25Gbl*

## *Disclosures about Uncertainties in the Financial Statements*

Entities are entitled to sufficient time to implement any changes as a result of the illustrative examples.

**Key requirements**

In November 2025 the Board issued *Amendments to Illustrative Examples on IFRS 7, IFRS 18, IAS 1, IAS 8, IAS 36 and IAS 37 - Disclosures about Uncertainties in the Financial Statements* ("the examples"), which added illustrative examples to several IFRS accounting standards. The examples are intended to improve the reporting of climate-related and other uncertainties in the financial statements, particularly to address stakeholders' concerns about consistency of information within the general-purpose financial reports and sufficient information on climate-related risks and other uncertainties in the financial statements. The examples illustrate existing requirements in IFRS accounting standards. They do not add to, or change, existing requirements.

The topics addressed in the examples include the following topics:

- Materiality judgements
- Assumptions: specific requirements about impairment testing
- Assumptions: general requirements
- Credit risk
- Decommissioning and site restoration provisions
- Disclosure of disaggregated information in the notes

**Transition**

The examples do not have an effective date or transition requirements. Entities are entitled to sufficient time to implement any changes as a result of the illustrative examples.

**Other EY publications**

*IFRS Developments Issue 244: IASB issues Disclosures about Uncertainties in Financial Statements (November 2025) EYG no. 009872-25Gbl*

## *Sale or Contribution of Assets between an Investor and its Associate or Joint Venture – Amendments to IFRS 10 and IAS 28*

In December 2015, the IASB decided to defer the effective date of the amendments until such time as it has finalised any amendments that result from its research project on the equity method. Early application of the amendments is still permitted.

**Key requirements**

The amendments address the conflict between IFRS 10 *Consolidated Financial Statements* and IAS 28 *Investments in Associates and Joint Ventures* in dealing with the loss of control of a subsidiary that is sold or contributed to an associate or joint venture.

The amendments clarify that a full gain or loss is recognised when a transfer to an associate or joint venture involves a business as defined in IFRS 3 *Business combinations*. Any gain or loss resulting from the sale or contribution of assets that does not constitute a business, however, is recognised only to the extent of unrelated investors' interests in the associate or joint venture.

**Transition**

The amendments must be applied prospectively. Early application is permitted and must be disclosed.

**Impact**

The amendments are intended to eliminate diversity in practice and give preparers a consistent set of principles to apply for such transactions. However, the application of the definition of a business is judgmental, and entities need to consider the definition carefully in such transactions.

## *IFRS Practice Statement 1: Management Commentary (Revised)*

Companies are permitted to apply the revised guidance in the Practice Statement (revised PS) to financial statements prepared any time after 23 June 2025. The revised PS is not an IFRS accounting standard, and an entity can prepare IFRS compliant financial statements without preparing management commentary that complies with the revised PS.

**Key requirements**

The revised PS includes more extensive and comprehensive guidance on management commentary.

- *Identifying management commentary and other related general purpose financial reports* – The IASB decided to update and clarify some procedural requirements for entities that are required or choose to prepare management commentary by applying the revised PS.
- *The objective of management commentary* – The IASB has clarified that the objective of management commentary is to improve users' understanding of the entity's financial performance and financial position as presented in the financial statements.
- *Material information and key matters and areas of content* – The IASB decided to provide guidance that will assist management in identifying information that is material in the context of management commentary.
- *Attributes of useful information in management commentary* – The revised PS includes a description of each attribute of useful information.
- *Coherence* – The revised PS requires information to be provided in the management commentary in a way that makes clear the relationships between related matters and the relationships between related pieces of information.
- *Metrics* – The revised PS includes requirements and guidance on providing metrics in management commentary.

**Impact**

The revised PS will improve the quality of entities' management commentaries as it provides a comprehensive set of requirements and guidance that will assist entities to provide concise and coherent information about financial, sustainability-related and other factors that are fundamental to their ability to create value and generate cash flows, including in the long term.

**Other EY publications**

*IFRS Developments Issue 239: The IFRS Practice Statement 1 Management Commentary (Revised)* (June 2025) EYG no. 005452-25Gbl

# Section 2: IFRS Interpretations Committee's agenda decisions since 1 January 2025

Certain items deliberated by the Committee are published within the 'Committee agenda decisions' section of the IASB's *IFRIC Update*. Agenda decisions are issues that the Committee decides not to add to its agenda and include the reasons for not doing so. For some of these items, the Committee includes further information and explanatory material about how the standards should be applied. Before an agenda decision is published, the Board is asked whether it objects to the agenda decision. If four or more Board members object, the agenda decision will not be published and the Board decides how to proceed.

Whilst agenda decisions (including any explanatory material contained within them) do not add to or change requirements in IFRS accounting standards, the explanatory material derives its authority from IFRS accounting standards. Accordingly, an entity is required to apply IFRS accounting standards, reflecting the explanatory material in an applicable agenda decision.

