

International Financial Reporting Standards 2009 Compliance questionnaire

Entity	_____		
Date of commencement of accounting period	_____	Date of cessation of accounting period	_____
Prepared by	_____	Date	_____
Reviewed by	_____	Date	_____

Warning

This questionnaire summarises the recognition and measurement requirements set out in International Financial Reporting Standards (IFRSs). IFRSs includes Standards issued by the International Accounting Standards Board (IASB), International Financial Reporting Interpretations Committee (IFRIC) Interpretations, International Accounting Standards (IASs) and Standing Interpretations Committee (SIC) Interpretations. This questionnaire may be used to assist in considering compliance with those pronouncements. It is not a substitute for your understanding of such pronouncements and the exercise of your judgment.

You are presumed to have a thorough understanding of the pronouncements and should refer to the text of the pronouncements, as necessary, in considering particular items in this questionnaire. The items in this questionnaire are referenced to the applicable sections of the actual pronouncements as published by the IASB.

This questionnaire addresses the recognition and measurement requirements of IFRSs in issue at 30 June 2009. It does not address the requirements of IFRSs as regards presentation and disclosure (please refer to Deloitte's Presentation and Disclosure Checklist).

Use of this questionnaire

This questionnaire is provided solely for your intended use and should not be provided to any other person or entity.

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Please note that while every effort has been made to ensure that this questionnaire is complete in terms of the tailoring questions used and the IFRS recognition and measurement requirements, users will inevitably be required to exercise professional judgment based on specific circumstances (e.g. the determination as to whether financial statements achieve a 'fair presentation' of the financial position, financial performance and cash flows of an entity). This questionnaire is merely an enabling tool that does not address such judgmental issues. Users of this questionnaire are advised to consult IFRS specialists when issues are identified.

The detailed questions generally require a "Yes", "No" or "N/A" response. Depending on the response, you may need to take further action. A "Yes" response does not necessarily result in compliance with IFRSs.

IFRSs are constantly changing. It is the responsibility of users of this questionnaire to maintain a current knowledge of IFRSs which may impact the content of this questionnaire.

Introduction

The International Accounting Standards Board (IASB) publishes its Standards in a series of pronouncements called International Financial Reporting Standards (IFRSs). At the time of its inception, the IASB adopted the body of International Accounting Standards (IASs) issued by its predecessor, the Board of the International Accounting Standards Committee. The term 'International Financial Reporting Standards' therefore includes IFRSs, Interpretations developed by the International Financial Reporting Interpretations Committee (IFRIC), IASs and Standing Interpretations Committee (SIC) Interpretations.

Standards and Interpretations covered by this questionnaire

This questionnaire is intended to aid users in determining whether the recognition and measurement requirements of IFRSs have been met. It is not a work programme. It does not address the requirements of IFRSs as regards presentation and disclosure (please refer to Deloitte's separate IFRS Presentation and Disclosure Checklist).

This questionnaire addresses the recognition and measurement requirements of IFRSs in issue at 30 June 2009, which are listed on pages (4) to (7). Note that:

- the questionnaire is suitable for use in assessing recognition and measurement in financial statements prepared in accordance with IFRSs for periods beginning on 1 January 2009. **It is not generally appropriate for use for earlier accounting periods (please refer to previous versions of this questionnaire);**
- certain Standards and Interpretations in issue at 30 June 2009 are not effective for periods beginning on 1 January 2009. These are indicated in the questionnaire by grey shaded text. Earlier application of these requirements is generally permitted (see Standards/Interpretations for specific requirements). When such Standards and Interpretations are applied for periods beginning before their effective dates, that fact is generally required to be disclosed (see Standards/Interpretations for specific requirements);
- as part of their ongoing work programmes, the IASB and the IFRIC continue to develop and issue Standards and Interpretations. When those Standards and Interpretations are released prior to the issue of financial statements, and they have not been adopted because they are not yet effective, IAS 8 *Accounting Policies, Changes in Accounting Estimates and Errors* requires that fact to be disclosed and, if estimable, the expected impact in the period of initial application (see detailed requirements in the IAS 8 section of this questionnaire); and
- for certain individual IFRSs that consist primarily of presentation and disclosure requirements (but that may also include some aspects of recognition and measurement or other compliance principles), all of the requirements of those Standards have been included in Deloitte's Presentation and Disclosure Checklist in order that all requirements are easily accessible in one document. When this has been done, a notice has been included in the relevant section of this document. This treatment has been adopted for:
 - o IFRS 7 *Financial Instruments: Disclosures;*
 - o IFRS 8 *Segment Reporting;*
 - o IAS 1 *Presentation of Financial Statements;*
 - o IAS 7 *Statement of Cash Flows;*
 - o IAS 24 *Related Party Disclosures;*
 - o IAS 26 *Accounting and Reporting by Retirement Benefit Plans;*
 - o IAS 32 *Financial Instruments: Presentation; and*
 - o IAS 34 *Interim Financial Reporting.*

Please note that this questionnaire does not explicitly address the *Framework for the Preparation and Presentation of Financial Statements*.

During 2008, substantially revised versions of IFRS 3 *Business Combinations* and IAS 27 *Consolidated and Separate Financial Statements* were issued. For the convenience of users, this questionnaire includes separate sections for the previous and the revised versions of these Standards. The revised versions are shown in shaded text (because they are not effective for periods beginning on 1 January 2009) and they should be completed (in place of the previous versions) when an entity has decided to adopt the revised Standards in advance of their effective dates (see the Standards for effective dates and transitional provisions). Likewise, revised requirements in other Standards or Interpretations (that are effective for periods beginning after 1 January 2009) are also shown in shaded text.

Suggestions for completion of this questionnaire

Financial statements should not be described as complying with IFRSs unless they comply with all of the requirements of each applicable Standard and Interpretation. In virtually all circumstances, compliance with applicable IFRSs will enable the financial statements to give a fair presentation. In extremely rare circumstances, a departure from IFRSs is permitted in order to achieve such fair presentation, in which case comprehensive disclosure requirements are imposed.

Users of this questionnaire are presumed to have a thorough understanding of and familiarity with IFRSs. This questionnaire consists of questions that address topics or areas which may or may not be relevant to your specific situation. To determine if the questions are relevant to your situation, tailoring questions have been developed. Tailoring questions are at the start of each section of the questionnaire. The detailed compliance questions prompted by a “yes” answer to any tailoring question are indicated by a reference in the left hand column. Where, for example, there is reference to tailoring questions “2A, B” this requires the related questions to be answered when either tailoring question 2A or 2B has an affirmative response.

References in this questionnaire are made by IFRS number, followed by the paragraph number (e.g. 27.26 refers to paragraph 26 of IAS 27). Where the questionnaire covers the requirements of two versions of a recently-revised Standard, the year of revision is noted to distinguish the requirements. For example, IFRS 3.47 refers to paragraph 47 of the 2004 release of IFRS 3, whereas IFRS 3(2008).59 refers to paragraph 59 of IFRS 3 as revised in 2008. The questions do not cover any matters dealt with in the implementation guidance included in IFRSs. **It is therefore essential that the user refers to the detailed text of the relevant IFRS or implementation guidance, as necessary, in answering particular questions.**

IFRS Comp Ext (October 2009)

Standards in issue at 30 June 2009

Standard	Title	Effective date ⁽¹⁾	Page number	Completed?
IFRS 1	First-time Adoption of International Financial Reporting Standards	1 January 2004	1	
IFRS 1(2008)	First-time Adoption of International Financial Reporting Standards	1 July 2009	17	
IFRS 2	Share-based Payment	1 January 2005	33	
IFRS 3 ⁽²⁾	Business Combinations	31 March 2004	56	
IFRS 3(2008) ⁽²⁾	Business Combinations	1 July 2009	72	
IFRS 4	Insurance Contracts	1 January 2005	97	
IFRS 5	Non-current Assets Held for Sale and Discontinued Operations	1 January 2005	110	
IFRS 6	Exploration for and Evaluation of Mineral Resources	1 January 2006	115	
IFRS 7	Financial Instruments: Disclosures	1 January 2007	Not included in this questionnaire	
IFRS 8	Operating Segments	1 January 2009	Not included in this questionnaire	
IAS 1	Presentation of Financial Statements	1 January 2009	Not included in this questionnaire	
IAS 2	Inventories	1 January 2005	122	
IAS 7	Statement of Cash Flows	1 January 1994	Not included in this questionnaire	
IAS 8	Accounting Policies, Changes in Accounting Estimates and Errors	1 January 2005	129	
IAS 10	Events After the Reporting Period	1 January 2005	135	
IAS 11	Construction Contracts	1 January 1995	137	
IAS 12	Income Taxes	1 January 1998	142	
IAS 16	Property, Plant and Equipment	1 January 2005	155	
IAS 17	Leases	1 January 2005	167	
IAS 18	Revenue	1 January 1995	178	
IAS 19	Employee Benefits	1 January 1999	188	
IAS 20	Accounting for Government Grants and Disclosure of Government Assistance	1 January 1984	204	
IAS 21	The Effects of Changes in Foreign Exchange Rates	1 January 2005	207	
IAS 23	Borrowing Costs	1 January 2009	216	
IAS 24	Related Party Disclosures	1 January 2005	Not included in this questionnaire	
IAS 26	Accounting and Reporting by Retirement Benefit Plans	1 January 1988	Not included in this questionnaire	
IAS 27 ⁽²⁾	Consolidated and Separate Financial Statements	1 January 2005	221	

Standard	Title	Effective date ⁽¹⁾	Page number	Completed?
IAS 27(2008) ⁽²⁾	Consolidated and Separate Financial Statements	1 July 2009	227	
IAS 28	Investments in Associates	1 January 2005	235	
IAS 29	Financial Reporting in Hyperinflationary Economies	1 January 1990	242	
IAS 31	Interests in Joint Ventures	1 January 2005	248	
IAS 32	Financial Instruments: Presentation	1 January 2005	Not included in this questionnaire	
IAS 33	Earnings per Share	1 January 2005	256	
IAS 34	Interim Financial Reporting	1 January 1999	Not included in this questionnaire	
IAS 36	Impairment of Assets	31 March 2004	269	
IAS 37	Provisions, Contingent Liabilities and Contingent Assets	1 July 1999	289	
IAS 38	Intangible Assets	31 March 2004	298	
IAS 39	Financial Instruments: Recognition and Measurement	1 January 2005	317	
IAS 40	Investment Property	1 January 2005	318	
IAS 41	Agriculture	1 January 2003	328	

IFRS Comp Ext (October 2009)

Interpretations in issue at 30 June 2009

Interpretation	Title	Effective date ⁽¹⁾	Page number	Completed?
IFRIC 1	Changes in Existing Decommissioning, Restoration and Similar Liabilities	1 September 2004	165	
IFRIC 2	Members' Shares in Co-operative Entities and Similar Instruments	1 January 2005	Not included in this questionnaire	
IFRIC 4	Determining whether an Arrangement contains a Lease	1 January 2006	168	
IFRIC 5	Rights to Interests arising from Decommissioning, Restoration and Environmental Rehabilitation Funds	1 January 2006	296	
IFRIC 6	Liabilities arising from Participating in a Specific Market – Waste Electrical and Electronic Equipment	1 December 2005	297	
IFRIC 7	Applying the Restatement Approach under IAS 29 <i>Financial Reporting in Hyperinflationary Economies</i>	1 March 2006	247	
IFRIC 8	Scope of IFRS 2	1 May 2006	51	
IFRIC 9	Reassessment of Embedded Derivatives	1 June 2006	317	
IFRIC 10	Interim Financial Reporting and Impairment	1 November 2006	288	
IFRIC 11	IFRS 2 - Group and Treasury Share Transactions	1 March 2007	52	
IFRIC 12	Service Concession Arrangements	1 January 2008	332	
IFRIC 13	Customer Loyalty Programmes	1 July 2008	184	
IFRIC 14	IAS 19 - The Limit on a Defined Benefit Asset, Minimum Funding Requirements and their Interaction	1 January 2008	193	
IFRIC 15	Agreements for the Construction of Real Estate	1 January 2009	186	
IFRIC 16	Hedges of Net Investment in a Foreign Operation	1 October 2008	317	
IFRIC 17	Distributions of Non-cash Assets to Owners	1 July 2009	335	
IFRIC 18	Transfers of Assets from Customers	1 July 2009	337	
SIC 7	Introduction of the Euro	1 June 1998	207	
SIC 10	Government Assistance – No Specific Relation to Operating Activities	1 August 1998	205	
SIC 12	Consolidation – Special Purpose Entities	1 July 1999	223	
SIC 13	Jointly Controlled Entities – Non-Monetary Contributions by Venturers	1 January 1999	254	
SIC 15	Operating Leases – Incentives	1 January 1999	175	
SIC 21	Income Taxes - Recovery of Revalued Non-Depreciable Assets	15 July 2000	150	

Interpretation	Title	Effective date ⁽¹⁾	Page number	Completed?
SIC 25	Income Taxes – Changes in the Tax Status of an Entity or its Shareholders	15 July 2000	151	
SIC 27	Evaluating the Substance of Transactions Involving the Legal Form of a Lease	31 December 2001	168	
SIC 29	Service Concession Arrangements: Disclosures	31 December 2001	Not included in this questionnaire	
SIC 31	Revenue – Barter Transactions Involving Advertising Services	31 December 2001	183	
SIC 32	Intangible Assets – Website Costs	25 March 2002	316	

Notes:

1. Some Standards incorporate complex transitional provisions. In addition, some Standards have been amended subsequent to the effective date shown, and these amendments may have separate transitional provisions. Please refer to the text of the Standards for details.
2. Either section should be completed, according to whether the entity has adopted the revised version of the Standard in advance of its effective date.
3. Requirements in *Improvements to IFRSs* (issued in April 2009) have been incorporated into the relevant Standards in the questionnaire.

IFRS Comp Ext (October 2009)

Summary of apparent non-compliance issues

When completing this questionnaire, the table below may be used to summarise areas of apparent non-compliance with IFRSs, and a description of action taken.

IFRS Ref	Details of apparent non-compliance	Action taken

IFRS 1 First-time Adoption of International Financial Reporting Standards

TQ	Reference	Recognition/measurement requirement	Yes / No / N/A
		<i>This section of the questionnaire addresses IFRS 1, which applies when an entity adopts IFRSs for the first time by an explicit and unreserved statement of compliance with IFRSs.</i> <i>IFRS 1 provides guidance regarding the transition from previous Generally Accepted Accounting Principles (GAAP) to IFRSs. IFRS 1 requires the entity to prepare an opening IFRS statement of financial position, which complies with all IFRSs (encompassing all IASs, IFRSs, SIC and IFRIC interpretations) effective at the end of its first IFRS reporting period. IFRS 1 requires retrospective application in most areas, with limited exemptions.</i> SCOPE NOTE <i>An entity shall apply IFRS 1 in:</i> <i>a) its first IFRS financial statements; and</i> <i>b) each interim financial report, if any, that it presents under IAS 34 Interim Financial Reporting, for part of the period covered by its first IFRS financial statements.</i> <i>An entity's first IFRS financial statements are the first annual financial statements in which the entity adopts IFRSs, by <u>an explicit and unreserved statement</u> in those financial statements of compliance with IFRSs.</i> <i>Financial statements under IFRSs are an entity's first IFRS financial statements if, for example, the entity:</i> <i>a) presented its most recent previous financial statements:</i> <i>i) under national requirements that are not consistent with IFRSs in all respects;</i> <i>ii) in conformity with IFRSs in all respects, except that the financial statements did not contain an explicit and unreserved statement that they complied with IFRSs;</i> <i>iii) containing an explicit statement of compliance with some, but not all, IFRSs;</i> <i>iv) under national requirements inconsistent with IFRSs, using some individual IFRSs to account for items for which national requirements did not exist; or</i> <i>v) under national requirements, with a reconciliation of some amounts to the amounts determined under IFRSs;</i> <i>b) prepared financial statements under IFRSs for internal use only, without making them available to the entity's owners or any other external users;</i> <i>c) prepared a reporting package under IFRSs for consolidation purposes without preparing a complete set of financial statements as defined in IAS 1 Presentation of Financial Statements; or</i> <i>d) did not present financial statements for previous periods.</i> <i>This Standard does not apply when, for example, an entity:</i> <i>a) stops presenting financial statements under national requirements, having previously presented them as well as another set of financial statements that contained an explicit and unreserved statement of compliance with IFRSs;</i> <i>b) presented financial statements in the previous year under national requirements and those financial statements contained an explicit and unreserved statement of compliance with IFRSs; or</i> <i>c) presented financial statements in the previous year that contained an explicit and unreserved statement of compliance with IFRSs, even if the auditors qualified their audit report on those financial statements.</i>	

TQ	Reference	Recognition/measurement requirement	Yes / No / N/A
		<i>This IFRS does not apply to changes in accounting policies made by an entity that already applies IFRSs. Such changes are the subject of:</i> a) <i>requirements on changes in accounting policies in IAS 8 Accounting Policies, Changes in Accounting Estimates and Errors; and</i> b) <i>specific transitional requirements in other IFRSs.</i>	
		TAILORING QUESTIONS	
		<i>If you answer "yes" to any of the tailoring questions below, please answer the compliance questions relating to it.</i>	
1A		Is the entity a first time adopter of IFRSs in terms of IFRS 1? <i>Note: If the response to this question is "no", this section of the questionnaire need not be completed.</i>	
1B		Did the entity enter into any business combinations before the date of transition to IFRSs?	
1C		Has the entity recognised items of property, plant and equipment in the opening IFRS statement of financial position?	
1D		Has the entity recognised items of investment property in the opening IFRS statement of financial position?	
1E		Has the entity recognised intangible assets (other than goodwill) in the opening IFRS statement of financial position?	
1F		Has the entity recognised defined benefit retirement benefit obligations in the opening IFRS statement of financial position?	
1G		Does retrospective application of IAS 21 result in any cumulative exchange differences to be recognised in the opening IFRS statement of financial position?	
1H		Did the entity recognise any compound financial instruments under previous GAAP?	
1I		Did the entity recognise any investments in subsidiaries, jointly controlled entities and associates?	
1J		Did the entity become a first-time adopter later than its parent or an entity that has significant influence or joint control over it?	
1K		Did the entity become a first-time adopter later than its subsidiary, associate or joint venture?	
1L		Did the entity become a first-time adopter for its separate financial statements earlier or later than for its consolidated financial statements?	
1M		Has the entity recognised financial instruments, as defined under IAS 32 and IAS 39, in the opening IFRS statement of financial position?	
1N		Has the entity granted any equity instruments prior to the date of transition that fall within the scope of IFRS 2?	
1O		Has the entity entered into any insurance contracts?	
1P		Did the entity have obligations to dismantle, remove and restore items of property, plant and equipment at the date of transition to IFRSs? <i>Note: Such obligations are referred to in IFRS literature as 'decommissioning, restoration and similar liabilities'.</i>	

TQ	Reference	Recognition/measurement requirement	Yes / No / N/A
1Q		Did the entity derecognise financial assets or financial liabilities under previous GAAP?	
1R		Does the entity apply hedge accounting or has the entity recognised any derivatives in the opening IFRS statement of financial position?	
1S		Has the entity used estimates to measure assets and liabilities recognised in its opening IFRS statement of financial position?	
1T		Was the entity, at the date of transition to IFRSs, a party to an arrangement, comprising a transaction or a series of related transactions, that did not take the legal form of a lease but that conveyed a right to use an asset (e.g. an item of property, plant or equipment) in return for a payment or series of payments?	
1U		Was the entity, at the date of transition to IFRSs, a party to a Service Concession Arrangement within the scope of IFRIC 12 <i>Service Concession Arrangements</i> ?	
IV		Has the entity considered applying the transitional provisions in IAS 23 (revised in 2007)?	
IW		Has the entity applied the transitional provisions relating to non-controlling interests set out in paragraph 34C of IFRS 1?	
DETAILED COMPLIANCE QUESTIONS			
Opening IFRS statement of financial position			
1A	IFRS 1.6	Has the entity prepared and presented an opening IFRS statement of financial position at the date of transition to IFRSs?	
1A	IFRS 1 Appendix A	Has the entity identified its date of transition as the beginning of the earliest period for which it presents full comparative information under IFRSs in its first IFRS financial statements?	
Accounting policies			
1A	IFRS 1.7	Has the entity used the same accounting policies in its opening IFRS statement of financial position and throughout all periods presented in its first IFRS financial statements?	
1A	IFRS 1.7	Do the accounting policies applied in the entity's first IFRS financial statements comply with each IFRS effective at the end of its first IFRS reporting period, except as specified in paragraphs 13-34B and 37 of IFRS 1 (see below)?	
Notes:			
		1) <i>Paragraph 37 of IAS 1 is not included in this questionnaire because it relates to presentation and disclosure (see Deloitte's Presentation and Disclosure Checklist).</i>	
	IFRS 1.8	2) <i>An entity may apply a new IFRS that is not yet mandatory if it permits early application.</i>	
1A	IFRS 1.9	Has the entity not applied the transitional provisions in other IFRSs, except as specified in paragraphs 25D, 25H, 34A and 34B (see below)?	

TQ	Reference	Recognition/measurement requirement	Yes / No / N/A
1A	IFRS 1.10	Except as described in paragraphs 13-34B of IFRS 1, has an entity in its opening IFRS statement of financial position: a) recognised all assets and liabilities whose recognition is required by IFRSs; b) not recognised items as assets or liabilities if IFRSs do not permit such recognition; c) reclassified items that it recognised under previous GAAP as one type of asset, liability or component of equity, but are a different type of asset, liability or component of equity under IFRSs; and d) applied IFRSs in measuring all recognised assets and liabilities?	
1A	IFRS 1.11	Has the entity recognised directly in retained earnings (or, if appropriate, another category of equity) at the date of transition to IFRSs, adjustments that result from differences between the accounting policies that the entity used in its opening IFRS statement of financial position and those that it used for the same date using its previous GAAP? <i>Note: The adjustments are treated as adjustments to equity because they arise from events and transactions before the date of transition to IFRSs.</i> Exemptions from other IFRSs <i>Business combinations</i>	
1B	IFRS 1.15	Has the entity applied the requirements in Appendix B to IFRS 1 (see below) to business combinations that the entity recognised before the date of transition to IFRSs?	
1B	IFRS 1.B1	Has the entity considered the election not to apply IFRS 3 retrospectively to past business combinations (business combinations that occurred before the date of transition to IFRSs)? <i>Note: First-time adopters may elect not to apply IFRS 3, Business Combinations, retrospectively to business combinations that occurred before the date of transition to IFRSs.</i>	
1B	IFRS 1.B1	If the entity has restated any past business combination to comply with IFRS 3, has it also done the following: a) restated all later business combinations; b) applied IAS 36 <i>Impairment of Assets</i> from the same date; and c) applied IAS 38 <i>Intangible Assets</i> from the same date? <i>Note: For example, if an entity elects to restate a business combination that occurred on 30 June 2002, it shall restate all business combinations that occurred between 30 June 2002 and the date of transition to IFRSs and it shall also apply IAS 36 and IAS 38 from 30 June 2002.</i>	
1B	IFRS 1.B1	If the entity has restated any past business combination to comply with IFRS 3(2008), has it also done the following: a) restated all later business combinations; b) applied IAS 27(2008) from the same date?	

TQ	Reference	Recognition/measurement requirement	Yes / No / N/A
		<i>Note: Paragraph B1 of IFRS 1 was amended as a result of IFRS 3(2008) issued in January 2008. IFRS 3(2008) is effective for business combinations for which the acquisition date is on or after 1 July 2009. Earlier application is permitted for periods beginning on or after 30 June 2007 provided that IAS 27(2008) is applied at the same time (see relevant section of this questionnaire for details). An entity shall apply the amendment for annual periods beginning on or after 1 July 2009. If an entity applies IFRS 3(2008) for an earlier period, the amendment shall also be applied for that earlier period.</i>	
1B	IFRS 1.B1A	If the entity does not apply IAS 21 retrospectively to fair value adjustments and goodwill arising in business combinations that occurred before the date of transition, has it treated those fair value adjustments and goodwill as assets and liabilities of the entity rather than as assets and liabilities of the acquiree? <i>Note: Therefore, those goodwill and fair value adjustments either are already expressed in the entity's functional currency or are non-monetary foreign currency items, which are reported using the exchange rate applied under previous GAAP.</i>	
1B	IFRS 1.B1B	If the entity does apply IAS 21 retrospectively, has it applied IAS 21 to either: a) all business combinations that occurred before the date of transition to IFRSs; or b) all business combinations that the entity elects to restate to comply with IFRS 3, as permitted by paragraph B1 (see above)? <i>Note: First-time adopters are not required to apply IAS 21 retrospectively to fair value adjustments and goodwill arising in business combinations that occurred before the date of transition to IFRSs. Where they elect to apply these requirements retrospectively, it must be on one of the bases described in paragraph B1B.</i>	
1B	IFRS 1.B2	If the entity has elected not to apply IFRS 3 retrospectively to past business combinations: a) Has the entity kept the same classification (as an acquisition by the legal acquirer, a reverse acquisition by the legal acquiree, or a uniting of interests) as its previous GAAP financial statements? b) Has the entity recognised all its assets and liabilities at the date of transition to IFRSs that were acquired or assumed in a past business combination, other than: i) some financial assets and financial liabilities derecognised under previous GAAP (paragraph 27 of IFRS 1 – see below)? ii) assets, including goodwill, and liabilities that were not recognised in the acquirer's consolidated statement of financial position under previous GAAP and also would not qualify for recognition under IFRSs in the separate statement of financial position of the acquiree (paragraphs B2(f)-B2(i) of Appendix B to IFRS 1 – see below)? Has the entity recognised any resulting change arising from the above by adjusting retained earnings (or, if appropriate, another category of equity), unless the change results from the recognition of an intangible asset that was previously subsumed within goodwill (see paragraph B2(g)(i) of Appendix B to IFRS 1)?	

