

IFRS 1 and IAS 8: Statement Reissued – IFRS 1 Exemption Choice Changed

Excerpt, IFRS Discussion Group Report on Meeting – November 30, 2010

The Group was asked to consider a situation where an entity has prepared its first IFRS financial statements as defined by IFRS 1 and received an audit opinion. Subsequently, an error is discovered, the audit opinion is rescinded and the rescission is communicated to all parties who had received those financial statements. The statements are reissued after a correction is made for the error. The reissued statements also include a change to one of the exemption choices the entity had previously made under IFRS 1. This IFRS 1 exemption relates to the line items in the financial statements affected by the error correction. The issue for consideration was whether a request should be made to the IFRS Interpretations Committee for clarification on whether a choice made under IFRS 1 in the first IFRS financial statements can be changed if those financial statements are reissued.

Members recommended that this issue not be brought to the attention of the IFRS Interpretations Committee because the issue is not likely to be widespread.