The table below provides an overview of the topics that the Committee decided not to take onto its agenda for the period from 1 January 2025 to 31 March 2026. For agenda decisions published before 1 January 2025 please refer to previous editions of *IFRS Update*. All items considered by the Committee during its meetings, as well as the full text of its conclusions, can be found in the *IFRIC Update* on the IASB's website.[5]

According to the Committee, 'the process for publishing an agenda decision might often result in explanatory material that provides new information that was not otherwise available and could not otherwise reasonably have been expected to be obtained. Because of this, an entity might determine that it needs to change an accounting policy as a result of an agenda decision. The Board expects that an entity would be entitled to sufficient time to make that determination and implement any change (for example, an entity may need to obtain new information or adapt its systems to implement a change).

| Agenda decision | Relates to | Date |
|---|---|---|
| Classification of Cash Flows related to Variation Margin Calls on 'Collateralised-to-Market' Contracts | IAS 7 *Statement of Cash Flows* | February 2025 |
| Recognition of Intangible Assets Resulting from Climate-related Expenditure | IAS 38 *Intangible Assets* | March 2025 |
| Guarantees Issued on Obligations of Other Entities | IFRS 9, IFRS 15, IFRS 17, IAS 37 | March 2025 |
| Recognition of Revenue from Tuition Fees | IFRS 15 *Revenue from Contacts with Customers* | March 2025 |
| Assessing Indicators of Hyperinflationary Economies | IAS 29 *Financial Reporting in Hyperinflationary Economies* | July 2025 |
| Embedded Prepayment Option | IFRS 9 *Financial Instruments* | February 2026 |
| Determining and Accounting for Transaction Costs | IFRS 9 *Financial Instruments* | February 2026 |

5 The *IFRIC Update* is available at http://www.ifrs.org/news-and-events/updates/ifric-updates/.

# Section 3: IASB work programme

The table below sets out the estimated timeline for the projects on the IASB's work plan as at 31 March2026.

| IASB projects | Next milestone | Expected date |
|---|---|---|
| **Application questions** | | |
| Assessment of a Specified Main Business Activity for the purposes of the Separate Financial Statements of a Parent (IFRS 18) | Agenda Decision | April 2026 |
| Classification of a Foreign Exchange Difference from an Intragroup Monetary Liability (or Asset) (IFRS 18) | Tentative Agenda Decision Feedback | March 2026 |
| Classification of Gains and Losses on a Derivative Managing a Foreign Currency Exposure (IFRS 18) | Agenda Decision | April 2026 |
| Control Assessment for a Single-investor Fund (IFRS 10) | Decide Project Direction | Q2 2026 |
| Economic Benefits from Use of a Battery under an Offtake Arrangement (IFRS 16)[6] | Tentative Agenda Decision Feedback | March 2026 |
| Fair Presentation and Compliance with IFRS Accounting Standards (IAS 1) | Agenda Decision | April 2026 |
| Presentation of Taxes or Other Charges that are Not Income Taxes within the Scope of IAS 12 Income Taxes (IFRS 18) | Agenda Decision | May 2026 |
| Reassessment of Control (IFRS 10) | Tentative Agenda Decision Feedback | H2 2026 |
| Scope of the Requirement to Disclose Expenses by Nature (IFRS 18) | Agenda Decision | April 2026 |
| Updates to Committee's agenda decisions for IFRS 18 | Agenda Decision | May 2026 |
| **Maintenance projects** | | |
| Amendments to the Fair Value Option (IAS 28) | Exposure Draft Feedback | May 2026 |
| Provisions—Targeted Improvements | Decide Project Direction | Q2 2026 |
| **Research projects** | | |
| Intangible Assets | Decide Project Direction | H2 2026 |
| Post-implementation Review of IFRS 16 *Leases* | Project Summary and Feedback Statement | H2 2026 |
| Post-implementation Review of IFRS 9—Hedge Accounting | Request for Information | H2 2026 |
| **Standard-setting and related projects** | | |
| Amortised Cost Measurement | Exposure Draft | H2 2026 |
| Business Combinations—Disclosures, Goodwill and Impairment | Decide Project Direction | H2 2026 |
| Equity Method | Decide Project Direction | Q2 2026 |
| Financial Instruments with Characteristics of Equity | Final Amendments | 2027 |

[6] *According to the March 2026 IFRIC Update released by the IFRS Foundation, the Committee concluded its discussions on that agenda decision. In accordance with paragraph 8.7 of the IFRS Foundation's Due Process Handbook, the IASB will consider this agenda decision at a future meeting. If the IASB does not object to the agenda decision, it will be published in an addendum to this IFRIC Update.*

| IASB projects | Next milestone | Expected date |
|---|---|---|
| Rate-regulated Activities | IFRS Accounting Standard | May 2026 |
| Risk Mitigation Accounting | Exposure Draft Feedback | H2 2026 |
| Statement of Cash Flows and Related Matters | Exposure Draft | 2027 |

# Section 4: EY publications, videos and podcasts

The table below a selection of useful IFRS publications, videos and podcasts that EY published as of 31 March 2026.