TQ	Reference	Recognition/measurement requirement	Yes / No / N/A
		c) Has the entity excluded from its opening IFRS statement of financial position any item recognised under previous GAAP that does not qualify for recognition as an asset or liability under IFRSs? Has the entity accounted for the resulting change as follows: i) If the entity classified a past business combination as an acquisition and recognised as an intangible asset an item that does not qualify for recognition as an asset under IAS 38, has the entity reclassified that item (and, if any, the related deferred tax and non-controlling interests) as part of goodwill (unless it deducted goodwill directly from equity under previous GAAP, paragraphs B2(g)(i) and B2(i) of Appendix B to IFRS 1 – see below)? ii) recognised all other resulting changes in retained earnings? <i>Note: Such changes include reclassifications from or to intangible assets if goodwill was not recognised under previous GAAP as an asset. This arises if, under previous GAAP, the entity:</i> • deducted goodwill directly from equity; or • did not treat the business combination as an acquisition. d) IFRSs require subsequent measurement of some assets and liabilities on a basis that is not based on original cost. Has the entity measured these assets and liabilities applying IFRS requirements in its opening IFRS statement of financial position, even if they were acquired or assumed in a past business combination? Has the entity recognised any resulting change in the carrying amount by adjusting retained earnings (or, if appropriate, another category of equity), rather than goodwill? e) If assets acquired and liabilities assumed in a business combination were recognised under previous GAAP, have the carrying amounts of those assets and liabilities under previous GAAP, immediately after the business combination, been deemed to be their cost under IFRSs at the same date? If IFRSs require a cost-based measurement of those assets and liabilities at a later date, has the entity applied the deemed cost as the basis for cost-based depreciation or amortisation from the date of the business combination? f) If an asset acquired, or liability assumed, in a past business combination was not recognised under previous GAAP, has the entity recognised and measured assets and liabilities in its consolidated financial statements on the basis that IFRSs would require in the statement of financial position of the acquiree? <i>Note: If the acquirer had not, under its previous GAAP, capitalised finance leases acquired in a past business combination, it shall capitalise those leases in its consolidated financial statements, as IAS 17 would require the acquiree to do in its separate IFRS statement of financial position. Conversely, if an asset or liability was subsumed in goodwill under previous GAAP but would have been recognised separately under IFRS 3, that asset or liability remains in goodwill unless IFRSs would require its recognition in the separate financial statements of the acquiree.</i>	

TQ	Reference	Recognition/measurement requirement	Yes / No / N/A
		<i>Note: If the acquirer had not, under its previous GAAP, capitalised finance leases acquired in a past business combination, it shall capitalise those leases in its consolidated financial statements, as IAS 17 would require the acquiree to do in its separate IFRS statement of financial position. Similarly, if the acquirer had not, under its previous GAAP, recognised a contingent liability that still exists at the date of transition to IFRSs, the acquirer shall recognise that contingent liability at that date unless IAS 37 would prohibit its recognition in the financial statements of the acquiree. Conversely, if an asset or liability was subsumed in goodwill under previous GAAP but would have been recognised separately under IFRS 3, that asset or liability remains in goodwill unless IFRSs would require its recognition in the separate financial statements of the acquiree.</i> <i>Paragraph B2(f) of IFRS 1 was amended as a result of IFRS 3(2008) issued in January 2008. IFRS 3(2008) is effective for business combinations for which the acquisition date is on or after 1 July 2009. Earlier application is permitted for periods beginning on or after 30 June 2007 provided that IAS 27(2008) is applied at the same time (see relevant section of this questionnaire for details). An entity shall apply the amendment for annual periods beginning on or after 1 July 2009. If an entity applies IFRS 3(2008) for an earlier period, the amendment shall also be applied for that earlier period.</i>	
		g) Has the entity adjusted the carrying amount of goodwill under previous GAAP in the opening IFRS statement of financial position at the date of transition only as follows: i) If required by paragraph B2(c)(i) above, increased the carrying amount of goodwill when it reclassifies an item that it recognised as an intangible asset under previous GAAP? Similarly, if paragraph B2(f) requires the entity to recognise an intangible asset that was subsumed in recognised goodwill under previous GAAP, has the entity decreased the carrying amount of goodwill accordingly (and, if applicable, adjusted deferred tax and non-controlling interests)? ii) A contingency affecting the amount of the purchase consideration for a past business combination may have been resolved before the date of transition to IFRSs. If a reliable estimate of the contingent adjustment can be made and its payment is probable has the entity adjusted the goodwill by that amount? Similarly, has the entity adjusted the carrying amount of goodwill if a previously recognised contingent adjustment can no longer be measured reliably or its payment is no longer probable?	
		<i>Note: Paragraph B2(g)(ii) of IFRS 1 was deleted as a result of IFRS 3(2008) issued in January 2008.</i> iii) Has the entity performed an impairment test under IAS 36, at the date of transition, regardless of whether there is any indication that the goodwill may be impaired at the date of transition to IFRSs? Has the entity recognised any resulting impairment loss in retained earnings (or, if so required by IAS 36, in revaluation surplus)? <i>Note: The impairment test shall be based on conditions at the date of transition to IFRSs.</i>	

TQ	Reference	Recognition/measurement requirement	Yes / No / N/A
		h) Has the entity made no further adjustments to the carrying amount of goodwill at the date of transition to IFRSs? <i>Note: For example, the first-time adopter shall not restate the carrying amount of goodwill:</i> - to exclude in-process research and development acquired in that business combination (unless the related intangible asset would qualify for recognition under IAS 38 in the statement of financial position of the acquiree); - to adjust previous amortisation of goodwill; - to reverse adjustments to goodwill that IFRS 3 would not permit, but were made under previous GAAP because of adjustments to assets and liabilities between the date of the business combination and the date of transition to IFRSs.	
		i) If the entity recognised goodwill under previous GAAP as a deduction from equity: i) Has the entity not recognised that goodwill in its opening IFRS statement of financial position? Furthermore, has the entity <u>not</u> reclassified that goodwill to profit or loss if it has disposed of the subsidiary or if the investment in the subsidiary has become impaired since the date of transition? ii) Has the entity recognised in retained earnings adjustments resulting from the subsequent resolution of a contingency affecting the purchase consideration? j) Under its previous GAAP, the entity may not have consolidated a subsidiary acquired in a past business combination (e.g. because the parent did not regard it as a subsidiary under previous GAAP or did not prepare consolidated financial statements). Has the entity adjusted the carrying amounts of the subsidiary's assets and liabilities to the amounts that IFRSs would require in the subsidiary's statement of financial position? Has the deemed cost of goodwill been taken as the difference at the date of transition to IFRSs between: i) the parent's interest in those adjusted carrying amounts; and ii) the cost in the parent's separate financial statements of its investment in the subsidiary? k) Has the entity followed the measurement of other assets and liabilities in measuring the non-controlling interests and deferred tax? <i>Note: The above adjustments to recognised assets and liabilities affect non-controlling interests and deferred tax.</i>	
1B	IFRS 1.B3	Has the entity also applied the exemption for past business combinations to past acquisitions of investments in associates and of interests in joint ventures?	
1B	IFRS 1.B3	Has the entity applied the date selected in paragraph B1 of IFRS 1 (see above) to all such acquisitions (i.e. applies to subsidiaries, associates and joint ventures)?	

TQ	Reference	Recognition/measurement requirement	Yes / No / N/A
		<i>Fair value or revaluation as deemed cost</i>	
1C	IFRS 1.16	Has the entity considered the option to elect to measure items of property, plant and equipment at the date of transition at their fair value, and to use that fair value as deemed cost at that date?	
1C	IFRS 1.17	Has the entity considered the option to elect to use a previous GAAP revaluation of an item of property, plant and equipment at, or before, the date of transition to IFRSs as deemed cost at the date of the revaluation?	
1C	IFRS 1.17	If the entity has elected to use a previous GAAP revaluation, was the revaluation broadly comparable (at the date of revaluation) to: a) fair value; or b) cost or depreciated cost under IFRSs, adjusted to reflect, for example, changes in a general or specific price index?	
1D, E	IFRS 1.18	Has the entity considered that the available elections set out in paragraphs 16 and 17 of IFRS 1 (see above) are also available for: a) investment property, if an entity elects to use the cost model in IAS 40 <i>Investment Property</i>? <i>Note: If the entity has elected the fair value model as its accounting policy for investment property, those items are required to be measured at fair value at the date of transition.</i> b) intangible assets that meet: i) the recognition criteria in IAS 38 <i>Intangible Assets</i> (including reliable measurement of original cost); and ii) the criteria in IAS 38 for revaluation (including the existence of an active market)? <i>Note: Entities are not permitted to use these elections (paragraphs 16 to 18 of IFRS 1) for other assets or for liabilities.</i>	
1A	IFRS 1.19	If the entity has established a deemed cost under previous GAAP for some or all of its assets and liabilities by measuring them at their fair value at one particular date because of an event such as a privatisation or initial public offering, has it considered the option to elect to use such event-driven fair value measurements as deemed cost for IFRSs at the date of that measurement?	
		<i>Employee benefits</i>	
1F	IFRS 1.20	Has the entity considered the option to recognise all cumulative actuarial gains and losses at the date of transition to IFRSs, even if it uses the corridor approach for later actuarial gains and losses?	
1F	IFRS 1.20	Where the entity has taken the option available under paragraph 20 of IFRS 1 (see above), has the entity applied the election to all plans?	
1F	IFRS 1.20	If the entity has not elected to recognise all cumulative actuarial gains and losses at the date of transition to IFRSs and instead determined to adopt the 'corridor' approach retrospectively, have cumulative actuarial gains or losses between the inception of the plan and the date transition been split into a recognised and an unrecognised portion?	

TQ	Reference	Recognition/measurement requirement	Yes / No / N/A
1G	IFRS 1.22	Cumulative translation differences Has the entity considered the option to elect to: - deem the cumulative translation differences for <u>all</u> foreign operations to be zero at the date of transition to IFRSs; - exclude translation differences that arose before the date of transition to IFRSs from the gain or loss on a subsequent disposal of any foreign operation; and - include subsequent-to-date-of-transition translation differences as a component of equity and recognised them in the statement of comprehensive income as part of the gain or loss on a subsequent disposal of the foreign operation translation?	
	IFRS 1.21	<i>Note: If the election available under paragraph 22 of IFRS 1 (see above) is not applied, IAS 21 requires an entity:</i> - to recognise some translation differences in other comprehensive income and accumulate these in a separate component of equity; and - on disposal of a foreign operation, to reclassify the cumulative translation difference for that foreign operation (including, if applicable, gains and losses on related hedges) from equity to profit or loss as part of the gain or loss on disposal.	
1H	IFRS 1.23	Compound financial instruments If, under previous GAAP, the entity did not separately recognise compound financial instruments into a debt and an equity component (as required by IAS 32) and the liability component of that compound financial instrument is no longer outstanding at the date of transition, has the entity considered the option available to elect not to separate the two equity portions?	
		<i>Note: IAS 32 requires an entity to split a compound financial instrument at inception into separate liability and equity components. If the liability component is no longer outstanding, retrospective application of IAS 32 involves separating two portions of equity. The first portion is in retained earnings, and represents the cumulative interest accreted on the liability component. The other represents the original equity component.</i> If, under previous GAAP, the entity did not separate recognised compound financial instruments into a debt and equity component as required by IAS 32, and the liability component of that compound financial instrument is still outstanding at the date of transition, has the entity separated the instrument into its debt and equity components in accordance with IAS 32?	
1I	IFRS 1.23A	Investments in subsidiaries, joint controlled entities and associates Has the entity, when preparing its separate financial statements, elected to account for its investments in subsidiaries, jointly controlled entities and associates either: - at cost; or - in accordance with IAS 39?	

TQ	Reference	Recognition/measurement requirement	Yes / No / N/A
1I	IFRS 1.23B	<i>Note: If the entity measures its investment in subsidiaries, jointly controlled entities and associates at cost in accordance with paragraph 23A(a), has the entity measured the investments at one of the following amounts in its separate opening IFRS statement of financial position:</i> a) cost determined in accordance with IAS 27; or b) deemed cost. The deemed cost of such an investment shall be its: i) fair value (determined in accordance with IAS 39) at the entity's date of transition to IFRSs in its separate financial statements; or ii) previous GAAP carrying amount at that date. <i>A first-time adopter may choose either (i) or (ii) above to measure its investment in each subsidiary, jointly controlled entity or associate that it elects to measure using a deemed cost?</i>	
1J	IFRS 1.24	Assets and liabilities of subsidiaries, associates and joint ventures If the entity is a subsidiary, and it became a first-time adopter later than its parent, has the entity, in its financial statements, measured its assets and liabilities at either: a) the carrying amounts that would be included in the parent's consolidated financial statements, based on the parent's date of transition to IFRSs, if no adjustments were made for consolidation procedures and for the effects of the business combination in which the parent acquired the subsidiary; or b) the carrying amounts required by the rest of IFRS 1, based on the subsidiary's date of transition to IFRSs? <i>Note: The carrying amounts under paragraph 24(b) could differ from those described in paragraph 24(a):</i> - when the exemptions in IFRS 1 result in measurements that depend on the date of transition to IFRSs; and - when the accounting policies used in the subsidiary's financial statements differ from those in the consolidated financial statements. For example, the subsidiary may use the cost model in IAS 16, whereas the group may use the revaluation model.	
1J	IFRS 1.24	Has the entity considered the option to apply the election available under paragraph 24 of IFRS 1 (see above) if it is an associate or joint venture that became a first-time adopter later than the entity that has significant influence or joint control over it?	
1K	IFRS 1.25	If the entity is a parent (or an investor in an associate or a venturer) and it became a first-time adopter later than its subsidiary (or associate or joint venture), has the entity, in its consolidated financial statements, measured the assets and liabilities of the subsidiary (or associate or joint venture) at the same carrying amounts as in the separate financial statements of the subsidiary (or associate or joint venture), after adjusting for consolidation and equity accounting adjustments and for the effects of the business combination in which the entity acquired the subsidiary?	
1L	IFRS 1.25	If a parent (or an investor in an associate or a venturer) becomes a first-time adopter for its separate financial statements earlier or later than for its consolidated financial statements, has the entity measured its assets and liabilities at the same amounts in both financial statements, except for consolidation adjustments?	

TQ	Reference	Recognition/measurement requirement	Yes / No / N/A
		<i>Designation of previously recognised financial instruments</i>	
		<i>Note: IAS 39 permits certain financial assets to be designated on initial recognition as available-for-sale, and certain financial instruments to be designated as financial assets or financial liabilities at fair value through profit or loss. IFRS 1 allows a number of exceptions to the requirement to designate on initial recognition, as set out below.</i>	
1M	IFRS 1.25A (a)	Has the entity considered the option available to make an available-for-sale designation at the date of transition to IFRSs?	
	IFRS 1.25A (b) – (e)	Has the entity considered the option available to designate, at the date of transition to IFRSs, financial asset or financial liability as at fair value through profit or loss in accordance with paragraphs 25A(b) – (e) of IFRS 1?	
		<i>Share-based payment transactions</i>	
1N	IFRS 1.25B	Has the entity considered making an election to apply IFRS 2 <i>Share-based Payment</i> to equity instruments that were granted on or before 7 November 2002?	
		<i>Note: First-time adopters are not required to apply IFRS 2 to equity instruments that were granted on or before 7 November 2002. However, they are encouraged to do so. If a first-time adopter elects to apply IFRS 2 to such equity instruments, it may do so only if the entity has disclosed publicly the fair value of those equity instruments, determined at the measurement date, as defined in IFRS 2.</i>	
1N	IFRS 1.25B	Has the entity considered making an election to apply IFRS 2 to equity instruments that were granted after 7 November 2002 that vested before the later of (a) the date of transition to IFRSs, and (b) 1 January 2005?	
		<i>Note: First-time adopters are not required to apply the requirements of IFRS 2 to equity instruments that were granted after 7 November 2002 that vested before the later of (a) the date of transition to IFRSs and (b) 1 January 2005. However, they are encouraged to do so. If a first-time adopter elects to apply IFRS 2 to such equity instruments, it may do so only if the entity has disclosed publicly the fair value of those equity instruments, determined at the measurement date, as defined in IFRS 2.</i>	
1N	IFRS 1.25B	For all grants of equity instruments to which IFRS 2 has not been applied (e.g. grants of equity instruments on or before 7 November 2002), has the entity disclosed the information as required by paragraphs 44 and 45 of IFRS 2 (see relevant section of Deloitte's Presentation and Disclosure Checklist)?	
1N	IFRS 1.25B	If a first-time adopter modifies the terms or conditions of a grant of equity instruments to which IFRS 2 has not been applied, has it considered the fact that it is not required to apply paragraphs 26 to 29 of IFRS 2 if the modification occurred before the later of (a) the date of transition to IFRSs and (b) 1 January 2005?	
1N	IFRS 1.25C	Has the entity considered making an election to apply IFRS 2 to liabilities arising from share-based payments transactions that were settled before the date of transition to IFRSs?	
		<i>Note: First-time adopters are not required to apply IFRS 2 to liabilities arising from share-based payment transactions that were settled before the date of transition to IFRSs. However, they are encouraged to do so.</i>	

TQ	Reference	Recognition/measurement requirement	Yes / No / N/A
1N	IFRS 1.25C	Has the entity considered making an election to apply IFRS 2 to liabilities arising from share-based payments transactions that were settled before 1 January 2005? <i>Note: First-time adopters are not required to apply IFRS 2 to liabilities arising from share-based payment transactions that were settled before 1 January 2005. However, they are encouraged to do so.</i>	
1N	IFRS 1.25C	For liabilities to which IFRS 2 is applied, has it considered the fact that a first-time adopter is not required to restate comparative information to the extent that the information relates to a period or date that is earlier than 7 November 2002? Insurance contracts	
10	IFRS 1.25D	Has the entity considered applying the transitional provisions in IFRS 4? <i>Note: The transitional provisions of IFRS 4 allow that the Standard may be applied for accounting periods beginning on or after 1 January 2005, although earlier application is encouraged. Therefore, first time adopters need only apply the requirements of IFRS 4 retrospectively from the first accounting period beginning after 1 January 2005. Earlier application is encouraged.</i>	
10	IFRS 1.25D	Has the entity only changed accounting policies for insurance contracts when the criteria set out in IFRS 4 have been met? <i>Note: IFRS 4 restricts changes in accounting policies for insurance contracts, including changes made by a first-time adopter.</i> Changes in existing decommissioning, restoration and similar liabilities included in the cost of property, plant and equipment	
1P	IFRS 1.25E	Has the entity considered making an election not to apply IFRIC 1 to changes in decommissioning, restoration or similar liabilities that occurred before the date of transition to IFRSs? <i>Note: IFRIC 1, Changes in Existing Decommissioning, Restoration and Similar Liabilities, requires specified changes in a decommissioning, restoration or similar liability to be added to or deducted from the cost of that asset to which it relates; the adjusted depreciable amount of the asset is then depreciated prospectively over its remaining useful life.</i>	
1P	IFRS 1.25E	If the entity has elected not to apply IFRIC 1 to those changes in a decommissioning, restoration or similar liability that occurred before the date of transition to IFRSs, has it: a) measured the liability as at the date of transition to IFRSs in accordance with IAS 37 <i>Provisions, Contingent Liabilities and Contingent Assets</i> ; b) to the extent that the liability is within the scope of IFRIC 1, estimated the amount that would have been included in the cost of the related asset when the liability first arose, by discounting the liability to that date using its best estimate of the historical risk-adjusted discount rate(s) that would have applied for that liability over the intervening period; and c) calculated the accumulated depreciation on that amount, as at the date of transition to IFRSs, on the basis of the current estimate of the useful life of the asset, using the depreciation policy adopted by the entity under IFRSs?	

TQ	Reference	Recognition/measurement requirement	Yes / No / N/A
1T	IFRS 1.25F	IFRIC 4 Determining whether an arrangement contains a lease	
		Has the entity considered applying the transitional provisions in IFRIC 4? <i>Note: A first-time adopter may apply the transitional provisions in IFRIC 4. Therefore, a first-time adopter may determine whether an arrangement existing at the date of transition to IFRSs contains a lease on the basis of facts and circumstances existing at that date.</i>	
1M	IFRS 1.25G	Fair value measurement of financial assets or financial liabilities	
		Notwithstanding the requirements of paragraphs 7 and 9 of IFRS 1, has the entity considered applying the requirements in the last sentence of IAS 39 paragraph AG76, and paragraph AG76A, in either of the following ways: a) prospectively to transactions entered into after 25 October 2002; or b) prospectively to transactions entered into after 1 January 2004? Service concession arrangements	
1U	IFRS 1.25H	Has the entity considered applying the transitional provisions in IFRIC 12 Service Concession Arrangements?	
	IFRS 1.25H	<i>Note: A first-time adopter may apply the transitional provisions in IFRIC 12. Therefore, if for any particular service arrangement, it is impracticable for an operator to apply IFRIC 12 retrospectively at the start of the earliest period presented, the entity shall:</i> a) recognise financial assets and intangible assets that existed at the start of the earliest period presented; b) use the previous carrying amounts of those financial and intangible assets as their carrying amounts as at that date; and c) test financial and intangible assets recognised at that date for impairment, unless this is not practicable, in which case the amounts shall be tested for impairment as at the start of the current period.	
IV	IFRS 1.25I	Borrowing costs	
		Has the entity considered the application of the transitional provisions set out in paragraphs 27 and 28 of IAS 23 (revised in 2007) <i>Note: In paragraphs 27 and 28 of IAS 23, references to the effective date should be interpreted as 1 January 2009 or the date of transition to IFRSs, whichever is later.</i>	
	IFRS 1.26	Exceptions to retrospective application of other IFRSs	
		<i>Note: As described below, IFRS 1 prohibits retrospective application of some aspects of other IFRSs relating to:</i> a) derecognition of financial assets and financial liabilities; b) hedge accounting; c) estimates; d) assets classified as held for sale and discontinued operations; and e) some aspects of accounting for non-controlling interests.	

TQ	Reference	Recognition/measurement requirement	Yes / No / N/A
		<i>Paragraph 26(e) of IFRS 1 was added as a result of IAS 27(2008). IAS 27(2008) is effective for periods beginning on or after 1 July 2009, with limited earlier application permitted (see relevant section of this questionnaire for details). An entity shall apply the amendment for annual periods beginning on or after 1 July 2009. If an entity applies IAS 27(2008) for an earlier period, the amendment shall be applied for that earlier period.</i>	
		Derecognition of financial assets and financial liabilities	
1Q	IFRS 1.27	Except as permitted by paragraph 27A of IFRS 1, has the entity applied the derecognition requirements in IAS 39 <u>prospectively</u> for transactions occurring on or after 1 January 2004? <i>Note: If a first-time adopter derecognised non-derivative financial assets or non-derivative financial liabilities under its previous GAAP as a result of a transaction that occurred before 1 January 2004, it shall not recognise those assets and liabilities under IFRSs (unless they qualify for recognition as a result of a later transaction or event).</i>	
1Q	IFRS 1.27A	Has the entity considered making an election to apply the derecognition requirements in IAS 39 retrospectively from a date of the entity's choosing, provided that the information needed to apply IAS 39 to financial assets and financial liabilities derecognised as a result of past transactions was obtained at the time of initially accounting for those transactions?	
		Hedge accounting	
1R	IFRS 1.28	As required by IAS 39, at the date of transition to IFRSs has the entity: a) measured all derivatives at fair value; and b) eliminated all deferred losses and gains arising on derivatives that were reported under previous GAAP as if they were assets or liabilities?	
1R	IFRS 1.29	Has the entity not reflected in its opening IFRS statement of financial position a hedging relationship of a type that does not qualify for hedge accounting under IAS 39? <i>Note: For example, many hedging relationships where the hedging instrument is a cash instrument or written option, where the hedged item is a net position, or where the hedge covers interest risk in a held-to-maturity investment.</i>	
1R	IFRS 1.29	If the entity designated a net position as a hedged item under previous GAAP, has the entity considered designating an individual item within that net position as a hedged item under IFRSs, provided that it does so no later than the date of transition to IFRSs?	
1R	IFRS 1.30	If, before the date of transition to IFRSs, an entity had designated a transaction as a hedge but the hedge does not meet the conditions for hedge accounting in IAS 39, has the entity applied paragraphs 91 and 101 of IAS 39 to discontinue hedge accounting?	
1R	IFRS 1.30	Were all transactions entered into before the date of transition to IFRSs not retrospectively designated as hedges?	

TQ	Reference	Recognition/measurement requirement	Yes / No / N/A
		Estimates	
1S	IFRS 1.31	Are the entity's estimates under IFRSs at the date of transition to IFRSs consistent with estimates made for the same date under previous GAAP (after adjustments to reflect any difference in accounting policies), unless there is objective evidence that those estimates were in error?	
	IFRS 1.32	<i>Note: An entity may receive information after the date of transition to IFRSs about estimates that it had made under previous GAAP. Under paragraph 31, an entity shall treat the receipt of that information in the same way as non-adjusting events after the reporting period under IAS 10. For example, assume that an entity's date of transition to IFRSs is 1 January 20X4 and new information on 15 July 20X4 requires the revision of an estimate made under previous GAAP at 31 December 20X3. The entity shall not reflect that new information in its opening IFRS statement of financial position (unless the estimates need adjustment for any differences in accounting policies or there is objective evidence that the estimates were in error). Instead, the entity shall reflect that new information in its statement of comprehensive income (or, if appropriate, other changes in equity) for the year ended 31 December 20X4.</i>	
1S	IFRS 1.33	If the entity needs to make estimates under IFRSs at the date of transition to IFRSs that were not required at that date under previous GAAP do those estimates made under IFRSs reflect conditions that existed at the date of transition to IFRSs?	
		<i>Note: In particular, estimates at the date of transition to IFRSs of market prices, interest rates or foreign exchange rates shall reflect market conditions at that date.</i>	
1S	IFRS 1.34	In addition to applying paragraphs 31 to 33 of IFRS 1 (see above) to the opening IFRS statement of financial position, have those requirements also been applied to comparative periods presented in an entity's first IFRS financial statements?	
		<i>Note: When applying paragraphs 31 to 33 to comparative periods, the references to the date of transition to IFRSs are replaced by references to the end of that comparative period.</i>	
		Non-controlling interests	
1W	IFRS 1.34C	Has the first-time adopter applied the following requirements of IAS 27 (2008) prospectively from the date of transition to IFRSs: a) the requirement in paragraph 28 that total comprehensive income is attributed to the owners of the parent and to the non-controlling interests even if this results in the non-controlling interests having a deficit balance; b) the requirements in paragraphs 30 and 31 for accounting for changes in the parent's ownership interest in a subsidiary that do not result in a loss of control; and c) the requirements in paragraphs 34–37 for accounting for a loss of control over a subsidiary and the related requirements of paragraph 8A of IFRS 5?	
		<i>Note: However, if a first-time adopter elects to apply IFRS 3(2008) Business Combinations retrospectively to past business combinations, it also shall apply IAS 27(2008) in accordance with paragraph B1 of this IFRS.</i>	

IFRS 1(2008) First-time Adoption of International Financial Reporting Standards

TQ	Reference	Recognition/measurement requirement	Yes / No / N/A
		<i>This section of the questionnaire sets out the revised version of IFRS 1 issued in November 2008 (IFRS 1(2008)).</i> <i>IFRS 1 applies when an entity adopts IFRSs for the first time by an explicit and unreserved statement of compliance with IFRSs. IFRS 1 provides guidance regarding the transition from previous Generally Accepted Accounting Principles (GAAP) to IFRSs.</i> <i>IFRS 1 requires the entity to prepare an opening IFRS statement of financial position, which complies with all IFRSs (encompassing all IASs, IFRSs, SIC and IFRIC interpretations) effective at the end of its first IFRS reporting period. IFRS 1 requires retrospective application in most areas, with limited exemptions.</i> <i>See the last point in this section of the questionnaire for details of the effective date and transitional provisions of IFRS 1(2008).</i> SCOPE NOTE <i>An entity shall apply IFRS 1 in:</i> <i>a) its first IFRS financial statements; and</i> <i>b) each interim financial report, if any, that it presents in accordance with IAS 34 Interim Financial Reporting, for part of the period covered by its first IFRS financial statements.</i> <i>An entity's first IFRS financial statements are the first annual financial statements in which the entity adopts IFRSs, by <u>an explicit and unreserved statement</u> in those financial statements of compliance with IFRSs.</i> <i>Financial statements in accordance with IFRSs are an entity's first IFRS financial statements if, for example, the entity:</i> <i>a) presented its most recent previous financial statements:</i> <i>vi) in accordance with national requirements that are not consistent with IFRSs in all respects;</i> <i>vii) in conformity with IFRSs in all respects, except that the financial statements did not contain an explicit and unreserved statement that they complied with IFRSs;</i> <i>viii) containing an explicit statement of compliance with some, but not all, IFRSs;</i> <i>ix) in accordance with national requirements inconsistent with IFRSs, using some individual IFRSs to account for items for which national requirements did not exist; or</i> <i>x) in accordance with national requirements, with a reconciliation of some amounts to the amounts determined under IFRSs;</i> <i>b) prepared financial statements in accordance with IFRSs for internal use only, without making them available to the entity's owners or any other external users;</i> <i>c) prepared a reporting package in accordance with IFRSs for consolidation purposes without preparing a complete set of financial statements as defined in IAS 1, Presentation of Financial Statements; or</i> <i>d) did not present financial statements for previous periods.</i>	

TQ	Reference	Recognition/measurement requirement	Yes / No / N/A
		<i>This Standard does not apply when, for example, an entity:</i> a) <i>stops presenting financial statements in accordance with national requirements, having previously presented them as well as another set of financial statements that contained an explicit and unreserved statement of compliance with IFRSs;</i> b) <i>presented financial statements in the previous year in accordance with national requirements and those financial statements contained an explicit and unreserved statement of compliance with IFRSs; or</i> c) <i>presented financial statements in the previous year that contained an explicit and unreserved statement of compliance with IFRSs, even if the auditors qualified their audit report on those financial statements.</i> <i>This IFRS does not apply to changes in accounting policies made by an entity that already applies IFRSs. Such changes are the subject of:</i> a) <i>requirements on changes in accounting policies in IAS 8, Accounting Policies, Changes in Accounting Estimates and Errors; and</i> b) <i>specific transitional requirements in other IFRSs.</i> TAILORING QUESTIONS <i>If you answer "yes" to any of the tailoring questions below, please answer the compliance questions relating to it.</i>	
1A		Is the entity a first time adopter of IFRSs in terms of IFRS 1? <i>Note: If the response to this question is no, this section of the questionnaire need not be completed.</i>	
1B		Did the entity enter into any business combinations before the date of transition to IFRSs?	
1C		Has the entity granted any equity instruments prior to the date of transition that fall within the scope of IFRS 2?	
1D		Has the entity entered into any insurance contracts?	
1E		Has the entity recognised items of property, plant and equipment in the opening IFRS statement of financial position?	
1F		Has the entity recognised items of investment property in the opening IFRS statement of financial position?	
1G		Has the entity recognised intangible assets (other than goodwill) in the opening IFRS statement of financial position?	
1H		Was the entity, at the date of transition to IFRSs, party to an arrangement, comprising a transaction or a series of related transactions, that did not take the legal form of a lease but that conveyed a right to use an asset (e.g. an item of property, plant or equipment) in return for a payment or series of payments?	
1I		Has the entity recognised defined benefit obligations in the opening IFRS statement of financial position?	
1J		Does retrospective application of IAS 21 result in any cumulative exchange differences to be recognised in the opening IFRS statement of financial position?	
1K		Did the entity recognise any investments in subsidiaries, jointly controlled entities and associates?	
1L		Did the entity become a first-time adopter later than its parent or an entity that has significant influence or joint control over it?	

