IFRS 18 Classification of Income and Expenses That Arise from Liabilities

Extract, IFRS® Accounting Standards Discussion Group Report on the Meeting – December 9, 2025

OTHER MATTERS

Recent Amendments Made to IFRS Accounting Standards

Translation to a Hyperinflationary Presentation Currency – Amendments to IAS 21

On November 13, 2025, the IASB issued amendments that clarify how companies should translate financial statements from a non-hyperinflationary currency into a hyperinflationary one. These narrow-scope amendments aim to improve the usefulness of the resulting information in a cost-effective manner by reducing diversity in practice and providing a clearer basis for reporting in a hyperinflationary currency. The amendments are effective for annual periods beginning on or after January 1, 2027, with earlier application permitted.

Disclosures about Uncertainties in the Financial Statements – Amendments to Illustrative Examples on IFRS 7, IFRS 18, IAS 1, IAS 8, IAS 36, and IAS 37

On November 28, 2025, the IASB issued illustrative examples demonstrating how companies can apply IFRS Accounting Standards when reporting the effects of uncertainties in their financial statements. The examples use climate-related scenarios as practical illustrations, but the underlying principles apply more broadly to all uncertainties. The IASB developed these illustrative examples to improve the application of existing disclosure requirements, as it heard that the information companies provide about the effects of uncertainties is sometimes insufficient or appears inconsistent with the information provided outside their financial statements. A near-final staff draft of the illustrative examples was published in July 2025. The examples issued differ from the near-final draft only in minor editorial details. As accompanying materials to IFRS Accounting Standards, these illustrative examples do not have an effective date. However, companies would be expected to implement any change in their reporting on a timely basis.

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