**EY Core Tools**

International GAAP® 2026

Good Group (International) Limited December 2025

Good Group (International) Limited - Alternative Format December 2024

Good Group IFRS 18 illustrative financial statements (December 2025)

Good Group - Interim Financial Statements June 2026

International GAAP® Disclosure Checklist for Annual Financial Statements

International GAAP® Disclosure Checklist for Interim Financial Statements

*Good Group (International) Limited is supplemented by illustrative financial statements that are aimed at specific sectors and circumstances, which are listed in the Introduction.*

**Applying IFRS**

A closer look at IFRS 18: Appendix - Additional considerations for banks (December 2025)

Connected Financial Reporting: Accounting for Climate Change (Updated May 2025)

A closer look at IFRS 18 (Updated July 2025)

Amendments to classification and measurement of financial instruments

International Tax Reform – Pillar Two disclosures in practice

Accounting considerations for geopolitical events and uncertainty

Accounting for payments from suppliers

The FICE project progresses

IASB continues to develop its DRM accounting model

International Tax Reform - Pillar Two Disclosures in Practice

IAS 34 interim reporting in 2023 – disclosures on IFRS 17 and IFRS 9

Accounting for SPACs (Updated January 2023)

The IASB has outlined its proposed new dynamic risk management accounting model

Disclosure of accounting policy information

Financial instruments with characteristics of equity (FICE)

IBOR Reform (Updated December 2021)

Accounting by holders of crypto-assets (Updated October 2021)

Energy Transition: carbon capture and storage accounting considerations

Energy Transition - lease considerations in respect of power purchase agreements

Accounting for cloud computing costs

Impairment for lessees that plan to reduce the use of real estate

**IFRS Developments**

247: Accounting considerations for IEEPA tariffs and potential recoveries

246: IASB proposes amendments to the fair value option in IAS 28

245: IASB issues the Risk Mitigation Accounting Exposure Draft

244: Disclosures about Uncertainties in the Financial Statements

243: Translation to a Hyperinflationary Presentation Currency (Amendments to IAS 21)

242: Hyperinflationary economies (Updated November 2025)

241: The IASB issues amendments to IFRS 19

239: IFRS Practice Statement 1 Management Commentary (Revised)

238: IFRS accounting impacts of tariffs

237: IASB Request for Information for Post-implementation Review of IFRS 16

236: Hyperinflationary economies (Updated May 2025)

235: IASB issues third edition of IFRS for SMEs accounting standard

234: Nature-dependent electricity - IFRS 9 and IFRS 7 amendments

233: IASB proposes amendments to requirements for non-financial liabilities (IAS 37)

232: Hyperinflationary economies (Updated October 2024)

231: IASB proposes amendments to the equity method of accounting

228: Amendments to classification and measurement of financial instruments

226: IASB issues IFRS 19 Subsidiaries without Public Accountability: Disclosures

223: IASB issues IFRS 18 Presentation and Disclosure in Financial Statements

222: IASB proposes amendments to IFRS 3 and IAS 36

220: Amendments to IAS 21: Lack of Exchangeability

218: Amendments to IAS 12: International Tax Reform Pillar Two Model Rules

217: Supplier finance arrangements – new disclosure requirements

216: IFRS IC agenda decision: Definition of a Lease — Substitution Rights (IFRS 16 Leases)

212: New guidance for developing disclosure requirements

199: Accounting for trees held to generate carbon offsets for use or sale

184: IASB issues Exposure Draft on regulatory assets and regulatory liabilities

183: Going concern - disclosure reminders issued by the IASB

182: Agenda Decision on reverse factoring

**Other publications**

Insurance Accounting Alert September 2023

IFRS accounting standards adopted by the European Union at 31 December 2025

Interim reporting and IFRS 17

US GAAP versus IFRS: The basics - January 2026

**Videos**

IFRS 9 amendments - derecognition of financial assets and liabilities

Amendments to IFRS 9 for nature-dependent electricity contracts

An introduction to the IASB's Dynamic Risk Management Project

Regulatory assets and regulatory liabilities

**Podcasts**

How ESG risks and opportunities impact mining and metals

**EY | Building a better working world**

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**About EY Global Corporate Reporting Services Group**
A global set of accounting and sustainability disclosure standards provides the global economy with one measure to assess and compare the financial position and performance of entities, and the sustainability-related factors affecting them. For entities applying or transitioning to International Financial Reporting Standards (IFRS) – which includes IFRS Accounting Standards and IFRS Sustainability Disclosure Standards (collectively, IFRS Standards) – authoritative and timely guidance is essential to navigating IFRS Standards that continue to develop and evolve. The EY Global Corporate Reporting Services Group has helped develop international resources — people and knowledge — to support the application and interpretation of IFRS accounting and sustainability disclosure standards. In doing so, the EY Global Corporate Reporting Services Group provides deep subject matter knowledge and broad sector experience to the market, including the latest insights from the global EY network.



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