TQ	Reference	Recognition/measurement requirement	Yes / No / N/A
1M		Did the entity become a first-time adopter later than its subsidiary, associate or joint venture?	
1N		Did the entity become a first-time adopter for its separate financial statements earlier or later than for its consolidated financial statements?	
1O		Did the entity recognise any compound financial instruments under previous GAAP?	
1P		Has the entity recognised financial instruments, as defined under IAS 32 and IAS 39, in the opening IFRS statement of financial position?	
1Q		Did the entity have obligations to dismantle, remove and restore items of property, plant and equipment at the date of transition to IFRSs? <i>Note: Such obligations are referred to in IFRS literature as 'decommissioning, restoration and similar liabilities'.</i>	
1R		Was the entity, at the date of transition to IFRSs, a party to a Service Concession Arrangement within the scope of IFRIC 12 <i>Service Concession Arrangements</i> ?	
1S		Did the entity derecognise financial assets or financial liabilities under previous GAAP?	
1T		Does the entity apply hedge accounting or has the entity recognised any derivatives in the opening IFRS statement of financial position?	
1U		Has the entity used estimates to measure assets and liabilities recognised in its opening IFRS statement of financial position?	
IV		Has the entity considered applying the transitional provisions in IAS 23 (revised in 2007)?	
1W		Has the entity applied the transitional provisions relating to non-controlling interests set out in paragraph B7 of IFRS 1?	
		DETAILED COMPLIANCE QUESTIONS	
		Opening IFRS statement of financial position	
1A	IFRS 1 (2008).6	Has the entity prepared and presented an opening IFRS statement of financial position at the date of transition to IFRSs?	
1A	IFRS 1 (2008) Appendix A	Has the entity identified its date of transition as the beginning of the earliest period for which it presents full comparative information under IFRSs in its first IFRS financial statements?	
		Accounting policies	
1A	IFRS 1 (2008).7	Has the entity used the same accounting policies in its opening IFRS statement of financial position and throughout all periods presented in its first IFRS financial statements?	
1A	IFRS 1 (2008).7	Do the accounting policies applied in the entity's first IFRS financial statements comply with each IFRS effective at the end of its first IFRS reporting period, except as specified in paragraphs 13-19 and Appendices B-E of IFRS 1(2008) (see below)?	
	IFRS 1 (2008).8	<i>Note: An entity may apply a new IFRS that is not yet mandatory if it permits early application.</i>	

TQ	Reference	Recognition/measurement requirement	Yes / No / N/A
1A	IFRS 1 (2008).9	Has the entity not applied the transitional provisions in other IFRSs, except as specified in Appendices B-E?	
1A	IFRS 1 (2008).10	Except as described in paragraphs 13-19 and Appendices B-E of IFRS 1 (2008), has an entity in its opening IFRS statement of financial position: a) recognised all assets and liabilities whose recognition is required by IFRSs; b) not recognised items as assets or liabilities if IFRSs do not permit such recognition; c) reclassified items that it recognised in accordance with previous GAAP as one type of asset, liability or component of equity, but are a different type of asset, liability or component of equity in accordance with IFRSs; and d) applied IFRSs in measuring all recognised assets and liabilities?	
1A	IFRS 1 (2008).11	Has the entity recognised directly in retained earnings (or, if appropriate, another category of equity) at the date of transition to IFRSs, adjustments that result from differences between the accounting policies that the entity used in its opening IFRS statement of financial position and those that it used for the same date using its previous GAAP? <i>Note: The adjustments are treated as adjustments to equity because they arise from events and transactions before the date of transition to IFRSs.</i> Exemptions from other IFRSs	
1B	IFRS 1 (2008).18	Has the entity elected to use one or more of the exemptions contained in Appendices C-E?	
1B	IFRS 1 (2008).C1	Has the entity considered the election not to apply IFRS 3 (2008) retrospectively to past business combinations (business combinations that occurred before the date of transition to IFRSs)? <i>Note: First-time adopters may elect not to apply IFRS 3 Business Combinations, retrospectively to business combinations that occurred before the date of transition to IFRSs.</i>	
1B	IFRS 1 (2008).C1	If the entity has restated any past business combination to comply with IFRS 3 (2008), has it also done the following: a) restated all later business combinations; b) applied IAS 27 (2008) from the same date? <i>Note: For example, if a first-time adopter elects to restate a business combination that occurred on 30 June 20X6, it shall restate all business combinations that occurred between 30 June 20X6 and the date of transition to IFRSs, and it shall also apply IAS 27 (2008) from 30 June 20X6.</i>	
1B	IFRS 1 (2008).C2	If the entity does not apply IAS 21 <i>The Effects of Changes in Foreign Exchange Rates</i> retrospectively to fair value adjustments and goodwill arising in business combinations that occurred before the date of transition, has it treated those fair value adjustments and goodwill as assets and liabilities of the entity rather than as assets and liabilities of the acquiree? <i>Note: Therefore, those goodwill and fair value adjustments either are already expressed in the entity's functional currency or are non-monetary foreign currency items, which are reported using the exchange rate applied in accordance with previous GAAP.</i>	

TQ	Reference	Recognition/measurement requirement	Yes / No / N/A
1B	IFRS 1 (2008).C3	If the entity does apply IAS 21 retrospectively, has it applied IAS 21 to either: a) all business combinations that occurred before the date of transition to IFRSs; or b) all business combinations that the entity elects to restate to comply with IFRS 3, as permitted by paragraph C1 (see above)? <i>Note: First-time adopters are not required to apply IAS 21 retrospectively to fair value adjustments and goodwill arising in business combinations that occurred before the date of transition to IFRSs. Where they elect to apply these requirements retrospectively, it must be on one of the bases described in paragraph C3.</i>	
1B	IFRS 1 (2008).C4	If the entity has elected not to apply IFRS 3 retrospectively to past business combinations: a) Has the entity kept the same classification (as an acquisition by the legal acquirer, a reverse acquisition by the legal acquiree, or a uniting of interests) as its previous GAAP financial statements? b) Has the entity recognised all its assets and liabilities at the date of transition to IFRSs that were acquired or assumed in a past business combination, other than: i) some financial assets and financial liabilities derecognised in accordance with previous GAAP (paragraph B2 of IFRS 1(2008) – see below)? ii) assets, including goodwill, and liabilities that were not recognised in the acquirer's consolidated statement of financial position in accordance with previous GAAP and also would not qualify for recognition in accordance with IFRSs in the separate statement of financial position of the acquiree (paragraphs C4(f)-C4(i) of Appendix C to IFRS 1(2008) – see below)? Has the entity recognised any resulting change arising from the above by adjusting retained earnings (or, if appropriate, another category of equity), unless the change results from the recognition of an intangible asset that was previously subsumed within goodwill (see paragraph C4 (g) (i) of Appendix C to IFRS 1(2008))? a) Has the entity excluded from its opening IFRS statement of financial position any item recognised in accordance with previous GAAP that does not qualify for recognition as an asset or liability under IFRSs? Has the entity accounted for the resulting change as follows: i) If the entity classified a past business combination as an acquisition and recognised as an intangible asset an item that does not qualify for recognition as an asset under IAS 38, has the entity reclassified that item (and, if any, the related deferred tax and non-controlling interests) as part of goodwill (unless it deducted goodwill directly from equity under previous GAAP, paragraphs C4(g)(i) and C4(i) of Appendix C to IFRS 1(2008) – see below)? ii) recognised all other resulting changes in retained earnings? <i>Note: Such changes include reclassifications from or to intangible assets if goodwill was not recognised under previous GAAP as an asset. This arises if, under previous GAAP, the entity:</i> <i>deducted goodwill directly from equity; or</i> <i>did not treat the business combination as an acquisition.</i>	

TQ	Reference	Recognition/measurement requirement	Yes / No / N/A
		b) IFRSs require subsequent measurement of some assets and liabilities on a basis that is not based on original cost. Has the entity measured these assets and liabilities applying IFRS requirements in its opening IFRS statement of financial position, even if they were acquired or assumed in a past business combination? Has the entity recognised any resulting change in the carrying amount by adjusting retained earnings (or, if appropriate, another category of equity), rather than goodwill? c) If assets acquired and liabilities assumed in a business combination were recognised under previous GAAP, have the carrying amounts of those assets and liabilities under previous GAAP, immediately after the business combination, been deemed to be their cost under IFRSs at the same date? If IFRSs require a cost-based measurement of those assets and liabilities at a later date, has the entity applied the deemed cost as the basis for cost-based depreciation or amortisation from the date of the business combination? d) If an asset acquired, or liability assumed, in a past business combination was not recognised in accordance with previous GAAP, has the entity recognised and measured assets and liabilities in its consolidated financial statements on the basis that IFRSs would require in the statement of financial position of the acquiree? <i>Note: To illustrate, if the acquirer had not, under its previous GAAP, capitalised finance leases acquired in a past business combination, it shall capitalise those leases in its consolidated financial statements, as IAS 17 would require the acquiree to do in its separate IFRS statement of financial position. Similarly, if the acquirer had not, under its previous GAAP, recognised a contingent liability that still exists at the date of transition to IFRSs, the acquirer shall recognise that contingent liability at that date unless IAS 37 would prohibit its recognition in the financial statements of the acquiree. Conversely, if an asset or liability was subsumed in goodwill under previous GAAP but would have been recognised separately under IFRS 3, that asset or liability remains in goodwill unless IFRSs would require its recognition in the separate financial statements of the acquiree.</i> e) Has the first-time adopter adjusted the carrying amount of goodwill in accordance with previous GAAP in the opening IFRS statement of financial position at the date of transition only as follows: i) If required by paragraph C4(c)(i), increased the carrying amount of goodwill when it reclassifies an item that it recognised as an intangible asset in accordance with previous GAAP? Similarly, if paragraph C4(f) requires the first-time adopter to recognise an intangible asset that was subsumed in recognised goodwill under previous GAAP, has the first-time adopter decreased the carrying amount of goodwill accordingly (and, if applicable, adjusted deferred tax and non-controlling interests)? ii) Has the first-time adopter performed an impairment test under IAS 36, at the date of transition, regardless of whether there is any indication that the goodwill may be impaired at the date of transition to IFRSs? Has the entity recognised any resulting impairment loss in retained earnings (or, if so required by IAS 36, in revaluation surplus)? <i>Note: The impairment test shall be based on conditions at the date of transition to IFRSs.</i>	

TQ	Reference	Recognition/measurement requirement	Yes / No / N/A
		f) Has the entity made no further adjustments to the carrying amount of goodwill at the date of transition to IFRSs? <i>Note: For example, the first-time adopter shall not restate the carrying amount of goodwill:</i> - to exclude in-process research and development acquired in that business combination (unless the related intangible asset would qualify for recognition in accordance with IAS 38 in the statement of financial position of the acquiree); - to adjust previous amortisation of goodwill; - to reverse adjustments to goodwill that IFRS 3 would not permit, but were made in accordance with previous GAAP because of adjustments to assets and liabilities between the date of the business combination and the date of transition to IFRSs.	
		g) If the first-time adopter recognised goodwill in accordance with previous GAAP as a deduction from equity: i) Has the entity not recognised that goodwill in its opening IFRS statement of financial position? Furthermore, has the entity <u>not</u> reclassified that goodwill to profit or loss if it has disposed of the subsidiary or if the investment in the subsidiary has become impaired since the date of transition? ii) Has the entity recognised in retained earnings adjustments resulting from the subsequent resolution of a contingency affecting the purchase consideration?	
		h) In accordance with its previous GAAP, the first-time adopter may not have consolidated a subsidiary acquired in a past business combination (e.g. because the parent did not regard it as a subsidiary under previous GAAP or did not prepare consolidated financial statements). Has the first-time adopter adjusted the carrying amounts of the subsidiary's assets and liabilities to the amounts that IFRSs would require in the subsidiary's statement of financial position? Has the deemed cost of goodwill been taken as the difference at the date of transition to IFRSs between: i) the parent's interest in those adjusted carrying amounts; and ii) the cost in the parent's separate financial statements of its investment in the subsidiary? i) Has the first-time adopter followed the measurement of other assets and liabilities in measuring the non-controlling interests and deferred tax? <i>Note: The above adjustments to recognised assets and liabilities affect non-controlling interests and deferred tax.</i>	
1B	IFRS 1 (2008).C5	Has the entity also applied the exemption for past business combinations to past acquisitions of investments in associates and of interests in joint ventures?	
1B	IFRS 1 (2008).C5	Has the entity applied the date selected in paragraph C1 of IFRS 1(2008) (see above) to all such acquisitions (i.e. applies to subsidiaries, associates and joint ventures)?	

TQ	Reference	Recognition/measurement requirement	Yes / No / N/A
		Share-based payment transactions	
1C	IFRS 1 (2008).D2	Has the entity considered making an election to apply IFRS 2 <i>Share-based Payment</i> to equity instruments that were granted on or before 7 November 2002? <i>Note: First-time adopters are not required to apply IFRS 2 to equity instruments that were granted on or before 7 November 2002. However, they are encouraged to do so. If a first-time adopter elects to apply IFRS 2 to such equity instruments, it may do so only if the entity has disclosed publicly the fair value of those equity instruments, determined at the measurement date, as defined in IFRS 2.</i>	
1C	IFRS 1 (2008).D2	Has the entity considered making an election to apply IFRS 2 to equity instruments that were granted after 7 November 2002 that vested before the later of (a) the date of transition to IFRSs, and (b) 1 January 2005? <i>Note: First-time adopters are not required to apply the requirements of IFRS 2 to equity instruments that were granted after 7 November 2002 that vested before the later of (a) the date of transition to IFRSs and (b) 1 January 2005. However, they are encouraged to do so. If a first-time adopter elects to apply IFRS 2 to such equity instruments, it may do so only if the entity has disclosed publicly the fair value of those equity instruments, determined at the measurement date, as defined in IFRS 2.</i>	
1C	IFRS 1 (2008).D2	For all grants of equity instruments to which IFRS 2 has not been applied (e.g. grants of equity instruments on or before 7 November 2002), has the entity disclosed the information as required by paragraphs 44 and 45 of IFRS 2 (see relevant section of Deloitte's Presentation and Disclosure Checklist)?	
1C	IFRS 1 (2008).D2	If a first-time adopter modifies the terms or conditions of a grant of equity instruments to which IFRS 2 has not been applied, has it considered the fact that it is not required to apply paragraphs 26 to 29 of IFRS 2 if the modification occurred before the date of transition to IFRSs?	
1C	IFRS 1 (2008).D3	Has the entity considered making an election to apply IFRS 2 to liabilities arising from share-based payments transactions that were settled before the date of transition to IFRSs? <i>Note: First-time adopters are not required to apply IFRS 2 to liabilities arising from share-based payment transactions that were settled before the date of transition to IFRSs. However, they are encouraged to do so.</i>	
1C	IFRS 1 (2008).D3	Has the entity considered making an election to apply IFRS 2 to liabilities arising from share-based payments transactions that were settled before 1 January 2005? <i>Note: First-time adopters are not required to apply IFRS 2 to liabilities arising from share-based payment transactions that were settled before 1 January 2005. However, they are encouraged to do so.</i>	
1C	IFRS 1 (2008).D3	For liabilities to which IFRS 2 is applied, has it considered the fact that a first-time adopter is not required to restate comparative information to the extent that the information relates to a period or date that is earlier than 7 November 2002?	

TQ	Reference	Recognition/measurement requirement	Yes / No / N/A
		Insurance contracts	
1D	IFRS 1 (2008).D4	Has the entity considered applying the transitional provisions in IFRS 4?	
		<i>Note: The transitional provisions of IFRS 4 allow that the Standard may be applied for accounting periods beginning on or after 1 January 2005, although earlier application is encouraged. Therefore, first time adopters need only apply the requirements of IFRS 4 retrospectively from the first accounting period beginning after 1 January 2005. Earlier application is encouraged.</i>	
1D	IFRS 1 (2008).D4	Has the entity only changed accounting policies for insurance contracts when the criteria set out in IFRS 4 have been met?	
		<i>Note: IFRS 4 restricts changes in accounting policies for insurance contracts, including changes made by a first-time adopter.</i>	
		Fair value or revaluation as deemed cost	
1E	IFRS 1 (2008).D5	Has the entity considered the option to elect to measure items of property, plant and equipment at the date of transition at their fair value, and to use that fair value as deemed cost at that date?	
1E	IFRS 1 (2008).D6	Has the entity considered the option to elect to use a previous GAAP revaluation of an item of property, plant and equipment at, or before, the date of transition to IFRSs as deemed cost at the date of the revaluation?	
1E	IFRS 1 (2008).D6	If the entity has elected to use a previous GAAP revaluation, was the revaluation broadly comparable (at the date of revaluation) to: a) fair value; or b) cost or depreciated cost in accordance with IFRSs, adjusted to reflect, for example, changes in a general or specific price index?	
1F, G	IFRS 1 (2008).D7	Has the entity considered that the available elections set out in paragraphs D5 and D6 of IFRS 1(2008) (see above) are also available for: a) investment property, if an entity elects to use the cost model in IAS 40 <i>Investment Property</i>?	
		<i>Note: If the entity has elected the fair value model as its accounting policy for investment property, those items are required to be measured at fair value at the date of transition.</i>	
		b) intangible assets that meet: i) the recognition criteria in IAS 38 <i>Intangible Assets</i> (including reliable measurement of original cost); and ii) the criteria in IAS 38 for revaluation (including the existence of an active market)?	
		<i>Note: Entities are not permitted to use these elections (paragraphs D5 and D6 of IFRS 1(2008)) for other assets or for liabilities.</i>	
1A	IFRS 1 (2008).D8	If the first-time adopter has established a deemed cost under previous GAAP for some or all of its assets and liabilities by measuring them at their fair value at one particular date because of an event such as a privatisation or initial public offering, has it considered the option to elect to use such event-driven fair value measurements as deemed cost for IFRSs at the date of that measurement?	

TQ	Reference	Recognition/measurement requirement	Yes / No / N/A
1H	IFRS 1 (2008).D9	IFRIC 4 Determining whether an arrangement contains a lease	
		Has the entity considered applying the transitional provisions in IFRIC 4?	
		<i>Note: A first-time adopter may apply the transitional provisions in IFRIC 4. Therefore, a first-time adopter may determine whether an arrangement existing at the date of transition to IFRSs contains a lease on the basis of facts and circumstances existing at that date.</i>	
1I	IFRS 1 (2008).D10	Employee benefits	
		Has the entity considered the option to recognise all cumulative actuarial gains and losses at the date of transition to IFRSs, even if it uses the corridor approach for later actuarial gains and losses?	
		Where the entity has taken the option available under paragraph D10 of IFRS 1(2008) (see above), has the entity applied the election to all plans?	
1I	IFRS 1 (2008).D10	If the entity has not elected to recognise all cumulative actuarial gains and losses at the date of transition to IFRSs and instead determined to adopt the 'corridor' approach retrospectively, have cumulative actuarial gains or losses between the inception of the plan and the date of transition to IFRSs been split into a recognised and an unrecognised portion?	
1J	IFRS 1 (2008).D13	Cumulative translation differences	
		Has the first-time adopter considered the option to elect to:	
		a) deem the cumulative translation differences for <u>all</u> foreign operations to be zero at the date of transition to IFRSs; b) exclude translation differences that arose before the date of transition to IFRSs from the gain or loss on a subsequent disposal of any foreign operation; and c) include subsequent-to-date-of-transition translation differences as a component of equity and reclassify them from equity to profit or loss as part of the gain or loss on a subsequent disposal of the foreign operation translation?	
1K	IFRS 1 (2008).D12	<i>Note: If the election available under paragraph D13 of IFRS 1(2008) (see above) is not applied, IAS 21 requires an entity:</i>	
		• to recognise some translation differences in other comprehensive income and accumulate these in a separate component of equity; and • on disposal of a foreign operation, to reclassify the cumulative translation difference for that foreign operation (including, if applicable, gains and losses on related hedges) from equity to profit or loss as part of the gain or loss on disposal.	
		Investments in subsidiaries, joint controlled entities and associates	
1K	IFRS 1 (2008).D14	Has the entity, when preparing its separate financial statements, elected to account for its investments in subsidiaries, jointly controlled entities and associates either:	
		a) at cost; or	
		b) in accordance with IAS 39?	

TQ	Reference	Recognition/measurement requirement	Yes / No / N/A
1K	IFRS 1 (2008).D15	<i>Note: If the entity measures its investment in subsidiaries, jointly controlled entities and associates at cost in accordance with IAS 27, has the entity measured the investments at one of the following amounts in its separate opening IFRS statement of financial position:</i> a) cost determined in accordance with IAS 27; or b) deemed cost. The deemed cost of such an investment shall be its: i) fair value (determined in accordance with IAS 39) at the entity's date of transition to IFRSs in its separate financial statements; or ii) previous GAAP carrying amount at that date. <i>A first-time adopter may choose either (i) or (ii) above to measure its investment in each subsidiary, jointly controlled entity or associate that it elects to measure using a deemed cost?</i>	
1L	IFRS 1 (2008).D16	Assets and liabilities of subsidiaries, associates and joint ventures If the entity is a subsidiary, and it became a first-time adopter later than its parent, has the entity, in its financial statements, measured its assets and liabilities at either: a) the carrying amounts that would be included in the parent's consolidated financial statements, based on the parent's date of transition to IFRSs, if no adjustments were made for consolidation procedures and for the effects of the business combination in which the parent acquired the subsidiary; or b) the carrying amounts required by the rest of IFRS 1(2008), based on the subsidiary's date of transition to IFRSs? <i>Note: The carrying amounts under paragraph D16(b) could differ from those described in paragraph D16(a):</i> - when the exemptions in IFRS 1(2008) result in measurements that depend on the date of transition to IFRSs; and - when the accounting policies used in the subsidiary's financial statements differ from those in the consolidated financial statements. For example, the subsidiary may use the cost model in IAS 16, whereas the group may use the revaluation model.	
1L	IFRS 1 (2008).D16	Has the entity considered the option to apply the election available under paragraph D16 of IFRS 1(2008) (see above) if it is an associate or joint venture that became a first-time adopter later than the entity that has significant influence or joint control over it?	
1M	IFRS 1 (2008).D17	If the entity is a parent (or an investor in an associate or a venturer) and it became a first-time adopter later than its subsidiary (or associate or joint venture), has the entity, in its consolidated financial statements, measured the assets and liabilities of the subsidiary (or associate or joint venture) at the same carrying amounts as in the separate financial statements of the subsidiary (or associate or joint venture), after adjusting for consolidation and equity accounting adjustments and for the effects of the business combination in which the entity acquired the subsidiary?	
1N	IFRS 1 (2008).D17	If a parent (or an investor in an associate or a venturer) becomes a first-time adopter for its separate financial statements earlier or later than for its consolidated financial statements, has the entity measured its assets and liabilities at the same amounts in both financial statements, except for consolidation adjustments?	

TQ	Reference	Recognition/measurement requirement	Yes / No / N/A
10	IFRS 1 (2008).D18	Compound financial instruments	
		If, under previous GAAP, the entity did not separate recognised compound financial instruments into a debt and an equity component (as required by IAS 32) and the liability component of that compound financial instrument is no longer outstanding at the date of transition, has the entity considered the option available to elect not to separate the two equity portions?	
		<i>Note: IAS 32 requires an entity to split a compound financial instrument at inception into separate liability and equity components. If the liability component is no longer outstanding, retrospective application of IAS 32 involves separating two portions of equity. The first portion is in retained earnings, and represents the cumulative interest accreted on the liability component. The other represents the original equity component.</i>	
		If, under previous GAAP, the entity did not separate recognised compound financial instruments into a debt and equity component as required by IAS 32, and the liability component of that compound financial instrument is still outstanding at the date of transition, has the entity separated the instrument into its debt and equity components in accordance with IAS 32?	
1P	IFRS 1 (2008).D19 (a)	Designation of previously recognised financial instruments	
		<i>Note: IAS 39 permits certain financial assets to be designated on initial recognition as available-for-sale, and certain financial instruments to be designated as financial assets or financial liabilities at fair value through profit or loss. IFRS 1(2008) allows a number of exceptions to the requirement to designate on initial recognition, as set out below.</i>	
		Has the entity considered the option available to make an available-for-sale designation at the date of transition to IFRSs?	
		Has the entity considered the option available to designate, at the date of transition to IFRSs, any financial asset or financial liability as at fair value through profit or loss provided the asset or liability meets the criteria in paragraph 9(b)(i), 9(b)(ii) or 11A of IAS 39 at that date.	
1P	IFRS 1 (2008).D19 (b)	Fair value measurement of financial assets or financial liabilities	
		Notwithstanding the requirements of paragraphs 7 and 9 of IFRS 1(2008), has the entity considered applying the requirements in the last sentence of IAS 39 paragraph AG76, and paragraph AG76A, in either of the following ways:	
		a) prospectively to transactions entered into after 25 October 2002; or	
		b) prospectively to transactions entered into after 1 January 2004?	
1P	IFRS 1 (2008).D20		

TQ	Reference	Recognition/measurement requirement	Yes / No / N/A
1Q	IFRS 1 (2008).D21	Decommissioning liabilities included in the cost of property, plant and equipment Has the entity considered making an election not to apply IFRIC 1 to changes in decommissioning, restoration or similar liabilities that occurred before the date of transition to IFRSs? <i>Note: IFRIC 1, Changes in Existing Decommissioning, Restoration and Similar Liabilities, requires specified changes in a decommissioning, restoration or similar liability to be added to or deducted from the cost of the asset to which it relates; the adjusted depreciable amount of the asset is then depreciated prospectively over its remaining useful life.</i>	
1Q	IFRS 1 (2008).D21	If the entity has elected not to apply IFRIC 1 to those changes in a decommissioning, restoration or similar liability that occurred before the date of transition to IFRSs, has it: - measured the liability as at the date of transition to IFRSs in accordance with IAS 37 <i>Provisions, Contingent Liabilities and Contingent Assets</i>; - to the extent that the liability is within the scope of IFRIC 1, estimated the amount that would have been included in the cost of the related asset when the liability first arose, by discounting the liability to that date using its best estimate of the historical risk-adjusted discount rate(s) that would have applied for that liability over the intervening period; and - calculated the accumulated depreciation on that amount, as at the date of transition to IFRSs, on the basis of the current estimate of the useful life of the asset, using the depreciation policy adopted by the entity under IFRSs? Financial assets or intangible assets accounted for in accordance with IFRIC 12	
1R	IFRS 1 (2008).D22	Has the entity considered applying the transitional provisions in IFRIC 12 <i>Service Concession Arrangements</i>?	
	IFRS 1 (2008).D22	<i>Note: A first-time adopter may apply the transitional provisions in IFRIC 12. Therefore, if for any particular service arrangement, it is impracticable for an operator to apply IFRIC 12 retrospectively at the start of the earliest period presented, the entity shall:</i> <i>recognise financial assets and intangible assets that existed at the start of the earliest period presented;</i> <i>use the previous carrying amounts of those financial and intangible assets as their carrying amounts as at that date; and</i> <i>test financial and intangible assets recognised at that date for impairment, unless this is not practicable, in which case the amounts shall be tested for impairment as at the start of the current period.</i>	
IV	IFRS 1 (2008).D23	Borrowing costs Has the entity considered applying the transitional provisions set out in paragraphs 27 and 28 of IAS 23 (2007)? <i>Note: In paragraphs 27 and 28 of IAS 23 (2007), references to the effective date shall be interpreted as 1 January 2009 or the date of transition to IFRSs, whichever is later.</i>	

TQ	Reference	Recognition/measurement requirement	Yes / No / N/A
		Exceptions to retrospective application of other IFRSs	
	IFRS 1 (2008).13	<i>Note: As described below, IFRS 1(2008) prohibits retrospective application of some aspects of other IFRSs. These exceptions are set out in paragraphs 14-17 and Appendix B to IFRS 1 (2008).</i>	
	IFRS 1 (2008).B1	<i>An entity shall apply the following exceptions:</i> a) derecognition of financial assets and financial liabilities; b) hedge accounting; c) non-controlling interests.	
		Derecognition of financial assets and financial liabilities	
1S	IFRS 1 (2008).B2	Except as permitted by paragraph B3, has the entity applied the derecognition requirements in IAS 39 <u>prospectively</u> for transactions occurring on or after 1 January 2004? <i>Note: If a first-time adopter derecognised non-derivative financial assets or non-derivative financial liabilities under its previous GAAP as a result of a transaction that occurred before 1 January 2004, it shall not recognise those assets and liabilities under IFRSs (unless they qualify for recognition as a result of a later transaction or event).</i>	
1S	IFRS 1 (2008).B3	Has the entity considered making an election to apply the derecognition requirements in IAS 39 retrospectively from a date of the entity's choosing, provided that the information needed to apply IAS 39 to financial assets and financial liabilities derecognised as a result of past transactions was obtained at the time of initially accounting for those transactions? Hedge accounting	
1T	IFRS 1 (2008).B4	As required by IAS 39, at the date of transition to IFRSs has the entity: a) measured all derivatives at fair value; and b) eliminated all deferred losses and gains arising on derivatives that were reported in accordance with previous GAAP as if they were assets or liabilities?	
1T	IFRS 1 (2008).B5	Has the entity not reflected in its opening IFRS statement of financial position a hedging relationship of a type that does not qualify for hedge accounting under IAS 39? <i>Note: For example, many hedging relationships where the hedging instrument is a cash instrument or written option, where the hedged item is a net position, or where the hedge covers interest risk in a held-to-maturity investment.</i>	
1T	IFRS 1 (2008).B5	If the entity designated a net position as a hedged item under previous GAAP, has the entity considered designating an individual item within that net position as a hedged item under IFRSs, provided that it does so no later than the date of transition to IFRSs?	
1T	IFRS 1 (2008).B6	If, before the date of transition to IFRSs, an entity had designated a transaction as a hedge but the hedge does not meet the conditions for hedge accounting in IAS 39, has the entity applied paragraphs 91 and 101 of IAS 39 to discontinue hedge accounting?	
1T	IFRS 1 (2008).B6	Were all transactions entered into before the date of transition to IFRSs not retrospectively designated as hedges?	

TQ	Reference	Recognition/measurement requirement	Yes / No / N/A
1U	IFRS 1 (2008).B7	Non-controlling interests Has the first-time adopter applied the following requirements of IAS 27 (as amended in 2008) prospectively from the date of transition to IFRSs: a) the requirement in paragraph 28 that total comprehensive income is attributed to the owners of the parent and to the non-controlling interests even if this results in the non-controlling interests having a deficit balance; b) the requirements in paragraphs 30 and 31 for accounting for changes in the parent's ownership interest in a subsidiary that do not result in a loss of control; and c) the requirements in paragraphs 34–37 for accounting for a loss of control over a subsidiary and the related requirements of paragraph 8A of IFRS 5? <i>Note: However, if a first-time adopter elects to apply IFRS 3(2008) Business Combinations retrospectively to past business combinations, it also shall apply IAS 27(2008) in accordance with paragraph C1 of IFRS 1.</i> Estimates Are the entity's estimates under IFRSs at the date of transition to IFRSs consistent with estimates made for the same date under previous GAAP (after adjustments to reflect any difference in accounting policies), unless there is objective evidence that those estimates were in error? <i>Note: An entity may receive information after the date of transition to IFRSs about estimates that it had made under previous GAAP. Under paragraph 14, an entity shall treat the receipt of that information in the same way as non-adjusting events after the reporting period under IAS 10. For example, assume that an entity's date of transition to IFRSs is 1 January 20X4 and new information on 15 July 20X4 requires the revision of an estimate made under previous GAAP at 31 December 20X3. The entity shall not reflect that new information in its opening IFRS statement of financial position (unless the estimates need adjustment for any differences in accounting policies or there is objective evidence that the estimates were in error). Instead, the entity shall reflect that new information in its statement of comprehensive income (or, if appropriate, other changes in equity) for the year ended 31 December 20X4.</i>	
	IFRS 1 (2008).15		
	IFRS 1 (2008).16	If the entity needs to make estimates under IFRSs at the date of transition to IFRSs that were not required at that date under previous GAAP do those estimates made under IFRSs reflect conditions that existed at the date of transition to IFRSs? <i>Note: In particular, estimates at the date of transition to IFRSs of market prices, interest rates or foreign exchange rates shall reflect market conditions at that date.</i>	
	IFRS 1 (2008).17	In addition to applying paragraphs 14 to 16 of IFRS 1 (2008) (see above) to the opening IFRS statement of financial position, have those requirements also been applied to comparative periods presented in an entity's first IFRS financial statements? <i>Note: When applying paragraphs 14 to 16 to comparative periods, the references to the date of transition to IFRSs are replaced by references to the end of that comparative period.</i>	

TQ	Reference	Recognition/measurement requirement	Yes / No / N/A
		<i>Effective date</i>	
	IFRS 1 (2008).34	An entity shall apply this IFRS if its first IFRS financial statements are for period beginning on or after 1 July 2009. Earlier application is permitted.	
	IFRS 1 (2008).35	An entity shall apply the amendments in paragraphs D1(n) and D23 for annual periods beginning on or after 1 July 2009. If an entity applies IAS 23 <i>Borrowing Costs</i> (2007) for an earlier period, those amendments shall be applied for that earlier period.	
	IFRS 1 (2008).36	IFRS 3 <i>Business Combinations</i> (2008) amended paragraphs 19, C1 and C4(f) and (g). If an entity applies IFRS 3 (2008) for an earlier period, the amendments shall also be applied for that earlier period.	
	IFRS 1 (2008).37	IAS 27 <i>Consolidated and Separate Financial Statements</i> (2008) amended paragraphs B1 and B7. If an entity applies IAS 27 (2008) for an earlier period, the amendments shall be applied for that earlier period.	
	IFRS 1 (2008).38	<i>Cost of an Investment in a Subsidiary, Jointly Controlled Entity or Associate</i> (Amendments to IFRS 1(2008) and IAS 27), issued in May 2008, added paragraphs 31, D1(g), D14 and D15. An entity shall apply those paragraphs for annual periods beginning on or after 1 July 2009. Earlier application is permitted. If an entity applies the paragraphs for an earlier period, it shall disclose that fact.	
	IFRS 1 (2008).39	Paragraph B7 was amended by <i>Improvements to IFRSs</i> issued in May 2008. An entity shall apply those amendments for annual periods beginning on or after 1 July 2009. If an entity applies IAS 27 (2008) for an earlier period, the amendments shall be applied for that earlier period.	

IFRS 2 Share-based Payment

TQ	Reference	Recognition/measurement requirement	Yes / No / N/A
		<i>This section of the questionnaire addresses IFRS 2, which prescribes the accounting for the situation where an entity enters into a transaction in which the consideration paid for goods or services is linked, either directly or indirectly to the entities' equity securities or equity instruments of another entity in the same group. The principal issues relate to the measurement of the share-based payment transaction and the subsequent expensing thereof.</i> SCOPE NOTE <i>IFRS 2 defines a share-based payment arrangement as an agreement between the entity and another party (including an employee) to enter into a share-based payment transaction, which thereby entitles the other party to receive cash or other assets of the entity for amounts that are based on the price of the entity's shares or other equity instruments of the entity, or to receive equity instruments of the entity, provided the specified vesting conditions, if any, are met.</i> <i>A share-based payment transaction is a transaction in which the entity receives goods or services as consideration for equity instruments of the entity (including shares or share options), or acquires goods or services by incurring liabilities to the supplier of those goods or services for amounts that are based on the price of the entity's shares or other equity instruments of the entity.</i> <i>An entity shall apply IFRS 2 in accounting for all share-based payment transactions including:</i> <i>a) equity-settled share-based payment transactions, in which the entity receives goods or services as consideration for equity instruments of the entity (including shares or share options);</i> <i>b) cash-settled share-based payment transactions, in which the entity acquires goods or services by incurring liabilities to the supplier of those goods or services for amounts that are based on the price (or value) of the entity's shares or other equity instruments of the entity; and</i> <i>c) transactions in which the entity receives or acquires goods or services and the terms of the arrangement provide either the entity or the supplier of those goods or services with a choice of whether the entity settles the transaction in cash (or other assets) or by issuing equity instruments.</i> <i>For the purposes of IFRS 2, transfers of an entity's equity instruments by its shareholders to parties that have supplied goods or services to the entity (including employees) are share-based payment transactions, unless the transfer is clearly for a purpose other than payment for goods or services supplied to the entity. This also applies to transfers of equity instruments of the entity's parent, or equity instruments of another entity in the same group as the entity, to parties that have supplied goods or services to the entity.</i> <i>For the purposes of IFRS 2, a transaction with an employee (or other party) in his/her capacity as a holder of equity instruments of the entity is not a share-based payment transaction. For example, if an entity grants all holders of a particular class of its equity instruments the right to acquire additional equity instruments of the entity at a price that is less than the fair value of those equity instruments, and an employee receives such a right because he/she is a holder of equity instruments of that particular class, the granting or exercise of that right is not subject to the requirements of this IFRS.</i> <i>An entity shall not apply IFRS 2 to transactions in which the entity acquires goods as part of the net assets acquired in a business combination to which IFRS 3 applies. Hence, equity instruments issued in a business combination in exchange for control of the acquiree are not within the scope of this IFRS. However, equity instruments granted to employees of the acquiree in their capacity as employees (e.g. in return for continued service) are within the scope of IFRS 2. Similarly, the cancellation, replacement or other modification of share-based payment arrangements because of a business combination or other equity restructuring shall be accounted for in accordance with IFRS 2.</i>	

TQ	Reference	Recognition/measurement requirement	Yes / No / N/A
		<i>IFRS 2 does <u>not</u> apply to share-based payment transactions in which the entity receives or acquires goods or services under a contract within the scope of paragraphs 8 to 10 of IAS 32 or paragraphs 5 to 7 of IAS 39.</i> <i>IFRIC 8, Scope of IFRS 2, was issued in January 2006 and it clarifies that IFRS 2 applies to share-based payment transactions in which the entity cannot specifically identify some or all of the goods or services received. In the absence of specifically identifiable goods or services, other circumstances may indicate that goods or services have been (or will be) received, in which case IFRS 2 applies.</i> <i>IFRIC 11, IFRS 2 – Group and Treasury Share Transactions, was issued in November 2006 and it clarifies the application of IFRS 2 to certain share-based payment arrangements involving the entity's own equity instruments and to arrangements involving equity instruments of the entity's parent.</i> <i>An entity shall <u>not</u> apply IFRS 2 to transactions in which the entity acquires goods as part of the net assets acquired in a business combination as defined by IFRS 3 (2008), in a combination of entities or businesses under common control as described in paragraphs B1-B4 of IFRS 3, or the contribution of a business on the formation of a joint venture as defined by IAS 31. Hence, equity instruments issued in a business combination in exchange for control of the acquiree are not within the scope of this IFRS. However, equity instruments granted to employees of the acquiree in their capacity as employees (e.g. in return for continued service) are within the scope of IFRS 2. Similarly, the cancellation, replacement or other modification of share-based payment arrangements because of a business combination or other equity restructuring shall be accounted for in accordance with IFRS 2.</i> <i>Note: Paragraph 5 of IFRS 2 was amended by Improvements to IFRSs issued in April 2009. An entity shall apply the amendment for annual periods beginning on or after 1 July 2009. Earlier application is permitted. If an entity applies IFRS 3(2008) for an earlier period, the amendments should also be applied for that earlier period.</i> <i>Note: In June 2009, the IASB amended IFRS 2 to clarify its scope and the accounting for group cash-settled share-based payment transactions in the separate or individual financial statements of the entity receiving the goods or services when that entity has no obligation to settle the share-based payment transaction. The amendments also incorporate the guidance contained in IFRIC 8 Scope of IFRS 2, and IFRIC 11 IFRS 2 – Group and Treasury Share Transactions. As a result, the IASB withdrew IFRIC 8 and IFRIC 11.</i> <i>An entity should apply the amendments retrospectively, subject to the transitional provisions in paragraphs 53 – 59 of IFRS 2, in accordance with IAS 8 for annual periods beginning on or after 1 January 2010. If the information necessary for retrospective application is not available, an entity should reflect in its separate or individual financial statements the amounts previously recognised in the group's consolidated financial statements. Earlier application is permitted. If an entity applies for the amendments for a period beginning before 1 January 2010, it shall disclose that fact.</i> <i>The paragraphs below show the revised definitions of the following terms:</i> <i>• share-based payment arrangement;</i> <i>• share-based payment transaction;</i> <i>• equity-settled share-based payment transaction; and</i> <i>• cash-settled share-based payment transaction.</i>	

TQ	Reference	Recognition/measurement requirement	Yes / No / N/A
		IFRS 2 (2009) defines a share-based payment arrangement as an agreement between the entity (or another group entity or any shareholder of any group entity) and another party (including an employee) that entitles the other party to receive (a) cash or other assets of the entity for amounts that are based on the price (or value) of equity instruments (including share or share options) of the entity or another group entity, or (b) equity instruments (including shares or share options) of the entity or another group entity, provided the specified vesting conditions, if any, are met. A share-based payment transaction is a transaction in which the entity receives goods or services from the supplier of those goods or services (including an employee) in a share-based payment arrangement, or incurs an obligation to settle the transaction with the supplier in a share-based payment arrangement when another group entity received those goods or services. An entity shall apply IFRS 2 in accounting for all share-based payment transactions, whether or not the entity can identify specifically some or all of the goods or services received, including: a) equity-settled share-based payment transactions; b) cash-settled share-based payment transactions; and c) transactions in which the entity receives or acquires goods or services and the terms of the arrangement provide either the entity or the supplier of those goods or services with a choice of whether the entity settles the transaction in cash (or other assets) or by issuing equity instruments. A share-based payment transaction may be settled by another group entity (or a shareholder of any group entity) on behalf of the entity receiving or acquiring the goods or services. It also applies to an entity, unless the transaction is clearly for a purpose other than payment for goods or services supplied to the entity receiving them, that a) receives goods or services when another entity in the same group (or a shareholder of any group entity) has the obligation to settle the share-based payment transaction; or b) has an obligation to settle a share-based payment transaction when another entity in the same group receives the goods or services. unless the transaction is clearly for a purpose other than payment for goods or services supplied to the entity receiving them. For the purposes of IFRS 2, a transaction with an employee (or other party) in his/her capacity as a holder of equity instruments of the entity is not a share-based payment transaction. For example, if an entity grants all holders of a particular class of its equity instruments the right to acquire additional equity instruments of the entity at a price that is less than the fair value of those equity instruments, and an employee receives such a right because he/she is a holder of equity instruments of that particular class, the granting or exercise of that right is not subject to the requirements of this IFRS. A cash-settled share-based payment transaction is defined as a share-based payment transaction in which the entity acquires goods or services by incurring a liability to transfer cash or other assets to the supplier of those goods or services for amounts that are based on the price (or value) of equity instruments (including shares or share options) of the entity or another group entity. An equity-settled share-based payment transaction is defined as a share-based payment transaction in which the entity receives goods or services as a consideration for its own equity instruments (including shares or share options), or has no obligation to settle the transaction with the supplier.	

TQ	Reference	Recognition/measurement requirement	Yes / No / N/A
		TAILORING QUESTIONS	
		<i>If you answer "yes" to any of the tailoring questions below, please answer the compliance questions relating to it.</i>	
2A		Does the entity enter into transactions with employees or other parties providing similar services which are settled through the issue of the entity's equity or equity of an entity in the same group?	
2B		Does the entity enter into transactions with parties other than employees which are settled through the issue of the entity's equity or equity of an entity in the same group?	
2C		Does the entity enter into transactions which are settled at an amount determined by reference to the entity's equity or equity of an entity in the same group?	
2D		Does the entity enter into transactions in which the <u>entity</u> has the choice to settle the transaction either through the issue of the entity's equity or equity of an entity in the same group or in cash, the amount of which is determined by reference to the entity's equity or equity of an entity in the same group?	
2E		Does the entity enter into transactions in which the <u>counterparty</u> has the choice to receive payment either in the form of the entity's equity or equity of an entity in the same group or in cash, the amount of which is determined by reference to the entity's equity or equity of an entity in the same group?	
2F		Where the entity has entered into a share-based payment transaction, has the entity modified any terms of its share-based payment arrangement?	
2G		Has the entity entered into share based payment transactions in which the entity cannot identify specifically some or all of the goods or services received?	
2H		Has the entity granted to its employees (or other suppliers) rights to its equity instruments (e.g. share options), and has it chosen or is it required to buy equity instruments (i.e. treasury shares) from another party to satisfy its obligations to its employees?	
2I		Have the entity's employees (or other suppliers) been granted rights to equity instruments of the entity (e.g. share options), either by the entity itself or by its shareholders, and the shareholders of the entity provide the equity instruments needed?	
2J		Has the entity's parent granted rights to its (the parent's) equity instruments direct to the employees (or other suppliers) of the entity such that the parent (not the entity) has the obligation to provide the employees (or other suppliers) of the entity with the equity instruments needed?	
2K		Has the entity granted rights to equity instruments of its parent to its employees (or other suppliers) and the entity has the obligation to provide its employees (or other suppliers) with the equity instruments needed?	
2L		Does the entity receive goods or services from its suppliers as consideration from share-based payment transactions in which another group entity has the obligation to settle the share-based payment?	
		<i>Note: The above paragraph was amended by amendment to IFRS 2 Group Cash-settled Share-based Payment Transactions, issued in June 2009. An entity shall apply the amendment for annual periods beginning on or after 1 January 2010. Earlier application is permitted.</i>	

TQ	Reference	Recognition/measurement requirement	Yes / No / N/A
DETAILED COMPLIANCE QUESTIONS			
Recognition			
2A, B, C, D, E	IFRS 2.7	Has the entity recognised the goods or services received in a share-based payment transaction when it obtains the goods or receives the services?	
2A, B	IFRS 2.7	Has the entity recognised a corresponding increase in equity in respect of goods or services received in an equity-settled share-based payment transaction?	
2C	IFRS 2.7	Has the entity recognised a corresponding liability in a cash-settled share-based payment transaction?	
2A, B, C, D, E	IFRS 2.8	Has the entity recognised the goods or services received for the share based payment transaction as expenses, unless they qualify for recognition as assets?	
Equity-settled share-based payment transactions			
2A, B	IFRS 2.10	For equity-settled share-based payment transactions, has the entity measured the goods or services received, and the corresponding increase in equity, directly, at the fair value of the goods or services received, unless that fair value cannot be estimated reliably?	
		<i>Note: Under the amendments to IFRS 2 Group Cash-settled Share-based Payment Transactions issued in June 2009, an equity-settled share-based payment transaction is defined as a share-based payment transaction in which the entity receives goods or services as consideration for its own equity instruments (including shares or share options), or has no obligation to settle the transaction with the supplier.</i>	
2A, B	IFRS 2.10	If the entity cannot estimate reliably the fair value of the goods or services received in an equity-settled share-based payment transaction, has the entity measured their value, and the corresponding increase in equity, indirectly, by reference to the fair value of the equity instruments granted?	
2A	IFRS 2.11	Where the transaction is with an employee or other parties providing similar services, has the entity recognised the increase in equity at the fair value of the equity instrument granted to the employee at the grant date?	
		<i>Note: The increase in equity is measured indirectly for transactions with employees and similar counterparties because typically it is not possible to estimate reliably the fair value of the services received.</i>	
2B	IFRS 2.13	For transactions with parties other than employees, has the entity recognised the increase in equity at the fair value of the goods or services received at the date that the goods are received or the service rendered, except in rare cases where that fair value cannot be estimated reliably?	
		<i>Note: For such transactions, there is a rebuttable presumption that the fair value of the goods or services can be estimated reliably.</i>	
2B	IFRS 2.13	For transactions with parties other than employees, in the rare cases where the fair value of the goods or services received cannot be estimated reliably, has the entity measured the goods or services received, and the corresponding increase in equity, indirectly, at the fair value of the equity instruments granted, measured at the date the entity obtains the goods or the counterparty renders service?	
2B	IFRS 2 (2009).13A	Has the entity measured the unidentifiable goods or services received (or to be received) as the difference between the fair value of the share-based payment and the fair value of any identifiable goods or services received (or to be received)?	

TQ	Reference	Recognition/measurement requirement	Yes / No / N/A
		<i>Note: In particular, if the identifiable consideration received (if any) by the entity appears to be less than the fair value of the equity instruments granted or liability incurred, typically this situation indicates that other consideration (ie unidentifiable goods or services) has been (or will be) received by the entity.</i>	
2B	IFRS 2 (2009).13A	Has the entity measured the unidentifiable goods or services received at the grant date?	
2B	IFRS 2 (2009).13A	For cash-settled transactions, has the liability been remeasured at the end of each reporting period until it is settled in accordance with paragraphs 30–33 of IFRS 2?	
		<i>Note: Paragraph 13A of IFRS 2 was amended by amendments to IFRS 2 Group Cash-settled Share-based Payment Transactions issued in June 2009. Paragraph 13A incorporates requirements of IFRIC 8. An entity shall apply the amendment for annual periods beginning on or after 1 January 2010. Earlier application is permitted.</i>	
2A, B	IFRS 2.14	Transactions in which services are received Where the equity instruments vest immediately (i.e. the counterparty is not required to complete a specified period of service before they becoming unconditionally entitled to the equity instrument), in the absence of evidence to the contrary, has the entity recognised the services received in full on grant date, with a corresponding increase in equity? <i>Note: In these circumstances, in the absence of evidence to the contrary, it is presumed that services rendered by the counterparty as consideration for the equity instrument have been received.</i>	
2A, B	IFRS 2.15	Where the equity instruments do not vest immediately (i.e. the counterparty is required to complete a specified period of service before becoming unconditionally entitled to the equity instrument), has the entity accounted for the services as they are rendered by the counterparty during the vesting period, with a corresponding increase in equity? <i>Note: In these circumstances, the entity presumes that the services to be rendered by the counterparty as consideration for those equity instruments will be received in the future, during the vesting period. The determination of the vesting period is discussed in more detail later in this section.</i>	
2A, B	IFRS 2.16	Transactions measured by reference to the fair value of the equity instruments granted <u>Determining the fair value of equity instruments granted – general</u> For transaction measured by reference to the fair value of the equity instrument granted, has the entity measured the fair value of the equity instruments at the appropriate measurement date, i.e.: a) for transactions with employees and others providing similar services, at grant date; and b) for others, at the date the entity obtains the goods or the counterparty renders service?	
2A, B	IFRS 2.16, 17	In determining the fair value of the equity instruments granted, has the entity estimated the fair value: a) using market prices, if available, taking into account the terms and conditions of the instruments granted?	

TQ	Reference	Recognition/measurement requirement	Yes / No / N/A
2A, B	IFRS 2.17	b) if market prices are not available, using a valuation technique to estimate what the price of the instrument would have been on the measurement date in an arm's length transaction between knowledgeable willing parties? Where valuation techniques are used, are those techniques generally accepted valuation methodologies that incorporate all factors and assumptions that knowledgeable, willing market participants would consider in setting the price? <i>Note: Additional questions are provided below focussing on the specific terms and conditions that are common features of grants of share or share options to employees (refer Appendix B of IFRS 2).</i> <u>Determining the fair value of equity instruments granted – shares</u>	
2A, B, D, E	IFRS 2.B2	For shares granted to employees, has the fair value of the shares been measured at the market price of the entity's shares (or an estimated market price, if the entity's shares are not publicly traded), adjusted to take into account the terms and conditions upon which the shares were granted that a knowledgeable and willing participant would consider (except for vesting conditions that are excluded from the measurement of fair value in accordance with paragraphs 19 to 21 of IFRS 2 – see later in this section)? <u>Determining the fair value of equity instruments granted – share options</u>	
2A, B, D, E	IFRS 2.B4	If traded options with similar terms and conditions as those issued to employees do not exist, has the fair value of the options granted been estimated by applying an option pricing model? <i>Note: For share options granted to employees, in many cases market prices are not available, because the options granted are subject to terms and conditions that do not apply to traded options.</i>	
2A, B, D, E	IFRS 2.B5	Has the entity considered factors that knowledgeable, willing market participants would consider in selecting the option pricing model to apply? <i>Note: For example, many employee options have long lives, are usually exercisable during the period between vesting date and the end of the options' life, and are often exercised early. These factors should be considered when estimating the grant date fair value of the options.</i>	
2A, B, D, E	IFRS 2.B6	Has the option pricing model taken into account, as a minimum, the following factors: a) the exercise price of the option; b) the life of the option; c) the current price of the underlying shares; d) the expected volatility of the share price; e) the dividends expected on the shares (if appropriate); and f) the risk-free interest rate for the life of the option?	
2A, B, D, E	IFRS 2.B7	Have other factors that knowledgeable, willing market participants would consider in setting the price also been taken into account (except for vesting conditions and reload features that are excluded from the measurement of fair value in accordance with paragraphs 19 to 22 of IFRS 2 – see later in this section)?	
2A, B, D, E	IFRS 2.B10	Have factors that a knowledgeable, willing market participant would <u>not</u> consider in setting the price of a share option (or other equity instrument) <u>not</u> been taken into account when estimating the fair value of share options (or other equity instruments) granted?	

TQ	Reference	Recognition/measurement requirement	Yes / No / N/A
		<i>Note: For example, for share options granted to employees, factors that affect the value of the option from the individual employee's perspective only are not relevant to estimating the price that would be set by a knowledgeable, willing market participant.</i> <i>Inputs to option pricing models</i>	
2A, B, C, D, E	IFRS 2.B11	In estimating the expected volatility of and dividends on the underlying shares, has the entity approximated the expectations that would be reflected in a current market or negotiated exchange price for the option?	
2A, B, C, D, E	IFRS 2.B11	When estimating the effects of early exercise of employee share options, has the entity approximated the expectations that an outside party with access to detailed information about employees' exercise behaviour would develop based on information available at the grant date?	
2A, B, C, D, E	IFRS 2.B12	Where there is a range of reasonable expectations about future volatility, dividends and exercise behaviour, has an expected value been calculated, by weighting each amount within the range by its associated probability of occurrence?	
2A, B, C, D, E	IFRS 2.B13	In determining the inputs to the option pricing model, have expectations about the future generally been based on experience, modified if the future is reasonably expected to differ from the past?	
		<i>Note: In some circumstances, identifiable factors may indicate that unadjusted historical experience is a relatively poor predictor of future experience. For example, if an entity with two distinctly different lines of business disposes of the one that was significantly less risky than the other, historical volatility may not be the best information on which to base reasonable expectations for the future.</i> <i>An entity should not simply base estimates of volatility, exercise behaviour and dividends on historical information without considering the extent to which the past experience is expected to be reasonably predictive of future experience.</i> <i>Expected early exercise</i>	
2A, B, C, D, E	IFRS 2.B18	Have the following factors been considered in estimating early exercise:	
		a) the length of the vesting period, because the share option typically cannot be exercised until the end of the vesting period?	
		<i>Note: Hence, determining the valuation implications of expected early exercise is based on the assumption that the options will vest.</i>	
		b) the average length of time similar options have remained outstanding in the past?	
		c) the price of the underlying shares?	
		<i>Note: Experience may indicate that employees tend to exercise options when the share price reaches a specified level above the exercise price.</i>	
		d) the employee's level within the organisation?	
		<i>Note: For example, experience might indicate that higher-level employees tend to exercise options later than lower-level employees.</i>	
		e) expected volatility of the underlying shares?	
		<i>Note: On average, employees might tend to exercise options on highly volatile shares earlier than on shares with low volatility.</i>	
2A, B, C, D, E	IFRS 2.B20	In estimating the effects of early exercise, has the entity separated each option grant into groups for employees with relatively homogeneous exercise behaviour?	

TQ	Reference	Recognition/measurement requirement	Yes / No / N/A
2A, B, C, D, E	IFRS 2.B22	<i>Expected volatility</i> Is the measure of volatility (that has been used in the option pricing model), the annualised standard deviation of the continuously compounded rates of return on the share over a period of time? <i>Note: Expected volatility is a measure of the amount by which a price is expected to fluctuate during a period. Volatility is typically expressed in annualised terms that are comparable regardless of the time period used in the calculation, for example, daily, weekly or monthly price observations.</i> <i>The rate of return (which may be positive or negative) on a share for a period measures how much a shareholder has benefited from dividends and appreciation (or depreciation) of the share price.</i> <i>The expected annualised volatility of a share is the range within which the continuously compounded annual rate of return is expected to fall approximately two-thirds of the time. For example, to say that a share with an expected continuously compounded rate of return of 12 per cent has a volatility of 30 per cent means that the probability that the rate of return on the share for one year will be between – 18 per cent (12% – 30%) and 42 per cent (12% + 30%) is approximately two-thirds. If the share price is CU100 at the beginning of the year and no dividends are paid, the year-end share price would be expected to be between CU83.53 (CU100 × e^{-0.18}) and CU152.20 (CU100 × e^{0.42}) approximately two-thirds of the time.</i>	
		Have the following factors been considered in estimating expected volatility: a) implied volatility from traded share options on the entity's shares, or other traded instruments of the entity that include option features (such as convertible debt), if any? b) the historical volatility of the share price over the most recent period that is generally commensurate with the expected term of the option (taking into account the remaining contractual life of the option and the effects of expected early exercise)? c) the length of time an entity's shares have been publicly traded? <i>Note: A newly listed entity might have a high historical volatility, compared with similar entities that have been listed longer (see paragraph B26 of Appendix B to IFRS 2 – refer below for additional guidance).</i> d) the tendency of volatility to revert to its mean, (i.e. its long-term average level), and other factors indicating that expected future volatility might differ from past volatility? <i>Note: For example, if an entity's share price was extraordinarily volatile for some identifiable period of time because of a failed takeover bid or a major restructuring, that period could be disregarded in computing historical average annual volatility.</i> e) appropriate and regular intervals for price observations? <i>Note: The price observations should be consistent from period to period. For example, an entity might use the closing price for each week or the highest price for the week, but it should not use the closing price for some weeks and the highest price for other weeks. Also, the price observations should be expressed in the same currency as the exercise price.</i>	

TQ	Reference	Recognition/measurement requirement	Yes / No / N/A
2A, B, C, D, E	IFRS 2.B26	Newly listed entities If a newly listed entity does not have sufficient information on historical volatility, has it nevertheless computed historical volatility for the longest period for which trading activity is available?	
		Has the entity also considered the historical volatility of similar entities following a comparable period in their lives? <i>Note: For example, an entity that has been listed for only one year and grants options with an average expected life of five years might consider the pattern and level of historical volatility of entities in the same industry for the first six years in which the shares of those entities were publicly traded.</i>	
2A, B, C, D, E	IFRS 2.B28	Unlisted entities Where appropriate, has the unlisted entity referred to the volatility that is observable from the internal market that it has set up for its shares that exists as a result of regular issues of options or shares to employees (or other parties)?	
		Has the entity considered the historical or implied volatility of similar listed entities, for which share price or option price information is available, to use when estimating expected volatility? <i>Note: This would be appropriate if the entity has based the value of its shares on the share prices of similar listed entities. If this is not the case, refer to the next question.</i>	
2A, B, C, D, E	IFRS 2.B30	Where the entity has <u>not</u> based its estimate of the value of its shares on the share prices of similar listed entities, and has instead used another valuation methodology to value its shares, has the entity derived an estimate of expected volatility consistent with that valuation methodology? <i>Note: For example, the entity might value its shares on a net asset or earnings basis. It could consider the expected volatility of those net asset values or earnings.</i>	
		<i>Expected dividends</i>	
		<i>Note: Whether expected dividends should be taken into account when measuring the fair value of shares or options granted depends on whether the counterparty is entitled to dividends or dividend equivalents. Refer to the following questions for guidance.</i>	
2A, B, C, D, E	IFRS 2.B31		
2A, B, C, D, E	IFRS 2.B33	When the grant date fair value of shares granted to employees is estimated, has no adjustment been effected for expected dividends if the employee is entitled to receive dividends paid during the vesting period?	
2A, B, C, D, E	IFRS 2.B34	Where employees are <u>not</u> entitled to dividends or dividend equivalents during the vesting period (or before exercise, in the case of an option), has the grant date valuation of the rights to shares or options taken expected dividends into account? <i>Note: That is to say, when the fair value of an option grant is estimated, expected dividends should be included in the application of an option pricing model.</i>	
2A, B, C, D, E	IFRS 2.B34	Where employees are <u>not</u> entitled to dividends or dividend equivalents during the vesting period, when the fair value of a share grant is estimated, has that valuation been reduced by the present value of dividends expected to be paid during the vesting period?	

TQ	Reference	Recognition/measurement requirement	Yes / No / N/A
2A, B, C, D, E	IFRS 2.B35	If the entity uses expected dividend payments in valuing the options, has it considered its historical pattern of increases in dividends?	
		<i>Note: Option pricing models generally call for expected dividend yield. However, the models may be modified to use an expected dividend amount rather than a yield. An entity may use either its expected yield or its expected payments. For example, if an entity's policy has generally been to increase dividends by approximately 3 per cent per year, its estimated option value should not assume a fixed dividend amount throughout the option's life unless there is evidence that supports that assumption.</i>	
2A, B, C, D, E	IFRS 2.B36	Generally, has the assumption about expected dividends been based on publicly available information?	
2A, B, C, D, E	IFRS 2.B36	Has an entity that does not pay dividends, and has no plans to do so, assumed an expected dividend yield of zero?	
2A, B, C, D, E	IFRS 2.B36	Has an emerging entity with no history of paying dividends, but that might expect to begin paying dividends during the expected lives of its employee share options, considered using an average of their past dividend yield (zero) and the mean dividend yield of an appropriately comparable peer group?	
		<i>Risk-free interest rate</i>	
2A, B, C, D, E	IFRS 2.B37	Has the entity used a risk-free interest rate that is the implied yield currently available on zero-coupon government issues of the country in whose currency the exercise price is expressed, with a remaining term equal to the expected term of the option being valued (based on the option's remaining contractual life and taking into account the effects of expected early exercise)?	
2A, B, C, D, E	IFRS 2.B37	Has an appropriate substitute been used, if no such government issues exist or circumstances indicate that the implied yield on zero-coupon government issues is not representative of the risk-free interest rate (e.g. in high inflation economies)?	
2A, B, C, D, E	IFRS 2.B37	Has an appropriate substitute been used, if market participants would typically determine the risk-free interest rate by using that substitute, rather than the implied yield of zero-coupon government issues, when estimating the fair value of an option with a life equal to the expected term of the option being valued?	
		<i>Capital structure effects</i>	
2A, B, C, D, E	IFRS 2.B41	Has the entity considered whether the possible dilutive effect of the future exercise of the share options granted may have an impact on their estimated fair value at grant date?	
	IFRS 2.B39	<i>Note: If share options are written by the entity, new shares are issued when those share options are exercised (either actually issued or issued in substance, if shares previously repurchased and held in treasury are used). Given that the shares will be issued at the exercise price rather than the current market price at the date of exercise, this actual or potential dilution might reduce the share price, so that the option holder does not make as large a gain on exercise as on exercising an otherwise similar traded option that does not dilute the share price.</i> <i>Whether this has a significant effect on the value of the share options granted depends on various factors, such as the number of new shares that will be issued on exercise of the options compared with the number of shares already issued. Also, if the market already expects that the option grant will take place, the market may have already factored the potential dilution into the share price at the date of grant.</i> <i>Option pricing models can be adapted to take into account this potential dilutive effect.</i>	

TQ	Reference	Recognition/measurement requirement	Yes / No / N/A
		<u>Treatment of vesting conditions</u>	
2A, B	IFRS 2.19	Where the grant of equity instruments is conditional upon satisfying specified vesting conditions, has the entity excluded the impact of such conditions, other than market conditions, from the factors considered when estimating the fair value of the shares or share options at the measurement date? <i>Note: A market condition is a condition upon which the exercise price, vesting or exercisability of the equity instrument depends. It is related to the market price of the entity's equity instruments, such as attaining a specified share price or a specified amount of intrinsic value of a share option, or achieving a specified target that is based on the market price of the entity's equity instruments relative to an index of market prices of equity instruments of other entities.</i>	
2A, B	IFRS 2.19	Has the entity taken the vesting conditions (other than market conditions) into account by adjusting the number of equity instruments included in the measurement of the transaction amount so that, ultimately, the amount recognised for goods or services received as consideration for the equity instruments granted is based on the number of equity instruments that eventually vest? <i>Note: Therefore, on a cumulative basis, no amount is recognised for goods or services received if the equity instruments granted do not vest because of a failure to satisfy the vesting condition (e.g. the counterparty fails to complete a specified service period).</i>	
2A, B	IFRS 2.20	To apply the requirements of paragraph 19 of IFRS 2 (see above), - has the entity recognised an amount for goods or services received during the vesting period based on the best available estimate of the number of instruments expected to vest? - has the entity revised the estimate, if necessary, where subsequent information indicates that the number of equity instruments expected to vest differs from the previous estimate? - on vesting date, has the entity revised the estimate to equal the number of instruments that ultimately vested, subject to the requirements of paragraph 21 of IFRS 2 (see below)?	
2A, B	IFRS 2.21	For market conditions, has the entity: - taken the conditions into account when estimating the fair value of the equity instruments granted? - recognised the goods or services received from a counterparty who satisfies all other vesting conditions (e.g. services received from an employee who remains in service for the specified period of service) irrespective of whether that market condition is satisfied?	

TQ	Reference	Recognition/measurement requirement	Yes / No / N/A
		<u>Treatment of non-vesting conditions</u>	
2A, B	IFRS 2.21A	Has the entity taken all non-vesting conditions into account when estimating the fair value of the equity instruments granted?	
2A, B	IFRS 2.21A	Has the entity recognised the goods or services received from a counterparty that satisfies all vesting conditions that are not market conditions (eg services received from an employee who remains in service for the specified period of service) irrespective of whether those non-vesting conditions are satisfied?	
		<i>Notes:</i>	
2A, B	IFRS 2.28A	1) <i>If an entity or counterparty can choose whether to meet a non-vesting condition, the entity shall treat the entity's or counterparty's failure to meet that non-vesting condition during the vesting period as a cancellation.</i>	
2A, B	IFRS 2 BC171A, BC171B	2) <i>A share-based payment may vest even if some non-vesting conditions have not been met.</i> <i>Conditions such as non-compete provisions and transfer restrictions, which apply after the counterparty has become entitled to the share-based payment are not vesting conditions.</i> <i>The feature that distinguishes a performance condition from a non-vesting condition is that the former has an explicit or implicit service requirement and the latter does not.</i>	
		<u>Treatment of a reload feature</u>	
2A, B	IFRS 2.22	Where the share-based payment transaction is in the form of an option that has a reload feature, has the entity: a) excluded the effect of the reload feature when estimating the fair value of options granted at the measurement date? b) treated the reload option as a new option grant if and when the reload option is subsequently granted?	
		<i>Note: A reload feature is a feature that provides for an automatic grant of additional share options whenever the holder exercises previously granted options using the entity's shares rather than cash to satisfy the exercise price.</i>	
		<u>After vesting date</u>	
2A, B	IFRS 2.23	Having recognised the goods or services received in accordance with paragraph 10 to 22 of IFRS 2 (see above), and a corresponding increase in equity, has the entity made no subsequent adjustment to total equity after vesting date?	
		<i>Note: For example, the entity does not subsequently reverse the amount recognised for services received from an employee if the vested equity instruments are later forfeited or, in the case of share options, the options are not exercised. However, this requirement does not preclude the entity from recognising a transfer within equity, i.e. a transfer from one component of equity to another.</i>	

TQ	Reference	Recognition/measurement requirement	Yes / No / N/A
2A, B	IFRS 2.24	<u>If the fair value of the equity instrument cannot be estimated reliably</u> In rare cases, where the entity is unable to estimate reliably the fair value of the equity instruments granted at the measurement date, has the entity: a) measured the equity instruments granted at their intrinsic value, initially at the date the entity obtains the goods, or the counterparty renders the services, and subsequently at the end of each reporting period and at the date of final settlement, with any change in intrinsic value recognised in profit or loss? <i>Note: For a grant of share options, the share-based payment arrangement is finally settled when the options are exercised, are forfeited (e.g. upon cessation of employment) or lapse (e.g. at the end of the option's life).</i> b) recognised the goods or services received based on the number of equity instruments that ultimately vest or (where applicable) are ultimately exercised? <i>Note: To apply this requirement to share options, for example, the entity recognises the goods or services received during the vesting period, if any, in accordance with paragraphs 14 and 15 of IFRS 2 (see above), except that the requirements in paragraph 15(b) concerning a market condition do not apply. The amount recognised for goods or services received during the vesting period is based on the number of share options expected to vest. The entity revises that estimate, if necessary, if subsequent information indicates that the number of share options expected to vest differs from previous estimates. On vesting date, the entity revises the estimate to equal the number of equity instruments that ultimately vested. After vesting date, the entity reverses the amount recognised for goods or services received if the share options are later forfeited, or lapse at the end of the share option's life.</i>	
		2A, B IFRS 2.25 Where, during the vesting period, the entity settles a grant of equity instruments to which paragraph 24 above has been applied (i.e. which it has recorded at intrinsic value): a) if the settlement occurs during the vesting period, has the entity accounted for the settlement as an acceleration of vesting period and therefore recognised immediately the amount that would otherwise have been recognised for services received over the remainder of the vesting period? b) has any payment made on settlement been accounted for as a repurchase of equity instruments (i.e. as a deduction from equity) except to the extent that the amount paid exceeds the intrinsic value of the equity instrument, measured at repurchase date, in which case, does the entity recognise the excess as an expense? Modification to the terms and conditions on which equity instruments were granted, including cancellations and settlements <i>Note: The requirements below to account for the effects of modifications are expressed in the context of share-based payment transactions with employees. However, the requirements should also be applied to share-based payment transactions with parties other than employees that are measured by reference to the fair value of the equity instruments granted. In the latter case, any references in the following paragraphs to "grant date" should instead be taken to refer to the date the entity obtains the goods or the counterparty renders service.</i>	

TQ	Reference	Recognition/measurement requirement	Yes / No / N/A
2F	IFRS 2.27	Where an entity has modified the terms and conditions on which the equity instruments were granted, has the entity: a) recognised, as a minimum, the services received measured at the grant date fair value of the equity instruments granted, unless the instruments do not vest because of a failure to satisfy a vesting condition (other than a market condition) that was specified at grant date?	
2F	IFRS 2.B43	b) if the modification increases the fair value of the equity instruments granted (e.g. by reducing the exercise price) and it occurs during the vesting period, recognised the incremental fair value resulting from the modification over the period from the modification date until the date when the modified equity instruments vest? <i>Note: The incremental fair value is defined as the difference between the fair value of the modified equity instrument and the fair value of the original equity instrument, both estimated as at the date of the modification. Where the incremental fair value is negative it should not be taken into account in the measurement or recognition of either the initial or revised transaction.</i> c) if the modification increases the fair value of the equity instruments granted and it occurs after vesting date, and the employee is not required to complete an additional period of service before becoming unconditionally entitled to the modified equity instruments, recognised the incremental fair value immediately? d) if the modification increases the fair value of the equity instruments granted and occurs after vesting date, and the employee is required to complete an additional period of service before becoming unconditionally entitled to the modified equity instruments, recognised the incremental fair value over the revised remaining vesting period? e) if the modification increases the number of equity instruments granted and occurs during the vesting period, recognised the fair value of the additional instruments granted, measured at the date of the modification, over the period from the modification date until the date when the modified equity instruments vest? f) if the modification increases the number of equity instruments granted and occurs after vesting date, and the employee is not required to complete an additional period of service before becoming unconditionally entitled to the modified equity instruments, recognised the fair value of the additional instruments granted, measured at the date of the modification, immediately? g) if the modification increases the number of equity instruments granted and occurs after vesting date, and the employee is required to complete an additional period of service before becoming unconditionally entitled to the modified equity instruments, recognised the fair value of the additional instruments granted, measured at the date of the modification, over the period from the modification date until the date when the additional equity instruments vest? h) if the modification modifies the vesting conditions in a manner that is beneficial to the employee, taken the modified vesting conditions into account when considering the impact of vesting conditions?	

TQ	Reference	Recognition/measurement requirement	Yes / No / N/A
2F	IFRS 2.28	If a grant of equity instruments is cancelled or settled during the vesting period (other than a grant cancelled by forfeiture when the vesting conditions are not satisfied), has the entity: a) accounted for the cancellation or settlement as an acceleration of vesting and recognised immediately the amount that would otherwise have been recognised for services that would have been received over the remainder of the vesting period? b) accounted for any payment made on the cancellation or settlement as: i) a repurchase of an equity instrument, and ii) an expense for the portion of the payment, if any, that exceeds the fair value of the equity instruments granted, measured at repurchase date?	
2F	IFRS 2.28 (b)	<i>If the share-based payment arrangement included liability components, the entity shall remeasure the fair value of the liability at the date of cancellation or settlement. Any payment made to settle the liability component shall be accounted for as an extinguishment of the liability.</i>	
2F	IFRS 2.28 (c)	If the entity has issued equity instruments and, on the date when those new equity instruments were granted, has identified those instruments as replacement instruments for the cancelled equity instruments, has the entity accounted for the granting of the replacement equity instruments in the same way as a modification of the original grant of equity instruments (refer above)? <i>Note: The net fair value of the cancelled equity instruments is their fair value immediately before the cancellation, less the amount of any payment made to the employee on cancellation of the equity instruments that is accounted for as a deduction from equity (except for the portion of the payment, if any, that exceeds the fair value of the equity instruments granted, measured at the repurchase date, that should be recognised as an expense).</i>	
2F	IFRS 2.28	If the entity has not identified the equity instruments issued as replacement instruments for the cancelled equity instruments, did the entity account for those instruments as a new share-based payment transaction?	
2F	IFRS 2.29	Where an entity has repurchased vested equity instruments, did the entity record the payment made as: a) a repurchase of an equity instrument: and b) an expense for the portion of the payment, if any, that exceeds the fair value of the equity instruments repurchased, measured at repurchase date? Cash-settled share-based payment transactions	
2C	IFRS 2.30	Where the entity has entered into a cash-settled share-based payment transaction, did the entity measure the goods and services acquired and the liability incurred at the fair value of the liability?	
		<i>Note: Under the amendments to IFRS 2, Group Cash-settled Share-based Payment Transactions, issued in June, a cash-settled share-based payment transaction is defined as a share-based payment transaction in which the entity acquires goods or services by incurring liabilities to transfer cash or other assets to the supplier of those goods or services for amounts that are based on the price (or value) of the entity's shares or other equity instruments.</i>	

TQ	Reference	Recognition/measurement requirement	Yes / No / N/A
2C	IFRS 2.30	Has the entity remeasured the liability at fair value at the end of each reporting period and at the date that the liability is settled, with any changes in fair value recognised in profit or loss for the period?	
2C	IFRS 2.32	Does the entity recognise the service received and the liability to pay for those services as the employees render service? <i>Note: For example, some share appreciation rights vest immediately, and the employees are therefore not required to complete a specified period of service to become entitled to the cash payment.</i>	
2C	IFRS 2.32	In the absence of evidence to the contrary, has the entity presumed that the services rendered by the employees in exchange for the share appreciation rights have been received?	
2C	IFRS 2.32	If the share appreciation rights do not vest until the employees have completed a specified period of service, does the entity recognise the service received, and a liability to pay for them, as the employees render service during that period?	
2C	IFRS 2.33	Has the entity measured the liability (initially and at the end of each reporting period) at its fair value by applying an option pricing model which takes into account the terms and conditions on which the share appreciation rights were granted, and the extent to which the employees have rendered service to date? Share-based payment arrangements with cash alternatives	
2D, E	IFRS 2.34	If the entity enters into share-based payment transactions in which the terms of the arrangement provide either the entity or the counterparty with the choice of whether the entity settles the transaction in cash (or other assets) or by issuing equity instruments, has the entity accounted for that transaction, or the components of that transaction: a) as a cash-settled share-based payment transaction if, and to the extent that, the entity has incurred a liability to settle in cash or other assets; or b) as an equity-settled share-based payment transaction if, and to the extent that, no such liability has been incurred? Share-based payment transactions in which the terms of the arrangement provide the <u>counterparty</u> with a choice of settlement	
2E	IFRS 2.35	Has the entity accounted for an instrument that provides the counterparty with the right to choose whether a share-based payment transaction is settled in cash or by issuing equity instruments as a compound financial instrument (see below)? <i>Note: The instrument includes a debt component (the counterparty's right to demand payment in cash) and an equity component (the counterparty's right to demand settlement in equity instruments rather than cash).</i>	
2E	IFRS 2.35	Where the transaction is with a party other than an employee, in which the fair value of the goods or services received is measured directly, has the entity measured the equity component as the difference between the fair value of the goods or services received and the fair value of the debt component at the date the goods or services are received?	
2E	IFRS 2.36	For other transactions, including transactions with employees, has the entity measured the fair value of the compound financial instrument at the measurement date, taking into account the terms and conditions on which the rights to cash or equity instruments were granted?	

TQ	Reference	Recognition/measurement requirement	Yes / No / N/A
2E	IFRS 2.37	For transactions covered by paragraph 36 of IFRS 2 (see above), has the entity measured the fair value of the instrument as the sum of: a) the fair value of the debt component, taking into account that the counterparty must forfeit the right to receive cash in order to receive the equity instrument; and b) the fair value of the equity component taking into account that the counterparty must forfeit the cash alternative in order to receive the equity component?	
2E	IFRS 2.37	When determining the fair value of the compound instrument as described above, has the entity first determined the fair value of the debt component and then the fair value of the equity component? <i>Note: The fair value of the compound financial instrument is the sum of the fair values of the two components. However, share-based payment transactions in which the counterparty has the choice of settlement are often structured so that the fair value of one settlement alternative is the same as the other. For example, the counterparty might have the choice of receiving share options or cash-settled share appreciation rights. In such cases, the fair value of the equity component is zero, and hence the fair value of the compound financial instrument is the same as the fair value of the debt component. Conversely, if the fair values of the settlement alternatives differ, the fair value of the equity component usually will be greater than zero, in which case the fair value of the compound financial instrument will be greater than the fair value of the debt component.</i>	
2E	IFRS 2.38	Has the entity accounted separately for the goods or services received or acquired in respect of each component of the compound financial instrument, as follows: a) for the debt component, has the entity recognised the goods or services acquired, and a liability to pay for those services, as the counterparty supplies goods or renders service, in accordance with the requirements for cash-settled share-based payment transactions (see paragraphs 30 to 33 of IFRS 2 above); and b) for the equity component, has the entity recognised the goods or services received, and an increase in equity, as the counterparty supplies goods or renders service, in accordance with the requirements for an equity-settled share-based payment transaction (see paragraph 10 to 29 of IFRS 2 above)?	
2E	IFRS 2.39	At the date of settlement, has the entity remeasured the liability to its fair value?	
2E	IFRS 2.39	Upon settlement, where the counterparty elects to receive equity rather than cash, has the entity transferred the liability component (which has been remeasured to fair value) to equity, as consideration for the equity instruments issued?	
2E	IFRS 2.40	Upon settlement, where the counterparty elects to receive cash, has the entity applied the payment to settle the liability in full and left any equity component previously recognised in equity?	

TQ	Reference	Recognition/measurement requirement	Yes / No / N/A
		<i>Share-based payment transactions in which the terms of the arrangement provide the <u>entity</u> with a choice of settlement</i>	
2D	IFRS 2.41	Where the entity determines that it has a present obligation to pay cash, has the entity accounted for the share-based payment transaction in accordance with the requirements for cash settled share-based payment transactions (see paragraphs 30 to 33 of IFRS 2 above)?	
		<i>Note: The entity has a present obligation where the choice of settlement in equity instruments has no commercial substance (e.g. because the entity is legally prohibited from issuing shares), or the entity has a past practice or stated policy of settling in cash, or generally settles in cash whenever the counterparty asks for cash settlement.</i>	
2D	IFRS 2.43	Where the entity does not have a present obligation to pay cash, has the entity accounted for the share-based payment transaction in accordance with the requirements for equity-settled share-based payment transactions (see paragraphs 10 to 29 of IFRS 2 above)?	
2D	IFRS 2.43	Upon settlement, where there was no present obligation to pay cash, did the entity: a) if paying cash, account for the payment as a repurchase of an equity instrument? b) if it elects the settlement alternative with the higher fair value, as at the date of settlement, recognise an additional expense for the excess value given? Transactions where the entity cannot identify specifically some or all of the goods or services received	
2G	IFRIC 8.8	Has IFRS 2 been applied to transactions in which the entity cannot identify specifically some or all of the goods or services received?	
2G	IFRIC 8.9	In the absence of specifically identifiable goods or services, has the entity considered whether other circumstances indicate that goods or services have been (or will be) received (in which case IFRS 2 applies)?	
2G	IFRIC 8.9	If the identifiable consideration received (if any) appears to be less than the fair value of the equity instruments granted or liability incurred, has the entity considered that this may indicate that other consideration (i.e. unidentifiable goods or services) has been (or will be) received?	
2G	IFRIC 8.10	Has the entity measured the identifiable goods or services in accordance with IFRS 2?	
2G	IFRIC 8.11	Has the entity measured the unidentifiable goods or services received (or to be received) as the difference between the fair value of the share-based payment and the fair value of any identifiable goods or services received (or to be received)?	
2G	IFRIC 8.12	Has the entity measured the unidentifiable goods or services received (or to be received) at the grant date?	
2G	IFRIC 8.12	For cash-settled transactions, is the liability in respect of unidentifiable goods or services remeasured at the end of each reporting period until it is settled?	
		<i>Note: IFRIC 8 is superseded by amendments to IFRS 2 Group Cash-settled Share-based Payment Transactions issued in June 2009. An entity shall apply those amendments for annual periods beginning on or after 1 January 2010. Earlier application is permitted.</i>	

TQ	Reference	Recognition/measurement requirement	Yes / No / N/A
2H, 2I	IFRIC 11.7	IFRIC 11 IFRS 2 – Group and Treasury Share Transactions	
		<i>Note: IFRIC 11 clarifies the application of IFRS 2, Share-based Payment, to certain share-based payment arrangements involving the entity's own equity instruments and to arrangements involving equity instruments of the entity's parent. For the arrangements involving equity instruments of the entity's parent, the Interpretation addresses accounting in the separate financial statements of the subsidiary that receives services from its employees.</i>	
	IFRIC 11.7	Share-based payment arrangements involving an entity's own equity instruments	
		Has the entity accounted for share-based payment transactions in which it receives services as consideration for its own equity instruments as equity-settled?	
2J	IFRIC 11.8	<i>Note: This applies regardless of whether the entity chooses or is required to buy those equity instruments from another party to satisfy its obligations to its employees under the share-based payment arrangement. It also applies regardless of whether:</i> - the employee's rights to the entity's equity instruments were granted by the entity itself or by its shareholder(s); or - the share-based payment arrangement was settled by the entity itself or by its shareholder(s).	
		Share-based payment arrangements involving equity instruments of the parent – parent grants the rights to the employees/suppliers of its subsidiary	
	IFRIC 11.9	Provided that the share-based arrangement is accounted for as equity-settled in the consolidated financial statements of the parent, has the entity measured the services received from its employees (or other suppliers) in accordance with the requirements applicable to equity-settled share-based payment transactions, with a corresponding increase recognised in equity as a contribution from its parent?	
2J	IFRIC 11.10	Where the parent has granted rights to the employees (or other suppliers) of its subsidiaries conditional upon the completion of continuing service with the group for a specified period, and an employee has transferred employment from one subsidiary to another subsidiary during the specified vesting period without his or her rights to equity instruments of the parent under the original share-based payment arrangement being affected: a) has each subsidiary measured the services received from the employee by reference to the fair value of the equity instruments at the date those rights to equity instruments were originally granted by the parent as defined in Appendix A to IFRS 2 and the proportion of the vesting period served by the employee with each subsidiary?	
		b) where such an employee, after transferring between group entities, has failed to satisfy a vesting condition other than a market condition as defined in Appendix A to IFRS 2 (e.g. the employee leaves the group before completing the service period), has each subsidiary adjusted the amount previously recognised in respect of the services received from the employee in accordance with the principles in paragraph 19 of IFRS 2 (see above)?	
	IFRIC 11.10	<i>Note: Hence, if the rights to the equity instruments granted by the parent do not vest because of an employee's failure to meet a vesting condition other than a market condition, no amount is recognised on an cumulative basis for the services received from that employee in the financial statements of any subsidiary.</i>	

TQ	Reference	Recognition/measurement requirement	Yes / No / N/A
2K	IFRIC 11.11	Share-based payment arrangements involving equity instruments of the parent – subsidiary grants the rights to its employees/suppliers Irrespective of how the subsidiary obtains the equity instruments to satisfy its obligations to its employees, has the subsidiary accounted the share-based payment transactions with its employees (or other suppliers) as cash-settled?	
2L	IFRS 2 (2009).43A	<i>Note: IFRIC 11 is superseded by amendments to IFRS 2, Group Cash-settled Share-based Payment Transactions, issued in June 2009. An entity shall apply those amendments for annual periods beginning on or after 1 January 2010. Earlier application is permitted.</i> Share-based payment transactions among group entities For share-based payment transactions among group entities, in its separate or individual financial statements, has the entity receiving the goods or services measured the goods or services received as either an equity-settled or a cash-settled share-based payment transaction by assessing: a) the nature of the awards granted, and b) its own rights and obligations? <i>Note: The amount recognised by the entity receiving the goods or services may differ from the amount recognised by the consolidated group or by another group entity settling the share-based payment transaction.</i>	
2L	IFRS 2 (2009).43B	Has the entity receiving the goods or services measured the goods or services received as an equity-settled share-based payment transaction when: a) the awards granted are its own equity instruments, or b) the entity has no obligation to settle the share-based payment transaction? <i>Note: The entity shall subsequently remeasure such an equity-settled share-based payment transaction only for changes in non-market vesting conditions in accordance with paragraphs 19–21 of IFRS 2. In all other circumstances, the entity receiving the goods or services shall measure the goods or services received as a cash-settled share-based payment transaction.</i>	
2L	IFRS 2 (2009).43C	Has the entity settling a share-based payment transaction when another entity in the group receives the goods or services recognised the transaction as an equity-settled share-based payment transaction only if it is settled in the former entity's own equity instruments?	
2L	IFRS 2 (2009).43C	<i>Note: Otherwise, the transaction should be recognised as a cash-settled share-based payment transaction.</i>	
2L	IFRS 2 (2009).43D	If the group transactions involve repayment arrangements that require one group entity to pay another group entity for the provision of the share-based payments to the suppliers of goods or services, has the entity that receives the goods or services accounted for the share-based payment transaction in accordance with paragraph 43B of IFRS 2 regardless of intragroup repayment arrangements? <i>Note: Paragraph 43A-43D and B45 – B61 of IFRS 2 were added by amendments to IFRS 2 Group Cash-settled Share-based Payment Transactions issued in June 2009. They incorporate and amend the requirements of IFRIC 11. An entity shall apply the amendment for annual periods beginning on or after 1 January 2010. Earlier application is permitted.</i>	

TQ	Reference	Recognition/measurement requirement	Yes / No / N/A
2L	IFRS 2 (2009).B49	Share-based payment arrangements involving an entity's own equity instruments Has the entity accounted for share-based payment transactions in which it receives services as consideration for its own equity instruments as equity-settled? <i>Note: This applies regardless of whether the entity chooses or is required to buy those equity instruments from another party to satisfy its obligations to its employees under the share-based payment arrangement. It also applies regardless of whether:</i> a) the employee's rights to the entity's equity instruments were granted by the entity itself or by its shareholder(s); or b) the share-based payment arrangement was settled by the entity itself or by its shareholder(s).	
2L	IFRS 2 (2009).B50	If the shareholder has an obligation to settle the transaction with its investee's employees and the investee is in the same group as the shareholder, has the shareholder measured its obligation in accordance with the requirements applicable to cash-settled share-based payment transactions in the shareholder's separate financial statements and those applicable to equity-settled share-based payment transactions in the shareholder's consolidated financial statements? <i>Note: If the shareholder has an obligation to settle the transaction with its investee's employees, it provides equity instruments of its investee rather than its own.</i> A parent grants rights to its equity instruments to the employees of its subsidiary	
2L	IFRS 2 (2009).B53	As the subsidiary does not have an obligation to provide its parent's equity instruments to the subsidiary's employees, has the subsidiary measured the services received from its employees in accordance with the requirements applicable to equity-settled share-based payment transactions, and recognised a corresponding increase in equity as a contribution from the parent?	
2L	IFRS 2 (2009).B54	As the parent has an obligation to settle the transaction with the subsidiary's employees by providing the parent's own equity instruments, has the parent measured its obligation in accordance with the requirements applicable to equity-settled share-based payment transactions? A subsidiary grants rights to equity instruments of its parent to its employees	
2L	IFRS 2 (2009).B55	Has the subsidiary accounted for the transaction with its employees as cash-settled? <i>Note: Because the subsidiary does not meet either of the conditions in paragraph 43B of IFRS 2, it shall account for the transaction as cash-settled. This requirement applies irrespective of how the subsidiary obtains the equity instruments to satisfy its obligations to its employees.</i>	

TQ	Reference	Recognition/measurement requirement	Yes / No / N/A
		<i>Share-based payment arrangements involving cash-settled payments to employees</i>	
2L	IFRS 2 (2009).B57	As the subsidiary does not have an obligation to settle the transaction with its employees, has the subsidiary accounted for the transaction with its employees as equity-settled, and recognise a corresponding increase in equity as a contribution from its parent.	
2L	IFRS 2 (2009).B57	Has the subsidiary remeasured the cost of the transaction subsequently for any changes resulting from non-market vesting conditions not being met in accordance with paragraphs 19–21 of IFRS 2?	
		<i>Note: This differs from the measurement of the transaction as cash-settled in the consolidated financial statements of the group.</i>	
2L	IFRS 2 (2009).B58	As the parent has an obligation to settle the transaction with the employees, and the consideration is cash, has the parent (and the consolidated group) measured its obligation in accordance with the requirements applicable to cash-settled share-based payment transactions in paragraph 43C of IFRS 2?	
		<i>Transfer of employees between group entities</i>	
2L	IFRS 2 (2009).B59	If the subsidiaries have no obligation to settle the share-based payment transaction with their employees, have the subsidiaries: a) accounted for it as an equity-settled transaction; and b) measured the services received from the employee by reference to the fair value of the equity instruments at the date the rights to those equity instruments were originally granted by the parent as defined in Appendix A of IFRS 2, and the proportion of the vesting period the employee served with each subsidiary?	
2L	IFRS 2 (2009).B60	If the subsidiaries has an obligation to settle the transaction with its employees in its parent's equity instruments, have the subsidiaries: a) accounted for the transaction as cash-settled; and b) measured the services received on the basis of grant date fair value of the equity instruments for the proportion of the vesting period the employee served with each subsidiary; and c) recognised any change in the fair value of the equity instruments during the employee's service period with each subsidiary?	
2L	IFRS 2 (2009).B61	If an employee, after transferring between group entities, may fail to satisfy a vesting condition other than a market condition, have each subsidiary adjusted the amount previously recognised in respect of the services received from the employee in accordance with the principles in paragraph 19 of IFRS 2?	
		<i>Note: For example, the employee leaves the group before completing the service period. In this case, because the vesting condition is service to the group, each subsidiary shall adjust the amount previously recognised in respect of the services received from the employee in accordance with the principles in paragraph 19 of IFRS 2. Hence, if the rights to the equity instruments granted by the parent do not vest because of an employee's failure to meet a vesting condition other than a market condition, no amount is recognised on a cumulative basis for the services received from that employee in the financial statements of any group entity.</i>	

IFRS 3 Business Combinations

TQ	Reference	Recognition/measurement requirement	Yes / No / N/A
3A		<i>This section of the questionnaire addresses IFRS 3, which prescribes the accounting treatment for business combinations. A business combination is the bringing together of separate entities or businesses into one reporting entity – for example through mergers, acquisitions or the purchase of net assets.</i> <i>If an entity obtains control of one or more other entities that are not businesses, the bringing together of those entities is not a business combination.</i> <i>If goodwill is present in a transferred set of activities and assets, the transferred set shall be presumed to be a business.</i> <i>A revised version of IFRS 3 was issued in January 2008. IFRS 3(2008) shall be applied prospectively to business combinations for which the acquisition date is on or after 1 July 2009. Earlier application is permitted. However, IFRS 3(2008) shall be applied only at the beginning of an annual period that begins on or after 30 June 2007. If an entity early applies IFRS 3(2008), it shall apply IAS 27(2008) at the same time.</i> <i>The requirements of IFRS 3(2008) are set out in the next section of this questionnaire, which should be completed for entities that have adopted IFRS 3(2008) in advance of its effective date.</i>	
		SCOPE NOTE	
		<i>IFRS 3 does not apply to:</i> <i>a) business combinations in which separate entities or businesses are brought together to form a joint venture;</i> <i>b) business combinations involving entities or businesses under common control (e.g. a business combination in which the combining entities or businesses have the same ultimate holding company – see paragraphs 10 to 13 of IFRS 3);</i> <i>c) business combinations involving two or more mutual entities; and</i> <i>d) business combinations where a reporting entity is formed by contract alone without the obtaining of an ownership interest (e.g. combinations in which separate entities are brought together by contract alone to form a dual listed entity).</i>	
		TAILORING QUESTIONS	
		<i>If you answer "yes" to any of the tailoring questions below, please answer the compliance questions relating to it.</i> Has the entity entered into a business combination during the period? Notes:	
	IFRS 3.4	1) <i>When the entity acquires a group of assets or net assets that does not constitute a business, this is not a business combination as defined in IFRS 3. In such circumstances, the cost of the group of assets and liabilities should be allocated between the individual identifiable assets and liabilities in the group based on their relative fair values at the acquisition date.</i>	
	IFRS 3.8	2) <i>When the entity obtains control of another entity but the date of obtaining control (i.e. the acquisition date) does not coincide with the date or dates of acquiring an ownership interest (i.e. the date or dates of exchange), such a transaction should be accounted for as a business combination. This situation may arise, for example, when an investee enters into share buy-back arrangements with some of its investors and, as a result, control of the investee changes.</i>	

TQ	Reference	Recognition/measurement requirement	Yes / No / N/A
3B		Was the business combination achieved in stages, for example through successive share purchases?	
3C		Did a business combination agreement of a business combination that occurred in the current or a previous period provide for an adjustment to the cost of the business combination contingent on future events that may have occurred during the period or that may occur in a future period?	
	IFRS 3.33	<i>Note: A business combination agreement may allow for adjustments to the cost of the combination that are contingent on one or more future events. The adjustment might, for example, be contingent on a specified level of profit being maintained or achieved in future periods, or on the market price of the instruments issued being maintained.</i>	
3D		Has goodwill been recognised in the current year or previous periods?	
3E		Is the entity's interest in the net fair values of the identifiable assets, liabilities, and contingent liabilities of the acquiree <u>greater</u> than the cost of the acquisition?	
3F		Was the initial accounting for a business combination determined provisionally in either the current or the prior year?	
		<i>Note: This would be the case if the identification and determination of the fair values of the acquiree's identifiable assets, liabilities and contingent liabilities, or the cost of the combination could only be determined provisionally by the end of the accounting period in which the business combination took place.</i>	
3G		Has the entity entered into a business combination that is classified as a 'reverse acquisition' during the period?	
	IFRS 3.B1	<i>Note: A 'reverse acquisition' is a business combination where the acquirer is the entity whose equity interests have been acquired (legal subsidiary) and the issuing entity is the acquiree (legal parent).</i>	
DETAILED COMPLIANCE QUESTIONS			
Scope			
Identifying a business combination			
3A	IFRS 3.4	Do all recognised business combinations result in control being obtained over one or more businesses?	
3A	IFRS 3.6	If the business combination has resulted in a parent-subsidiary relationship, has the acquirer applied IFRS 3 in its consolidated financial statements and IAS 27 <i>Consolidated and Separate Financial Statements</i> to account for the investment in subsidiary in its financial statements?	
3A	IFRS 3.7	Where the transaction has resulted in the acquisition of the net assets (including any goodwill) and business of another entity, but not the purchase of the equity of that other entity, has the transaction been accounted for as a business combination notwithstanding that it does not result in a parent-subsidiary relationship?	
Method of accounting			
3A	IFRS 3.14	Have all business combinations within the scope of IFRS 3 been accounted for by applying the purchase method?	

TQ	Reference	Recognition/measurement requirement	Yes / No / N/A
3A		Application of the purchase method	
		<i>Identifying the acquirer</i>	
	IFRS 3.17	Has an acquirer been identified in all business combinations?	
		Notes:	
	IFRS 3.17	1) <i>The acquirer is the combining entity that obtains control of the other combining entities or businesses.</i>	
	IFRS 3.19	2) <i>Control is the power to govern the financial and operating policies of an entity or business so as to obtain benefits from its activities. Control is presumed to be obtained when an entity obtains more than half of the voting rights of another entity, unless it can be demonstrated that such ownership does not constitute control.</i>	
	IFRS 3.19	3) <i>Even if more than half of the voting rights is not obtained, control may be obtained if the entity obtains:</i> <i>power over more than one-half of the voting rights of the other entity by virtue of an agreement with other investors; or</i> <i>power to govern the financial and operating policies of the other entity under a statute or an agreement; or</i> <i>power to appoint or remove the majority of the members of the board of directors or equivalent governing body of the other entity; or</i> <i>power to cast the majority of votes at meetings of the board of directors or equivalent governing body of the other entity.</i>	
3A	IFRS 3.20	4) <i>Although sometimes it may be difficult to identify an acquirer, there are usually indications that one exists. For example:</i> <i>if the fair value of one of the combining entities is significantly greater than that of the other combining entity, the entity with the greater fair value is likely to be the acquirer;</i> <i>if the business combination is effected through an exchange of voting ordinary equity instruments for cash or other assets, the entity giving up cash or other assets is likely to be the acquirer; and</i> <i>if the business combination results in the management of one of the combining entities being able to dominate the selection of the management team of the resulting combined entity, the entity whose management is able so to dominate is likely to be the acquirer.</i>	
	IFRS 3.21	5) <i>In a business combination effected through an exchange of equity interests, the entity that issues equity interests is normally the acquirer. However, all pertinent facts and circumstances shall be considered to determine which of the combining entities has the power to govern the financial and operating policies of the other entity (or entities) so as to obtain benefits from its (or their) activities.</i>	
	IFRS 3.22	If a new entity was formed to issue equity instruments to effect a business combination, has one of the combining entities which existed before the business combination been identified as the acquirer?	
3A	IFRS 3.23	If the combination involves more than two combining entities, has one of the combining entities that existed before the combination been identified as the acquirer?	
		Note: <i>Factors to consider include which entity initiated the combination, and whether the assets or revenues of one entity significantly exceed those of the others.</i>	

TQ	Reference	Recognition/measurement requirement	Yes / No / N/A
		Reverse acquisitions	
3G	IFRS 3.21	<i>Note: In some business combinations, commonly referred to as reverse acquisitions, the acquirer is the entity whose equity interests have been acquired and the issuing entity is the acquiree. This might be the case when, for example, a private entity arranges to have itself "acquired" by a smaller public entity as a means of obtaining a stock exchange listing. Although legally the issuing public entity is regarded as the parent and the private entity is regarded as the subsidiary, the legal subsidiary is the acquirer if it has the power to govern the financial and operating policies of the legal parent so as to obtain benefits from its activities. Commonly the acquirer is the larger entity. However, the facts and circumstances surrounding a combination sometimes indicate that a smaller entity acquires a larger entity.</i>	
	IFRS 3.B2	<i>An entity shall apply the guidance in paragraphs B3-B15 of IFRS 3 (see end of this section of the questionnaire) when accounting for a reverse acquisition.</i>	
	IFRS 3.B3	<i>Reverse acquisition accounting determines the allocation of the cost of the business combination as at the acquisition date and does not apply to transactions after the combination.</i>	
		Cost of a business combination	
3A	IFRS 3.24	Has the acquirer measured the cost of a business combination as the aggregate of: a) the fair values, at the date of exchange, of assets given, liabilities incurred or assumed, and equity instruments issued by the acquirer, in exchange for control of the acquiree; plus b) any costs directly attributable to the business combination?	
3A	IFRS 3.25	For business combinations achieved through a single exchange transaction, has the acquisition date been identified as the date of exchange?	
	IFRS 3, Appendix A	<i>Note: The acquisition date is defined as "the date on which the acquirer effectively obtains control of the acquiree."</i>	
3B	IFRS 3.25	For business combinations involving more than one exchange transaction: a) has the date of exchange of each exchange transaction been identified as the date that each individual investment was recognised in the financial statements of the acquirer? b) has the acquisition date been identified as the date on which the acquirer obtained control of the acquiree? c) has the cost of the combination been determined as the aggregate cost of the individual transactions?	
3A	IFRS 3.26	If the settlement of any portion of the cost of the business combination is deferred, has the fair value of that component of the cost been determined by discounting the amounts payable to their present value at the date of exchange, taking into account any premium or discount likely to be incurred in settlement?	
3A	IFRS 3.27	Has the published price at the date of exchange of a quoted equity instrument been used to estimate its fair value, except in the rare circumstances when the acquirer can demonstrate that the published price at the date of exchange is an unreliable indicator of fair value, and that other evidence and valuation methods provide a more reliable measure of the equity instrument's fair value?	

TQ	Reference	Recognition/measurement requirement	Yes / No / N/A
		<i>Notes:</i> 1) <i>The published price at the date of exchange is an unreliable indicator of fair value only when it has been affected by thinness of the market.</i> 2) <i>If the published price at the date of exchange is an unreliable indicator or if a published price does not exist for equity instruments issued by the acquirer, the fair value of those instruments could, for example, be estimated by reference to their proportional interest in the fair value of the acquirer or by reference to the proportional interest in the fair value of the acquiree obtained, whichever is the more clearly evident. The fair value at the date of exchange of monetary assets given to owners of the acquiree as an alternative to equity instruments may also provide evidence of the total fair value given by the acquirer in exchange for control of the acquiree.</i> 3) <i>All aspects of the combination, including significant factors influencing the negotiations, shall be considered. Further guidance on determining the fair value of equity instruments is set out in IAS 39, Financial Instruments: Recognition and Measurement.</i>	
3A	IFRS 3.28	Does the cost of the combination exclude future losses or other costs expected to be incurred as a result of the combination? <i>Note: Future losses or expected future cost are not liabilities incurred or assumed by the acquirer in exchange for control of the acquiree, and they are therefore not included as part of the cost of the combination.</i>	
3A	IFRS 3.29	Have all costs that are directly attributable to the combination been included in the cost of the combination? <i>Note: Examples of directly attributable costs include professional fees paid to accountants, legal advisers, valuers and other consultants to effect the combination.</i>	
3A	IFRS 3.29	Have general administrative costs (e.g. the costs of maintaining an acquisition department) and other costs that cannot be directly attributed to the particular business combination been excluded from the cost of the combination and recognised as an expense when incurred?	
3A	IFRS 3.30	Have the costs of arranging and issuing financial liabilities to effect a business combination been excluded from the cost of the combination and included in the initial measurement of the liability in accordance with IAS 39 <i>Financial Instruments: Recognition and Measurement</i> ?	
3A	IFRS 3.31	Have the costs of issuing equity instruments to effect a business combination been excluded from the cost of the combination, and used to reduce the proceeds from the equity issue?	
		<u>Adjustments to the cost of a business combination contingent on future events</u>	
3C	IFRS 3.32	When a business combination agreement provides for an adjustment to the cost of the combination contingent on future events: a) has the amount of that adjustment been included in the cost of the combination at the acquisition date if the adjustment was probable and could be measured reliably?	
3C	IFRS 3.33	b) has the cost of the business combination been adjusted if the future events on which the adjustment is contingent have not occurred, or the estimate of the amount of the adjustment needs to be revised?	
3C	IFRS 3.34	c) if the adjustment was not probable or could not be measured reliably at the time of initially accounting for the combination, has the adjustment been excluded from the cost of the business combination?	

TQ	Reference	Recognition/measurement requirement	Yes / No / N/A
3C	IFRS 3.34	d) if an adjustment was not previously considered probable and/or could not be measured reliably and subsequently became probable and could be measured reliably, has the additional consideration been treated as an adjustment to the cost of the combination?	
	IFRS 3.63	<i>Note: This adjustment shall be made even if the amount becomes probable and measurable more than 12 months after the acquisition date.</i>	
3A	IFRS 3.35	If the acquirer is required to compensate the seller for reductions in the value of assets given, equity instruments issued, or liabilities incurred or assumed by the acquirer in exchange for control of the acquiree: a) has the existing cost of the business combination been retained, i.e. not increased? b) in the case of equity instruments, has the fair value of the additional payment been offset by an equal reduction in the value attributed to the instruments initially issued? c) in the case of debt instruments, has the additional payment been regarded as a reduction in the premium or an increase in the discount on the initial issue? <i>Note: This is the case, for example, when the acquirer guarantees the market price of equity or debt instruments issued as part of the cost of the business combination and is required to issue additional equity or debt instruments to restore the originally determined cost.</i> Allocating the cost of a business combination to the assets acquired and liabilities and contingent liabilities assumed	
3A	IFRS 3.36	Has the acquirer, at the acquisition date, allocated the cost of the business combination by recognising the identifiable assets, liabilities and contingent liabilities of the acquiree that satisfy the recognition criteria in paragraph 37 of IFRS 3 (see below): a) for non-current assets (or disposal groups) that are classified as held for sale in accordance with IFRS 5 at that date – at their fair values less costs to sell? b) for all other assets, liabilities and contingent liabilities – at fair value?	
3A	IFRS 3.37	Have the identifiable assets, liabilities and contingent liabilities of the acquiree been recognised separately by the acquirer at the acquisition date only if they satisfied the following criteria at that date: a) in the case of an asset other than an intangible asset, it was probable that any associated future economic benefits would flow to the acquirer, and its fair value could be measured reliably? b) in the case of a liability other than a contingent liability, it was probable that an outflow of resources embodying economic benefits would be required to settle the obligation, and its fair value could be measured reliably? c) in the case of an intangible asset or a contingent liability, its fair value could be measured reliably?	
3A	IFRS 3.39	Has the purchase method been applied from the acquisition date, which is the date on which the acquirer effectively obtains control of the acquiree? <i>Note: Because control is the power to govern the financial and operating policies of an entity or business so as to obtain benefits from its activities, it is not necessary for a transaction to be closed or finalised at law before the acquirer obtains control. All pertinent facts and circumstances surrounding a business combination shall be considered in assessing when the acquirer has obtained control.</i>	

TQ	Reference	Recognition/measurement requirement	Yes / No / N/A
3A	IFRS 3.38	Has the acquirer's statement of comprehensive income incorporated the acquiree's profits and losses after the acquisition date by including the acquiree's income and expenses based on the cost of the business combination to the acquirer? <i>Note: For example, depreciation expense included after the acquisition date in the acquirer's statement of comprehensive income that relates to the acquiree's depreciable assets shall be based on the fair values of those depreciable assets at the acquisition date, i.e. their cost to the acquirer.</i>	
3A	IFRS 3.40	Has any minority interest in the acquiree been stated at the minority's proportion of the net fair values of the acquiree's identifiable assets, liabilities and contingent liabilities that satisfy the recognition criteria in paragraph 37 of IFRS 3 (see above)? <u>Acquiree's identifiable assets and liabilities</u>	
3A	IFRS 3.41	Has the acquirer recognised separately as part of allocating the cost of the combination only the identifiable assets, liabilities and contingent liabilities of the acquiree that existed at the acquisition date and that satisfy the recognition criteria in paragraph 37 of IFRS 3 (see above)?	
3A	IFRS 3.41	Have liabilities for terminating or reducing the activities of the acquiree as part of allocating the cost of the combination been recognised only when the acquiree had, at the acquisition date, an existing liability for restructuring recognised in accordance with IAS 37 <i>Provisions, Contingent Liabilities and Contingent Assets</i>?	
3A	IFRS 3.41	Has the acquirer, when allocating the cost of the combination, <u>not</u> recognised liabilities for future losses or other costs expected to be incurred as a result of the business combination?	
3A	IFRS 3.42	Where the acquiree is contractually required to make a payment (e.g. to its employees or suppliers) in the event that it is acquired in a business combination, was that present obligation of the acquiree recognised by the acquirer as part of allocating the cost of the combination? <i>Note: The payment is regarded as a contingent liability of the acquiree until it becomes probable that a business combination will take place. The contractual obligation is recognised as a liability by that entity in accordance with IAS 37 when a business combination becomes probable and the liability can be measured reliably.</i>	
3A	IFRS 3.43	Has the acquirer not recognised, as part of allocating the cost of the combination, a liability for an acquiree's restructuring plan whose execution is conditional upon it being acquired in a business combination? <i>Note: In contrast to payments that the acquiree is contractually obliged to make in the event of a business combination, a restructuring plan whose execution is conditional upon its being acquired in a business combination is not, immediately before the business combination, a present obligation of the acquiree. Nor is it a contingent liability of the acquiree arising immediately before the combination because it is not a possible obligation arising from a past event whose existence will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the acquiree.</i>	
3A	IFRS 3.44	Do the identifiable assets and liabilities that have been recognised as part of allocating the cost of acquisition include all of the acquiree's assets and liabilities that the acquirer purchases or assumes, including all of its financial assets and financial liabilities?	

TQ	Reference	Recognition/measurement requirement	Yes / No / N/A
3A	IFRS 3.44	Do the identifiable assets and liabilities that have been recognised as part of allocating the cost of acquisition include assets and liabilities not previously recognised in the acquiree's financial statements (e.g. because they did not qualify for recognition before the acquisition)? <i>Note: For example, a tax benefit arising from the acquiree's tax losses that was not recognised by the acquiree before the business combination qualifies for recognition as an identifiable asset in accordance with paragraph 36 of IFRS 3 if it is probable that the acquirer will have future taxable profits against which the unrecognised tax benefit can be applied.</i> <u>Acquiree's intangible assets</u>	
3A	IFRS 3.45	Has the acquirer recognised separately an intangible asset of the acquiree at the acquisition date only if : a) it meets the definition of an intangible asset in IAS 38 <i>Intangible Assets</i>; and b) its fair value can be measured reliably?	
	IFRS 3.46	<i>Notes:</i> 1) <i>A non-monetary asset without physical substance must be identifiable to meet the definition of an intangible asset. In accordance with IAS 38, an asset meets the identifiability criterion in the definition of an intangible asset only if it:</i> <i>is separable, i.e. capable of being separated or divided from the entity and sold, transferred, licensed, rented or exchanged, either individually or together with a related contract, asset or liability; or</i> <i>arises from contractual or other legal rights, regardless of whether those rights are transferable or separable from the entity or from other rights and obligations.</i> 2) <i>IAS 38 provides guidance on determining whether the fair value of an intangible asset acquired in a business combination can be measured reliably, including the following:</i>	
	IAS 38.33	a) <i>The fair value of an intangible asset reflects market expectations about the probability that the future economic benefits embodied in the asset will flow to the entity. In other words, the effect of probability is reflected in the fair value measurement of the intangible asset. Therefore, the probability recognition criterion in paragraph 21(a) of IAS 38 (see the IAS 38 section of this questionnaire) is always considered to be satisfied for intangible assets acquired in business combinations.</i>	
	IAS 38.35	b) <i>The fair value of intangible assets acquired in business combinations can normally be measured with sufficient reliability to be recognised separately from goodwill. When, for the estimates used to measure an intangible asset's fair value, there is a range of possible outcomes with different probabilities, that uncertainty enters into the measurement of the asset's fair value, rather than demonstrates an inability to measure fair value reliably. If an intangible asset acquired in a business combination has a finite useful life, there is a rebuttable presumption that its fair value can be measured reliably.</i>	
	IAS 38.38	c) <i>The only circumstances in which the fair value of an intangible asset acquired in a business combination cannot be reliably measured is when the intangible asset acquired arises from legal or contractual rights and either (a) it is not separable, or (b) it is separable, but there is no history or evidence of exchange transactions for the same or similar assets and otherwise estimating fair value would be dependent on immeasurable variables.</i>	

TQ	Reference	Recognition/measurement requirement	Yes / No / N/A
3A	IFRS 3.45	Has the acquirer recognised as an asset separately from goodwill an in-process research and development project of the acquiree if the project meets the definition of an intangible asset and its fair value can be measured reliably? Acquiree's contingent liabilities	
3A	IFRS 3.47	In accordance with paragraph 37 of IFRS 3, has the acquirer recognised separately a contingent liability of the acquiree as part of allocating the cost of a business combination only if its fair value can be measured reliably? <i>Notes:</i> 1) <i>Paragraph B16(l) of Appendix B to IFRS 3 provides guidance on determining the fair value of a contingent liability (see below).</i> 2) <i>If the fair value of a contingent liability cannot be measured reliably:</i> <i>there is a resulting effect on the amount recognised as goodwill or accounted for in accordance with paragraph 56 (see below); and</i> <i>the acquirer discloses the information about that contingent liability required to be disclosed by IAS 37.</i>	
3A	IFRS 3.48	Has the acquirer, after initial recognition, measured contingent liabilities acquired in a business combination and that are recognised separately, at the higher of: a) the amount that would be recognised in accordance with IAS 37; and b) the amount initially recognised less, when appropriate, cumulative amortisation recognised in accordance with IAS 18 <i>Revenue</i> ?	
	IFRS 3.49	<i>Note: This requirement does not apply to contracts accounted for in accordance with IAS 39.</i>	
3A	IFRS 3.49	Have loan commitments that are excluded from the scope of IAS 39 been recognised separately as contingent liabilities of the acquiree as part of allocating the cost of a combination where: a) they are not commitments to provide loans at below-market interest rates; b) at the acquisition date, it is not probable that an outflow of resources embodying economic benefits will be required to settle the obligation or the amount of the obligation cannot be measured with sufficient reliability; and c) the fair value of the contingent liability can be measured reliably? Application guidance	
3A	IFRS 3.B16	For the purpose of allocating the cost of a business combination, has the acquirer treated the following measures as fair values: a) for financial instruments traded in an active market, current market values? b) for financial instruments not traded in an active market, estimated values that take into consideration features such as price-earnings ratios, dividend yields and expected growth rates of comparable instruments of entities with similar characteristics? c) for receivables, beneficial contracts and other identifiable assets, the present values of the amounts to be received, determined at appropriate current interest rates, less allowances for uncollectibility and collection costs, if necessary? <i>Note: Discounting is not required for short-term receivables, beneficial contracts and other identifiable assets when the difference between the nominal and discounted amounts is not material.</i>	

TQ	Reference	Recognition/measurement requirement	Yes / No / N/A
		d) for inventories of: i) finished goods and merchandise, selling prices less the sum of (1) the costs of disposal and (2) a reasonable profit allowance for the selling effort of the acquirer based on profit for similar finished goods and merchandise; ii) work in progress, selling prices of finished goods less the sum of (1) costs to complete, (2) costs of disposal and (3) a reasonable profit allowance for the completing and selling effort based on profit for similar finished goods; and iii) raw materials, current replacement costs? e) for land and buildings, market values? f) for plant and equipment, market values, normally determined by appraisal? <i>Note: If there is no market-based evidence of fair value because of the specialised nature of the item of plant and equipment and the item is rarely sold, except as part of a continuing business, an acquirer may need to estimate fair value using an income or a depreciated replacement cost approach.</i> g) for intangible assets, has the fair value been determined: i) by reference to an active market as defined in IAS 38; or ii) if no active market exists, on a basis that reflects the amounts the acquirer would have paid for the assets in arm's length transactions between knowledgeable willing parties, based on the best information available? <i>Note: See IAS 38 for further guidance on determining the fair values of intangible assets acquired in business combinations.</i> h) for net employee benefit assets or liabilities for defined benefit plans, the present value of the defined benefit obligation less the fair value of any plan assets? <i>Note: An asset is recognised only to the extent that it is probable it will be available to the acquirer in the form of refunds from the plan or a reduction in future contributions.</i> i) for tax assets and liabilities, the amount of the tax benefit arising from tax losses or the taxes payable in respect of profit or loss in accordance with IAS 12 <i>Income Taxes</i>, assessed from the perspective of the combined entity? <i>Note: The tax asset or liability is determined after allowing for the tax effect of restating identifiable assets, liabilities and contingent liabilities to their fair values and is not discounted.</i> j) for accounts and notes payable, long-term debt, liabilities, accruals and other claims payable, the present values of amounts to be disbursed in settling the liabilities determined at appropriate current interest rates? <i>Note: Discounting is not required for short-term liabilities when the difference between the nominal and discounted amounts is not material.</i> k) for onerous contracts and other identifiable liabilities of the acquiree, the present values of amounts to be disbursed in settling the obligations determined at appropriate current interest rates? l) for contingent liabilities of the acquiree, the amounts that a third party would charge to assume those contingent liabilities?	

TQ	Reference	Recognition/measurement requirement	Yes / No / N/A
		<i>Notes:</i> 1) Such an amount shall reflect all expectations about possible cash flows and not the single most likely or the expected maximum or minimum cash flow. 2) Some of the above guidance requires fair values to be estimated using present value techniques. If the guidance for a particular item does not refer to the use of present value techniques, such techniques may be used in estimating the fair value of that item.	
		<u>Goodwill</u>	
3D	IFRS 3.51	Has the acquirer recognised goodwill acquired in a business combination as an asset?	
3D	IFRS 3.51	Has goodwill been initially measured at its cost?	
		<i>Note: The cost of goodwill is the excess of the cost of the business combination over the acquirer's interest in the net fair value of the identifiable assets, liabilities and contingent liabilities recognised in accordance with paragraph 36 of IFRS 3 (see above).</i>	
3D	IFRS 3.54	After initial recognition, has goodwill been measured at cost less any accumulated impairment losses?	
		<i>Note: Goodwill shall not be amortised.</i>	
3D	IFRS 3.55	Has goodwill been tested for impairment on an annual basis, or more frequently if circumstances indicate that it may be impaired?	
		<i>Note: The impairment test should be performed in accordance with IAS 36 (see relevant section of this questionnaire).</i>	
		<u>Excess of acquirer's interest in net fair values of acquiree's identifiable assets, liabilities and contingent liabilities over cost</u>	
3E	IFRS 3.56	If the acquirer's interest in the net fair value of the identifiable assets, liabilities and contingent liabilities recognised in accordance with paragraph 36 of IFRS 3 exceeds the cost of the business combination, has the acquirer: a) reassessed the identification and measurement of the acquiree's identifiable assets, liabilities and contingent liabilities? b) reassessed the measurement of the cost of the business combination? c) immediately recognised any excess remaining after the above reassessments in profit or loss?	
	IFRS 3.57	<i>Note: The gain could be as a result of:</i> - errors in measuring the fair value of either the cost of the combination or the acquiree's identifiable assets, liabilities or contingent liabilities. Possible future costs arising in respect of the acquiree that have not been reflected correctly in the fair value of the acquiree's identifiable assets, liabilities or contingent liabilities are a potential source of such errors; - a requirement in an accounting standard to measure identifiable net assets acquired at an amount that is not fair value, but is treated as though it is fair value for the purpose of allocating the cost of the combination. For example, the guidance in Appendix B on determining the fair values of the acquiree's identifiable assets and liabilities requires the amount assigned to tax assets and liabilities to be undiscounted; or - a bargain purchase.	

TQ	Reference	Recognition/measurement requirement	Yes / No / N/A
3B	IFRS 3.58	<u>Business combination achieved in stages</u> If a business combination involves more than one exchange transaction (e.g. when it occurs in stages by successive share purchases), has the acquirer treated each exchange transaction separately, using the cost of the transaction and the fair value information at each exchange date to determine the amount of goodwill associated with each transaction? <i>Note: This results in a step-by-step comparison of the cost of the individual investments with the acquirer's interest in the fair values of the acquiree's identifiable assets, liabilities and contingent liabilities at each step.</i>	
		Has any adjustment to fair values of the acquiree's identifiable assets, liabilities and contingent liabilities relating to previously-held interests of the acquirer been accounted for as a revaluation? <i>Notes:</i> 1) <i>When a business combination involves more than one exchange transaction, the fair values of the acquiree's identifiable assets, liabilities and contingent liabilities may be different at the date of each exchange transaction. Because:</i> <i>the acquiree's identifiable assets, liabilities and contingent liabilities are notionally restated to their fair values at the date of each exchange transaction to determine the amount of any goodwill associated with each transaction; and</i> <i>the acquiree's identifiable assets, liabilities and contingent liabilities must then be recognised by the acquirer at their fair values at the acquisition date,</i> <i>any adjustment to those fair values relating to previously-held interests of the acquirer is a revaluation and shall be accounted for as such.</i> 2) <i>Because this revaluation arises on the initial recognition by the acquirer of the acquiree's assets, liabilities and contingent liabilities, it does not signify that the acquirer has elected to apply an accounting policy of revaluing those items after initial recognition in accordance with, for example, IAS 16, Property, Plant and Equipment</i> IFRS 3.60 3) <i>Before qualifying as a business combination, a transaction may qualify as an investment in an associate and be accounted for in accordance with IAS 28 Investments in Associates using the equity method. If so, the fair values of the investee's identifiable net assets at the date of each earlier exchange transaction will have been determined previously in applying the equity method to the investment.</i> <i>Illustrative Example 6 to IFRS 3 illustrates the application of the guidance in paragraphs 58-60 of IFRS 3 to business combinations achieved in stages.</i> <u>Initial accounting determined provisionally</u> <i>Note: The initial accounting for a business combination involves identifying and determining the fair values to be assigned to the acquiree's identifiable assets, liabilities and contingent liabilities and the cost of the combination.</i>	
3F	IFRS 3.62	If the initial accounting for a business combination could be determined only provisionally by the end of the period in which the combination is effected because either the fair values to be assigned to the acquiree's identifiable assets, liabilities or contingent liabilities or the cost of the combination could be determined only provisionally, has the acquirer accounted for the combination using those provisional values?	

TQ	Reference	Recognition/measurement requirement	Yes / No / N/A
3F	IFRS 3.62	Once initial accounting is completed, are adjustments to the provisional values recognised only: a) within 12 months of the acquisition date, and b) from the acquisition date? <i>Notes:</i> 1) <i>When applying these requirements:</i> <i>the carrying amount of an identifiable asset, liability or contingent liability that is recognised or adjusted as a result of completing the initial accounting shall be calculated as if its fair value at the acquisition date had been recognised from that date;</i> <i>goodwill or any gain recognised in accordance with paragraph 56 of IFRS 3 shall be adjusted from the acquisition date by an amount equal to the adjustment to the fair value at the acquisition date of the identifiable asset, liability or contingent liability being recognised or adjusted; and</i> <i>comparative information presented for the periods before the initial accounting for the combination is complete shall be presented as if the initial accounting had been completed from the acquisition date. This includes any additional depreciation, amortisation or other profit or loss effect recognised as a result of completing the initial accounting.</i> 2) <i>Illustrative Example 7 to IFRS 3 illustrates the application of the guidance in paragraph 62 of IFRS 3 on completing the initial accounting for a business combination when the acquirer has, at the end of the first period after the combination, accounted for the combination using provisional values.</i> <u>Adjustments after initial accounting is complete</u>	
3A	IFRS 3.63	Have adjustments to the initial accounting for a business combination after that initial accounting is complete (except for adjustments related to contingent purchase consideration, and deferred tax assets) been recognised only to correct an error in accordance with IAS 8 <i>Accounting Policies, Changes in Accounting Estimates and Errors</i>? <i>Note: Adjustments to the initial accounting for a business combination after that accounting is complete shall not be recognised for the effect of changes in estimates. In accordance with IAS 8, the effect of a change in estimates shall be recognised in the current and future periods.</i>	
3A	IFRS 3.64	Where an error in the initial accounting for a business combination has been corrected: a) has the carrying amount of an identifiable asset, liability or contingent liability of the acquiree that has been recognised or adjusted as a result of an error correction been calculated as if its fair value or adjusted fair value at the acquisition date had been recognised from that date? b) has goodwill or any gain recognised in a prior period arising from the excess of the acquirer's interest in the net fair value of the acquiree's identifiable assets, liabilities and contingent liabilities over cost been adjusted retrospectively by an amount equal to the fair value at the acquisition date (or the adjustment to the fair value at the acquisition date) of the identifiable asset, liability or contingent liability recognised (or adjusted) as a result of the error correction? <i>Note: IAS 8 requires an entity to account for an error correction retrospectively, and to present financial statements as if the error had never occurred by restating the comparative information for the prior period(s) in which the error occurred.</i>	

TQ	Reference	Recognition/measurement requirement	Yes / No / N/A
3F	IFRS 3.65	<u>Recognition of deferred tax assets after the initial accounting is complete</u>	
		If the potential benefit of the acquiree's income tax loss carry-forwards or other deferred tax assets did not satisfy the criteria for separate recognition when a business combination is initially accounted for, but has been subsequently realised:	
		a) has the acquirer recognise that benefit as income in accordance with IAS 12? b) has the acquirer reduced the carrying amount of goodwill to the amount that would have been recognised if the deferred tax asset had been recognised from the acquisition date? c) has any reduction in the carrying amount of goodwill been recognised as an expense?	
		<i>Note: This process may not result in the creation of or an increase to the excess of the acquirer's share of the fair value of assets, liabilities or contingent liabilities of the acquiree over the cost of the business combination.</i>	
		Reverse acquisitions	
3G	IFRS 3.B3	<i>Note: Reverse acquisition accounting determines the allocation of the cost of the business combination as at the acquisition date and does not apply to transactions after the combination</i>	
		Cost of the Business Combination	
3G	IFRS 3.B5	If the published price of the equity instruments of the legal subsidiary is used to determine the cost of the combination, has a calculation been made to determine the number of equity instruments the legal subsidiary would have had to issue to provide the same percentage ownership interest of the combined entity to the owners of the legal parent as they have in the combined entity as a result of the reverse acquisition?	
		<i>Note: The fair value of the number of equity instruments so calculated shall be used as the cost of the combination. In a reverse acquisition, the cost of the business combination is deemed to have been incurred by the legal subsidiary (i.e. the acquirer for accounting purposes) in the form of equity instruments issued to the owners of the legal parent (i.e. the acquiree for accounting purposes).</i>	
3G	IFRS 3.B6	If the fair value of the equity instruments of the legal subsidiary is not otherwise clearly evident, has the total fair value of all the issued equity instruments of the legal parent before the business combination been used as the basis for determining the cost of the combination?	

TQ	Reference	Recognition/measurement requirement	Yes / No / N/A
		<i>Preparation and presentation of consolidated financial statements</i>	
3G	IFRS 3.B7	When preparing the consolidated financial statements following a reverse acquisition: a) have the consolidated financial statements been issued under the name of the legal parent, but described in the notes as a continuation of the financial statements of the legal subsidiary (i.e. the acquirer for accounting purposes)? b) have the assets and liabilities of the legal subsidiary been recognised and measured in those consolidated financial statements at their pre-combination carrying amounts? c) are the retained earnings and other equity balances recognised in those consolidated financial statements, the retained earnings and other equity balances of the legal subsidiary immediately before the business combination? d) has the amount recognised as issued equity instruments in those consolidated financial statements been determined by adding to the issued equity of the legal subsidiary immediately before the business combination the cost of the combination determined as described in paragraphs B4 to B6 of Appendix B to IFRS 3 (see above)? <i>Note: However, the equity structure appearing in those consolidated financial statements (i.e. the number and type of equity instruments issued) shall reflect the equity structure of the legal parent, including the equity instruments issued by the legal parent to effect the combination.</i> e) is comparative information presented in those consolidated financial statements that of the legal subsidiary?	
3G	IFRS 3.B8	In the legal parent's separate financial statements, if any, has the investment in the legal subsidiary been accounted for in accordance with the requirements in IAS 27 on accounting for investments in an investor's separate financial statements? <i>Note: Reverse acquisition accounting applies only in the consolidated financial statements.</i>	
3G	IFRS 3.B9	Do the consolidated financial statements prepared following a reverse acquisition reflect the fair values of the assets, liabilities and contingent liabilities of the legal parent (i.e. the acquiree for accounting purposes)? <i>Note: The cost of the business combination shall be allocated by measuring the identifiable assets, liabilities and contingent liabilities of the legal parent that satisfy the recognition criteria in paragraph 37 at their fair values at the acquisition date.</i>	
3G	IFRS 3.B9	Has any excess of the cost of the combination over the acquirer's interest in the net fair value of those items been accounted for in accordance with paragraphs 51 to 55 of IFRS 3 (see above)?	
3G	IFRS 3.B9	Has any excess of the acquirer's interest in the net fair value of those items over the cost of the combination been accounted for in accordance with paragraph 56 of IFRS 3 (see above)?	

TQ	Reference	Recognition/measurement requirement	Yes / No / N/A
		Minority interest	
3G	IFRS 3.B10	Although the entity in which some owners of the legal subsidiary hold equity instruments (the legal subsidiary) acquired another entity (the legal parent), have those owners of the legal subsidiary that do not exchange their equity instruments for equity instruments of the legal parent been treated as a minority interest in the consolidated financial statements prepared after the reverse acquisition? <i>Note: The above noted minority interest arises because the owners of the legal subsidiary that do not exchange their equity instruments for equity instruments of the legal parent have an interest only in the results and net assets of the legal subsidiary, and not in the results and net assets of the combined entity. Conversely, all of the owners of the legal parent, notwithstanding that the legal parent is regarded as the acquiree, have an interest in the results and net assets of the combined entity.</i>	
3G	IFRS 3.B11	Because the assets and liabilities of the legal subsidiary are recognised and measured in the consolidated financial statements at their pre-combination carrying amounts, has the minority interest been reflected as the minority shareholders' proportionate interest in the pre-combination carrying amounts of the legal subsidiary's net assets? Earnings per share	
3G	IFRS 3.B13	For the purpose of calculating the weighted average number of ordinary shares outstanding (the denominator used in the earnings per share calculation) during the period in which the reverse acquisition occurs: a) has the number of ordinary shares outstanding from the beginning of that period to the acquisition date been deemed to be the number of ordinary shares issued by the legal parent to the owners of the legal subsidiary? b) is the number of ordinary shares outstanding from the acquisition date to the end of that period, the actual number of ordinary shares of the legal parent outstanding during that period?	
3G	IFRS 3.B14	Has the basic earnings per share disclosed for each comparative period before the acquisition date that is presented in the consolidated financial statements following a reverse acquisition been calculated by dividing the profit or loss of the legal subsidiary attributable to ordinary shareholders in each of those periods by the number of ordinary shares issued by the legal parent to the owners of the legal subsidiary in the reverse acquisition?	
3G	IFRS 3.B15	Has the calculation of earnings per share been appropriately adjusted to take into account the effect of a change in the number of the legal subsidiary's issued ordinary shares during those periods? <i>Note: The calculations outlined in paragraphs B13 and B14 of Appendix B to IFRS 3 (see above) assume that there were no changes in the number of the legal subsidiary's issued ordinary shares during the comparative periods and during the period from the beginning of the period in which the reverse acquisition occurred to the acquisition date.</i>	

IFRS 3 (revised 2008) Business Combinations

TQ	Reference	Recognition/measurement requirement	Yes / No / N/A
		<i>This section of the questionnaire addresses the revised IFRS 3 (IFRS 3(2008)) which was issued in January 2008. IFRS 3(2008) prescribes the accounting treatment for business combinations. A business combination is a transaction or other event in which an acquirer obtains control of one or more businesses (e.g. through mergers, acquisitions or the acquisition of assets).</i> <i>See the last point in this section of the questionnaire for details of the effective date and transitional provisions of IFRS 3(2008).</i> SCOPE NOTE <i>IFRS 3(2008) does not apply to:</i> a) <i>the formation of a joint venture;</i> b) <i>the acquisition of an asset or a group of assets that does not constitute a business. In such cases the acquirer shall identify and recognise the individual identifiable assets acquired (including those assets that meet the definition of, and recognition criteria for, intangible assets in IAS 38 Intangible Assets) and liabilities assumed. The cost of the group shall be allocated to the individual identifiable assets and liabilities on the basis of their relative fair values at the date of purchase. Such a transaction or event does not give rise to goodwill.</i> c) <i>a combination of entities or businesses under common control.</i> TAILORING QUESTIONS <i>If you answer "yes" to any of the tailoring questions below, please answer the compliance questions relating to it.</i>	
3A	IFRS 3 (2008).3	Has the entity entered into a business combination during the period?	
3B		Note: <i>If the assets acquired are not a business, the reporting entity shall account for the transaction or other event as an asset acquisition.</i>	
3C		Was the business combination achieved in stages, for example through successive share purchases?	
3D		Was the business combination achieved without transfer of consideration?	
	IFRS 3 (2008).58	Were changes in the fair value of contingent consideration recognised after the acquisition date due to additional information obtained after that date about facts and circumstances that existed at the acquisition date?	
		Note: <i>Such changes are measurement period adjustments in accordance with paragraphs 45–49 of IFRS 3(2008). However, changes resulting from events after the acquisition date, such as meeting an earnings target, reaching a specified share price or reaching a milestone on a research and development project, are not measurement period adjustments.</i>	
3E		Has goodwill been recognised in the current year or previous periods?	
3F		Does the net of the acquisition-date amounts of the identifiable assets acquired and the liabilities assumed measured in accordance with IFRS 3(2008) exceed the aggregate of the consideration transferred?	

TQ	Reference	Recognition/measurement requirement	Yes / No / N/A
3G		Was the initial accounting for a business combination determined provisionally in either the current or the prior year?	
	IFRS 3 (2008).45	<i>Note: This would be the case if the identification and determination of the fair values of the identifiable assets acquired, liabilities assumed and any non-controlling interest, or the consideration transferred could only be determined provisionally by the end of the reporting period in which the business combination occurs.</i>	
3H		Has the entity entered into a business combination that is classified as a 'reverse acquisition' during the period?	
	IFRS 3 (2008).B19	<i>Note: A reverse acquisition occurs when the entity that issues securities (the legal acquirer) is identified as the acquiree for accounting purposes.</i>	
		DETAILED COMPLIANCE QUESTIONS	
		Scope	
		<i>Identifying a business combination</i>	
3A	IFRS 3 (2008).3	Do all recognised business combinations result in control being obtained over one or more businesses?	
	IFRS 3 (2008).B5	<i>Notes:</i> 1) <i>A business combination is defined as a transaction or other event in which an acquirer obtains control of one or more businesses. An acquirer might obtain control of an acquiree in a variety of ways, for example:</i> <i>a) by transferring cash, cash equivalents or other assets (including net assets that constitute a business);</i> <i>b) by incurring liabilities;</i> <i>c) by issuing equity interests;</i> <i>d) by providing more than one type of consideration; or</i> <i>e) without transferring consideration, including by contract alone (see paragraph 43 of IFRS 3 (2008)).</i>	
	IFRS 3 (2008).B6	2) <i>A business combination may be structured in a variety of ways for legal, taxation or other reasons, which include but are not limited to:</i> <i>a) one or more businesses become subsidiaries of an acquirer or the net assets of one or more businesses are legally merged into the acquirer;</i> <i>b) one combining entity transfers its net assets, or its owners transfer their equity interests, to another combining entity or its owners;</i> <i>c) all of the combining entities transfer their net assets, or the owners of those entities transfer their equity interests, to a newly formed entity (sometimes referred to as a roll-up or put-together transaction); or</i> <i>d) a group of former owners of one of the combining entities obtains control of the combined entity.</i>	

TQ	Reference	Recognition/measurement requirement	Yes / No / N/A
	IFRS 3 (2008).B7	3) A business consists of inputs and processes applied to those inputs that have the ability to create outputs. Although businesses usually have outputs, outputs are not required for an integrated set to qualify as a business. The three elements of a business are defined as follows: a) Input: Any economic resource that creates, or has the ability to create, outputs when one or more processes are applied to it. Examples include non-current assets (including intangible assets or rights to use non-current assets), intellectual property, the ability to obtain access to necessary materials or rights and employees. b) Process: Any system, standard, protocol, convention or rule that when applied to an input or inputs, creates or has the ability to create outputs. Examples include strategic management processes, operational processes and resource management processes. These processes typically are documented, but an organised workforce having the necessary skills and experience following rules and conventions may provide the necessary processes that are capable of being applied to inputs to create outputs. (Accounting, billing, payroll and other administrative systems typically are not processes used to create outputs.) c) Output: The result of inputs and processes applied to those inputs that provide or have the ability to provide a return in the form of dividends, lower costs or other economic benefits directly to investors or other owners, members or participants.	
	IFRS 3 (2008).B8	4) To be capable of being conducted and managed for the purposes defined, an integrated set of activities and assets requires two essential elements – inputs and processes applied to those inputs, which together are or will be used to create outputs. However, a business need not include all of the inputs or processes that the seller used in operating that business if market participants are capable of acquiring the business and continuing to produce outputs, for example, by integrating the business with their own inputs and processes.	
	IFRS 3 (2008).B9	5) The nature of the elements of a business varies by industry and by the structure of an entity's operations (activities), including the entity's stage of development. Established businesses often have many different types of inputs, processes and outputs, whereas new businesses often have few inputs and processes and sometimes only a single output (product). Nearly all businesses have liabilities, but a business need not have liabilities.	
	IFRS 3 (2008).B10	6) An integrated set of activities and assets in the development stage might not have outputs. If not, the acquirer should consider other factors to determine whether the set is a business. Those factors include, but are not limited to, whether the set: a) has begun planned principal activities; b) has employees, intellectual property and other inputs and processes that could be applied to those inputs; c) is pursuing a plan to produce outputs; and d) will be able to obtain access to customers that will purchase the outputs. Not all of those factors need to be present for a particular integrated set of activities and assets in the development stage to qualify as a business.	
	IFRS 3 (2008).B11	7) Determining whether a particular set of assets and activities is a business should be based on whether the integrated set is capable of being conducted and managed as a business by a market participant. Thus, in evaluating whether a particular set is a business, it is not relevant whether a seller operated the set as a business or whether the acquirer intends to operate the set as a business.	

TQ	Reference	Recognition/measurement requirement	Yes / No / N/A
3A	IFRS 3 (2008).4	The acquisition method Have each business combinations within the scope of IFRS 3(2008) been accounted for by applying the acquisition method? <i>Note: Applying the acquisition method requires:</i> - identifying the acquirer; - determining the acquisition date; - recognising and measuring the identifiable assets acquired, the liabilities assumed and any non-controlling interest in the acquiree; and - recognising and measuring goodwill or a gain from a bargain purchase.	
		Application of the acquisition method Identifying the acquirer Has an acquirer been identified in all business combinations? <i>Notes:</i> 1) The guidance in IAS 27 Consolidated and Separate Financial Statements shall be used to identify the acquirer – the entity that obtains control of the acquiree. 2) In a business combination effected primarily by transferring cash or other assets or by incurring liabilities, the acquirer is usually the entity that transfers the cash or other assets or incurs the liabilities. 3) In a business combination effected primarily by exchanging equity interests, the acquirer is usually the entity that issues its equity interests. However, in some business combinations, commonly called 'reverse acquisitions', the issuing entity is the acquiree. Paragraphs B19–B27 provide guidance on accounting for reverse acquisitions. Other pertinent facts and circumstances shall also be considered in identifying the acquirer in a business combination effected by exchanging equity interests, including: - the relative voting rights in the combined entity after the business combination -The acquirer is usually the combining entity whose owners as a group retain or receive the largest portion of the voting rights in the combined entity. In determining which group of owners retains or receives the largest portion of the voting rights, an entity shall consider the existence of any unusual or special voting arrangements and options, warrants or convertible securities. - the existence of a large minority voting interest in the combined entity if no other owner or organised group of owners has a significant voting interest – The acquirer is usually the combining entity whose single owner or organised group of owners holds the largest minority voting interest in the combined entity. - the composition of the governing body of the combined entity – The acquirer is usually the combining entity whose owners have the ability to elect or appoint or to remove a majority of the members of the governing body of the combined entity. - the composition of the senior management of the combined entity – The acquirer is usually the combining entity whose (former) management dominates the management of the combined entity. - the terms of the exchange of equity interests – The acquirer is usually the combining entity that pays a premium over the pre-combination fair value of the equity interests of the other combining entity or entities.	
3A	IFRS 3 (2008).6		
	IFRS 3 (2008).7		
	IFRS 3 (2008).B14		
	IFRS 3 (2008).B15		

TQ	Reference	Recognition/measurement requirement	Yes / No / N/A
	IFRS 3 (2008).B16	4) <i>The acquirer is usually the combining entity whose relative size (measured in, for example, assets, revenues or profit) is significantly greater than that of the other combining entity or entities.</i>	
	IFRS 3 (2008).B17	5) <i>In a business combination involving more than two entities, determining the acquirer shall include a consideration of, among other things, which of the combining entities initiated the combination, as well as the relative size of the combining entities.</i>	
	IFRS 3 (2008).B18	6) <i>A new entity formed to effect a business combination is not necessarily the acquirer. If a new entity is formed to issue equity interests to effect a business combination, one of the combining entities that existed before the business combination shall be identified as the acquirer by applying the guidance in paragraphs B13–B17. In contrast, a new entity that transfers cash or other assets or incurs liabilities as consideration may be the acquirer.</i>	
3A		<i>Determining the acquisition date</i>	
	IFRS 3 (2008).8	Is the acquisition date determined, as the date on which the entity obtained control of the acquiree?	
	IFRS 3 (2008).9	<i>Note: The date on which the acquirer obtains control of the acquiree is generally the date on which the acquirer legally transfers the consideration, acquires the assets and assumes the liabilities of the acquiree - the closing date. However, the acquirer might obtain control on a date that is either earlier or later than the closing date. For example, the acquisition date precedes the closing date if a written agreement provides that the acquirer obtains control of the acquiree on a date before the closing date. An acquirer shall consider all pertinent facts and circumstances in identifying the acquisition date.</i>	
3A		<i>Recognising and measuring the identifiable assets acquired, the liabilities assumed and any non-controlling interest in the acquiree</i>	
		<i>Recognition principle</i>	
	IFRS 3 (2008).10	Has the entity as of the acquisition date recognised, separately from goodwill, the identifiable assets acquired, the liabilities assumed and any non-controlling interest in the acquiree?	
3A		<i>Recognition conditions</i>	
	IFRS 3 (2008).11	Do the identifiable assets acquired and liabilities assumed meet the definitions of assets and liabilities in the <i>Framework for the Preparation and Presentation of Financial Statements</i> at the acquisition date?	
	IFRS 3 (2008).12	Are the identifiable assets acquired and liabilities assumed part of what the acquirer and the acquiree (or its former owners) exchanged in the business combination transaction and not the result of separate transactions?	
3A		<i>Operating leases</i>	
	IFRS 3 (2008).B28	Has the acquirer not recognised assets or liabilities related to an operating lease in which the acquiree is the lessee except as required below?	
	IFRS 3 (2008).B29	Has the acquirer recognised an intangible asset if the terms of an operating lease are favourable relative to market terms and a liability if the terms are unfavourable relative to market terms?	
3A	IFRS 3 (2008).B30	If an identifiable intangible asset may be associated with an operating lease, has the acquirer recognised the associated identifiable intangible asset(s) in accordance with paragraph B31 of IFRS 3(2008)?	
		<i>Note: This may be evidenced by market participants' willingness to pay a price for the lease even if it is at market terms.</i>	

TQ	Reference	Recognition/measurement requirement	Yes / No / N/A
3A		<u>Intangible assets</u>	
	IFRS 3 (2008).B31	Has the acquirer recognised, separately from goodwill, the identifiable intangible assets acquired in a business combination, i.e. intangible assets that meet either the separability criterion or the contractual-legal criterion?	
	IFRS 3 (2008).B32	Notes: 1) <i>An intangible asset that meets the contractual-legal criterion is identifiable even if the asset is not transferable or separable from the acquiree or from other rights and obligations. For example:</i> a) <i>an acquiree leases a manufacturing facility under an operating lease that has terms that are favourable relative to market terms. The lease terms explicitly prohibit transfer of the lease (through either sale or sublease). The amount by which the lease terms are favourable compared with the terms of current market transactions for the same or similar items is an intangible asset that meets the contractual-legal criterion for recognition separately from goodwill, even though the acquirer cannot sell or otherwise transfer the lease contract.</i> b) <i>an acquiree owns and operates a nuclear power plant. The licence to operate that power plant is an intangible asset that meets the contractual-legal criterion for recognition separately from goodwill, even if the acquirer cannot sell or transfer it separately from the acquired power plant. An acquirer may recognise the fair value of the operating licence and the fair value of the power plant as a single asset for financial reporting purposes if the useful lives of those assets are similar.</i> c) <i>an acquiree owns a technology patent. It has licensed that patent to others for their exclusive use outside the domestic market, receiving a specified percentage of future foreign revenue in exchange. Both the technology patent and the related licence agreement meet the contractual-legal criterion for recognition separately from goodwill even if selling or exchanging the patent and the related licence agreement separately from one another would not be practical.</i> 2) <i>The separability criterion means that an acquired intangible asset is capable of being separated or divided from the acquiree and sold, transferred, licensed, rented or exchanged, either individually or together with a related contract, identifiable asset or liability. An intangible asset that the acquirer would be able to sell, license or otherwise exchange for something else of value meets the separability criterion even if the acquirer does not intend to sell, license or otherwise exchange it. An acquired intangible asset meets the separability criterion if there is evidence of exchange transactions for that type of asset or an asset of a similar type, even if those transactions are infrequent and regardless of whether the acquirer is involved in them.</i> <i>For example, customer and subscriber lists are frequently licensed and thus meet the separability criterion. Even if an acquiree believes its customer lists have characteristics different from other customer lists, the fact that customer lists are frequently licensed generally means that the acquired customer list meets the separability criterion. However, a customer list acquired in a business combination would not meet the separability criterion if the terms of confidentiality or other agreements prohibit an entity from selling, leasing or otherwise exchanging information about its customers.</i>	
	IFRS 3 (2008).B33		

TQ	Reference	Recognition/measurement requirement	Yes / No / N/A
	IFRS 3 (2008).B34	3) <i>An intangible asset that is not individually separable from the acquiree or combined entity meets the separability criterion if it is separable in combination with a related contract, identifiable asset or liability. For example:</i> a) <i>market participants exchange deposit liabilities and related depositor relationship intangible assets in observable exchange transactions. Therefore, the acquirer should recognise the depositor relationship intangible asset separately from goodwill.</i> b) <i>an acquiree owns a registered trademark and documented but unpatented technical expertise used to manufacture the trademarked product. To transfer ownership of a trademark, the owner is also required to transfer everything else necessary for the new owner to produce a product or service indistinguishable from that produced by the former owner. Because the unpatented technical expertise must be separated from the acquiree or combined entity and sold if the related trademark is sold, it meets the separability criterion.</i> <u>Reacquired rights</u>	
3A	IFRS 3 (2008).B35	If an acquirer as part of a business combination, reacquires a right that it had previously granted to the acquiree to use one or more of the acquirer's recognised or unrecognised assets, has this reacquired right been recognised as an identifiable intangible asset separately from goodwill?	
	IFRS 3 (2008).B35	<i>Note: Examples of such rights include a right to use the acquirer's trade name under a franchise agreement or a right to use the acquirer's technology under a technology licensing agreement.</i>	
3A	IFRS 3 (2008).B36	If the terms of the contract giving rise to a reacquired right are favourable or unfavourable relative to the terms of current market transactions for the same or similar items, has the acquirer recognised a settlement gain or loss?	
		<u>Assembled workforce and other items that are not identifiable</u>	
3A	IFRS 3 (2008).B37	Has the acquirer subsumed any value attributed to the assembled workforce into goodwill?	
	IFRS 3 (2008).B37	<i>Note: For example, an acquirer may attribute value to the existence of an assembled workforce, which is an existing collection of employees that permits the acquirer to continue to operate an acquired business from the acquisition date. An assembled workforce does not represent the intellectual capital of the skilled workforce - the (often specialised) knowledge and experience that employees of an acquiree bring to their jobs.</i>	
3A	IFRS 3 (2008).B38	Has the acquirer assessed the facts and circumstances surrounding events occurring shortly after the acquisition to determine whether a separately recognisable intangible asset existed at the acquisition date?	
	IFRS 3 (2008).B38	<i>Note: The acquirer also subsumes into goodwill any value attributed to items that do not qualify as assets at the acquisition date.</i> <i>For example, the acquirer might attribute value to potential contracts the acquiree is negotiating with prospective new customers at the acquisition date. Because those potential contracts are not themselves assets at the acquisition date, the acquirer does not recognise them separately from goodwill. The acquirer should not subsequently reclassify the value of those contracts from goodwill for events that occur after the acquisition date.</i>	

TQ	Reference	Recognition/measurement requirement	Yes / No / N/A
3A	IFRS 3 (2008).B39	Has the acquirer, after initial recognition, accounted for intangible assets acquired in a business combination in accordance with the provisions of IAS 38 <i>Intangible Assets</i> ?	
	IFRS 3 (2008).B40	<i>Note: The identifiability criteria determine whether an intangible asset is recognised separately from goodwill. However, the criteria neither provide guidance for measuring the fair value of an intangible asset nor restrict the assumptions used in estimating the fair value of an intangible asset. For example, the acquirer would take into account assumptions that market participants would consider, such as expectations of future contract renewals, in measuring fair value. It is not necessary for the renewals themselves to meet the identifiability criteria. Paragraphs 36 and 37 of IAS 38 provide guidance for determining whether intangible assets should be combined into a single unit of account with other intangible or tangible assets.</i> Classifying or designating identifiable assets acquired and liabilities assumed in a business combination	
3A	IFRS 3 (2008).15	Has the entity, at the acquisition date, classified or designated the identifiable assets acquired and liabilities assumed on the basis of the contractual terms, economic conditions, its operating or accounting policies and other pertinent conditions as they exist at the acquisition date?	
	IFRS 3 (2008).16	Notes: 1) <i>In some situations, IFRSs provide for different accounting depending on how an entity classifies or designates a particular asset or liability. Examples of classifications or designations that the acquirer shall make on the basis of the pertinent conditions as they exist at the acquisition date include but are not limited to:</i> a) <i>classification of particular financial assets and liabilities as a financial asset or liability at fair value through profit or loss, or as a financial asset available for sale or held to maturity, in accordance with IAS 39 Financial Instruments: Recognition and Measurement;</i> b) <i>designation of a derivative instrument as a hedging instrument in accordance with IAS 39; and</i> c) <i>assessment of whether an embedded derivative should be separated from the host contract in accordance with IAS 39 (which is a matter of 'classification' as this IFRS uses that term).</i>	
	IFRS 3 (2008).17	2) <i>This IFRS provides two exceptions to the principle in paragraph 15:</i> a) <i>classification of a lease contract as either an operating lease or a finance lease in accordance with IAS 17 Leases; and</i> b) <i>classification of a contract as an insurance contract in accordance with IFRS 4 Insurance Contracts.</i> <i>The acquirer shall classify those contracts on the basis of the contractual terms and other factors at the inception of the contract (or, if the terms of the contract have been modified in a manner that would change its classification, at the date of that modification, which might be the acquisition date).</i> Measurement principle	
3A	IFRS 3 (2008).18	Has the acquirer measured the identifiable assets acquired and the liabilities assumed at their acquisition-date fair values?	
3A	IFRS 3 (2008).19	Has the acquirer, for each business combination, measured any non-controlling interest in the acquiree either at fair value or at the non-controlling interest's proportionate share of the acquiree's identifiable net assets?	

TQ	Reference	Recognition/measurement requirement	Yes / No / N/A
3A	IFRS 3 (2008).B41	<u>Assets with uncertain cash flows (valuation allowances)</u> Has the acquirer not recognised a separate valuation allowance as of the acquisition date for assets acquired in a business combination that are measured at their acquisition-date fair values because the effects of uncertainty about future cash flows are included in the fair value measure?	
	IFRS 3 (2008).B41	<i>Note: For example, because this IFRS requires the acquirer to measure acquired receivables, including loans, at their acquisition-date fair values, the acquirer does not recognise a separate valuation allowance for the contractual cash flows that are deemed to be uncollectible at that date.</i>	
3A	IFRS 3 (2008).B42	<u>Assets subject to operating leases in which the acquiree is lessor</u> Has the acquirer, in measuring the acquisition-date fair value of an asset such as a building or a patent that is subject to an operating lease in which the acquiree is the lessor, taken into account the terms of the lease, i.e. not recognised a separate asset or liability if the terms of an operating lease are either favourable or unfavourable when compared with market terms?	
		<u>Assets that the acquirer intends not to use or to use in a way that is different from the way other market participants would use them</u>	
3A	IFRS 3 (2008).B43	Has the acquirer measured the asset at fair value determined in accordance with its use by other market participants, even if the acquirer may intend not to use an acquired asset, or it may intend to use the asset in a way that is different from the way in which other market participants would use it?	
3A	IFRS 3 (2008).B44	<u>Non-controlling interest in an acquiree measured at fair value</u> If the acquirer has chosen to measure a non-controlling interest in the acquiree at fair value at the acquisition date, has the acquirer, in situations where an active market price for the equity shares is not available, measured the fair value of the non-controlling interest using other valuation techniques?	
	IFRS 3 (2008).B45	<i>Note: The fair values of the acquirer's interest in the acquiree and the non-controlling interest on a per-share basis might differ. The main difference is likely to be the inclusion of a control premium in the per-share fair value of the acquirer's interest in the acquiree or, conversely, the inclusion of a discount for lack of control (also referred to as a minority discount) in the per-share fair value of the non-controlling interest.</i>	
3A	IFRS 3 (2008).23	<u>Exceptions to the recognition principles</u> <u>Contingent liabilities</u> Has the acquirer recognised, as of the acquisition date, a contingent liability assumed in a business combination if it is a present obligation that arises from past events and its fair value can be measured reliably?	
		<i>Note: The requirements in IAS 37 do not apply in determining which contingent liabilities to recognise as of the acquisition date. Therefore, contrary to IAS 37, the acquirer recognises a contingent liability assumed in a business combination at the acquisition date even if it is not probable that an outflow of resources embodying economic benefits will be required to settle the obligation.</i>	

TQ	Reference	Recognition/measurement requirement	Yes / No / N/A
		<i>Exceptions to both the recognition and measurement principles</i>	
		<i>Income taxes</i>	
3A	IFRS 3 (2008).24	Has the acquirer recognised and measured a deferred tax asset or liability arising from the assets acquired and liabilities assumed in a business combination in accordance with IAS 12 <i>Income Taxes</i> ?	
3A	IFRS 3 (2008).25	Has the acquirer accounted for the potential tax effects of temporary differences and carryforwards of an acquiree that exist at the acquisition date or arise as a result of the acquisition in accordance with IAS 12?	
		<i>Employee benefits</i>	
3A	IFRS 3 (2008).26	Has the acquirer recognised and measured a liability (or asset, if any) related to the acquiree's employee benefit arrangements in accordance with IAS 19 <i>Employee Benefits</i> ?	
		<i>Indemnification assets</i>	
3A	IFRS 3 (2008).27	Has the acquirer recognised an indemnification asset at the same time that it recognised the indemnified item measured on the same basis as the indemnified item, subject to the need for a valuation allowance for uncollectible amounts?	
	IFRS 3 (2008).27	Notes: 1) <i>The seller in a business combination may contractually indemnify the acquirer for the outcome of a contingency or uncertainty related to all or part of a specific asset or liability. For example, the seller may indemnify the acquirer against losses above a specified amount on a liability arising from a particular contingency; in other words, the seller will guarantee that the acquirer's liability will not exceed a specified amount. As a result, the acquirer obtains an indemnification asset.</i> 2) <i>If the indemnification relates to an asset or a liability that is recognised at the acquisition date and measured at its acquisition-date fair value, the acquirer shall recognise the indemnification asset at the acquisition date measured at its acquisition-date fair value. For an indemnification asset measured at fair value, the effects of uncertainty about future cash flows because of collectability considerations are included in the fair value measure and a separate valuation allowance is not necessary.</i> 3) <i>In some circumstances, the indemnification may relate to an asset or a liability that is an exception to the recognition or measurement principles. For example, an indemnification may relate to a contingent liability that is not recognised at the acquisition date because its fair value is not reliably measurable at that date. Alternatively, an indemnification may relate to an asset or a liability, for example, one that results from an employee benefit, that is measured on a basis other than acquisition-date fair value. In those circumstances, the indemnification asset shall be recognised and measured using assumptions consistent with those used to measure the indemnified item, subject to management's assessment of the collectability of the indemnification asset and any contractual limitations on the indemnified amount.</i>	
	IFRS 3 (2008).28		
		<i>Exceptions to the measurement principles</i>	
		<i>Reacquired rights</i>	
3A	IFRS 3 (2008).29	Has the acquirer measured the value of a reacquired right recognised as an intangible asset on the basis of the remaining contractual term of the related contract regardless of whether market participants would consider potential contractual renewals in determining its fair value?	

TQ	Reference	Recognition/measurement requirement	Yes / No / N/A
3A	IFRS 3 (2008).30	<u>Share-based payment awards</u>	
		Has the acquirer measured a liability or an equity instrument related to the replacement of an acquiree's share-based payment awards with share-based payment awards of the acquirer in accordance with IFRS 2, <i>Share-based Payment</i> ?	
		<i>Note: IFRS 3(2008) refers to the result of that method as the 'market-based measure' of the award.</i>	
3A	IFRS 3 (2008).31	<u>Assets held for sale</u>	
		Has the acquirer measured an acquired non-current asset (or disposal group) that is classified as held for sale at the acquisition date in accordance with IFRS 5, <i>Non-current Assets Held for Sale and Discontinued Operations</i> at fair value less costs to sell in accordance with paragraphs 15–18 of that IFRS?	
3A, E	IFRS 3 (2008).32	Recognising and measuring goodwill or a gain arising from a bargain purchase	
		Has the acquirer recognised goodwill as of the acquisition date measured as the excess of (a) over (b) below:	
		a) the aggregate of:	
		i) the consideration transferred measured in accordance with this IFRS, which generally requires acquisition-date fair value (see paragraph 37 of IFRS 3(2008));	
		ii) the amount of any non-controlling interest in the acquiree measured in accordance with IFRS 3(2008); and	
		iii) in a business combination achieved in stages (see paragraphs 41 and 42), the acquisition-date fair value of the acquirer's previously held equity interest in the acquiree.	
		b) the net of the acquisition-date amounts of the identifiable assets acquired and the liabilities assumed measured in accordance with IFRS 3(2008).	
	IFRS 3 (2008).33	<i>Notes:</i>	
		1) <i>In a business combination in which the acquirer and the acquiree (or its former owners) exchange only equity interests, the acquisition-date fair value of the acquiree's equity interests may be more reliably measurable than the acquisition-date fair value of the acquirer's equity interests.</i>	
		<i>If so, the acquirer shall determine the amount of goodwill by using the acquisition-date fair value of the acquiree's equity interests instead of the acquisition-date fair value of the equity interests transferred.</i>	
		<i>To determine the amount of goodwill in a business combination in which no consideration is transferred, the acquirer shall use the acquisition-date fair value of the acquirer's interest in the acquiree determined using a valuation technique in place of the acquisition-date fair value of the consideration transferred (paragraph 32(a)(i)).</i>	
	IFRS 3 (2008). B47 – B49	2) <i>When two mutual entities combine, the fair value of the equity or member interests in the acquiree (or the fair value of the acquiree) may be more reliably measurable than the fair value of the member interests transferred by the acquirer.</i>	
		3) <i>In that situation, paragraph 33 of IFRS 3(2008) requires the acquirer to determine the amount of goodwill by using the acquisition-date fair value of the acquiree's equity interests instead of the acquisition-date fair value of the acquirer's equity interests transferred as consideration.</i>	

TQ	Reference	Recognition/measurement requirement	Yes / No / N/A
3F		4) <i>In addition, the acquirer in a combination of mutual entities shall recognise the acquiree's net assets as a direct addition to capital or equity in its statement of financial position, not as an addition to retained earnings, which is consistent with the way in which other types of entities apply the acquisition method.</i>	
		5) <i>Although they are similar in many ways to other businesses, mutual entities have distinct characteristics that arise primarily because their members are both customers and owners. Members of mutual entities generally expect to receive benefits for their membership, often in the form of reduced fees charged for goods and services or patronage dividends. The portion of patronage dividends allocated to each member is often based on the amount of business the member did with the mutual entity during the year.</i>	
		6) <i>A fair value measurement of a mutual entity should include the assumptions that market participants would make about future member benefits as well as any other relevant assumptions market participants would make about the mutual entity. For example, an estimated cash flow model may be used to determine the fair value of a mutual entity. The cash flows used as inputs to the model should be based on the expected cash flows of the mutual entity, which are likely to reflect reductions for member benefits, such as reduced fees charged for goods and services.</i>	
	IFRS 3 (2008).34	Bargain purchases	
		Has the entity recognised the resulting gain of a bargain purchase in profit or loss on the acquisition date?	
3F	IFRS 3 (2008).34	<i>Note: A bargain purchase is a business combination in which the net of acquisition-date amounts of the identified assets acquired and the liabilities assumed, exceeds the aggregate of consideration transferred, non-controlling interest and acquisition date fair value of previously held equity interest in the acquiree.</i>	
		<i>A bargain purchase might happen, e.g. in a business combination that is a forced sale in which the seller is acting under compulsion. However, the recognition or measurement exceptions for particular items discussed in paragraphs 22–31 may also result in recognising a gain (or change the amount of a recognised gain) on a bargain purchase.</i>	
	IFRS 3 (2008).34	Has the gain been attributed to the acquirer?	
	IFRS 3 (2008).36	<i>Note: Before recognising a gain on a bargain purchase, the acquirer shall reassess whether it has correctly identified all of the assets acquired and all of the liabilities assumed and shall recognise any additional assets or liabilities that are identified in that review. The acquirer shall then review the procedures used to measure the amounts this IFRS requires to be recognised at the acquisition date for all of the following:</i> a) <i>the identifiable assets acquired and liabilities assumed;</i> b) <i>the non-controlling interest in the acquiree, if any;</i> c) <i>for a business combination achieved in stages, the acquirer's previously held equity interest in the acquiree; and</i> d) <i>the consideration transferred.</i> <i>The objective of the review is to ensure that the measurements appropriately reflect consideration of all available information as of the acquisition date.</i>	

TQ	Reference	Recognition/measurement requirement	Yes / No / N/A
3A	IFRS 3 (2008).37	<i>Consideration transferred</i> Is the consideration transferred measured at fair value, which is calculated as the sum of the acquisition-date fair values of the assets transferred by the acquirer, the liabilities incurred by the acquirer to former owners of the acquiree and the equity interests issued by the acquirer?	
	IFRS 3 (2008).37	<i>Notes:</i> 1) <i>However, any portion of the acquirer's share-based payment awards exchanged for awards held by the acquiree's employees that is included in consideration transferred in the business combination shall be measured in accordance with paragraph 30 rather than at fair value.</i>	
	IFRS 3 (2008).37	2) <i>Examples of potential forms of consideration include cash, other assets, a business or a subsidiary of the acquirer, contingent consideration, ordinary or preference equity instruments, options, warrants and member interests of mutual entities.</i>	
	IFRS 3 (2008).38	If the consideration transferred includes assets or liabilities of the acquirer that have carrying amounts that differ from their fair values at the acquisition date, has the acquirer remeasured the transferred assets or liabilities to their fair values as of the acquisition date and recognise the resulting gains or losses, if any, in profit or loss?	
	IFRS 3 (2008).38	If the transferred assets or liabilities remain within the combined entity after the business combination (for example, because the assets or liabilities were transferred to the acquiree rather than to its former owners), and the acquirer therefore retains control of them, has the acquirer measured those assets and liabilities at their carrying amounts immediately before the acquisition date and not recognised a gain or loss in profit or loss on assets or liabilities it controls both before and after the business combination?	
3A	<i>Contingent consideration</i>		
	IFRS 3 (2008).39	Has the entity recognised the acquisition-date fair value of contingent consideration as part of the consideration transferred in exchange for the acquiree?	
	IFRS 3 (2008).40	<i>Notes:</i> 1) <i>The consideration the acquirer transfers in exchange for the acquiree includes any asset or liability resulting from a contingent consideration arrangement.</i> 2) <i>The acquirer shall classify an obligation to pay contingent consideration as a liability or as equity on the basis of the definitions of an equity instrument and a financial liability in paragraph 11 of IAS 32 Financial Instruments: Presentation, or other applicable IFRSs. The acquirer shall classify as an asset a right to the return of previously transferred consideration if specified conditions are met. Paragraph 58 provides guidance on the subsequent accounting for contingent consideration.</i>	

TQ	Reference	Recognition/measurement requirement	Yes / No / N/A
Additional guidance for applying the acquisition method to particular types of business combinations			
A business combination achieved in stages			
3B	IFRS 3 (2008).42	Has the entity remeasured its previously held equity interest in the acquiree at its acquisition-date fair value and recognise the resulting gain or loss, if any, in profit or loss?	
3B	IFRS 3 (2008).42	If the entity in prior reporting periods have recognised changes in the value of its equity interest in the acquiree in other comprehensive income, has the amount that was recognised in other comprehensive income been recognised on the same basis as would be required if the acquirer had disposed directly of the previously held equity interest?	
	IFRS 3 (2008).41	<i>Note: An acquirer sometimes obtains control of an acquiree in which it held an equity interest immediately before the acquisition date. IFRS 3(2008) refers to such a transaction as a business combination achieved in stages, sometimes also referred to as a step acquisition.</i>	
A business combination achieved without the transfer of consideration			
3C	IFRS 3 (2008).44	Has the entity attributed to the owners of the acquiree the amount of the acquiree's net assets recognised in accordance with IFRS 3(2008), i.e. the equity interests in the acquiree held by parties other than the acquirer are a non-controlling interest in the acquirer's post-combination financial statements even if the result is that all of the equity interests in the acquiree are attributed to the non-controlling interest?	
	IFRS 3 (2008).43	<i>Note: An acquirer sometimes obtains control of an acquiree without transferring consideration. The acquisition method of accounting for a business combination applies to those combinations. Such circumstances include:</i> a) <i>The acquiree repurchases a sufficient number of its own shares for an existing investor (the acquirer) to obtain control.</i> b) <i>Minority veto rights lapse that previously kept the acquirer from controlling an acquiree in which the acquirer held the majority voting rights.</i> c) <i>The acquirer and acquiree agree to combine their businesses by contract alone. The acquirer transfers no consideration in exchange for control of an acquiree and holds no equity interests in the acquiree, either on the acquisition date or previously. Examples of business combinations achieved by contract alone include bringing two businesses together in a stapling arrangement or forming a dual listed corporation.</i>	
Measurement period			
3G	IFRS 3 (2008).45	If the initial accounting for a business combination is incomplete by the end of the reporting period in which the combination occurs, has the acquirer reported in its financial statements provisional amounts for the items for which the accounting is incomplete?	
3G	IFRS 3 (2008).45	Has the acquirer, during the measurement period, retrospectively adjusted the provisional amounts recognised at the acquisition date to reflect new information obtained about facts and circumstances that existed as of the acquisition date and, if known, would have affected the measurement of the amounts recognised as of that date?	
3G	IFRS 3 (2008).45	Has the acquirer, during the measurement period, recognised additional assets or liabilities if new information is obtained about facts and circumstances that existed as of the acquisition date and, if known, would have resulted in the recognition of those assets and liabilities as of that date?	

TQ	Reference	Recognition/measurement requirement	Yes / No / N/A
	IFRS 3 (2008).45	Notes: 1) <i>The measurement period ends as soon as the acquirer receives the information it was seeking about facts and circumstances that existed as of the acquisition date or learns that more information is not obtainable. However, the measurement period shall not exceed one year from the acquisition date.</i>	
	IFRS 3 (2008).46	2) <i>The measurement period is the period after the acquisition date during which the acquirer may adjust the provisional amounts recognised for a business combination. The measurement period provides the acquirer with a reasonable time to obtain the information necessary to identify and measure the following as of the acquisition date in accordance with the requirements of IFRS 3(2008):</i> <i>a) the identifiable assets acquired, liabilities assumed and any non-controlling interest in the acquiree;</i> <i>b) the consideration transferred for the acquiree (or the other amount used in measuring goodwill);</i> <i>c) in a business combination achieved in stages, the equity interest in the acquiree previously held by the acquirer; and</i> <i>d) the resulting goodwill or gain on a bargain purchase.</i>	
3G	IFRS 3 (2008).47	Have all pertinent factors been considered in determining whether information obtained after the acquisition date should result in an adjustment to the provisional amounts recognised or whether that information results from events that occurred after the acquisition date?	
	IFRS 3 (2008).47	Note: <i>Pertinent factors include the date when additional information is obtained and whether the acquirer can identify a reason for a change to provisional amounts. Information that is obtained shortly after the acquisition date is more likely to reflect circumstances that existed at the acquisition date than is information obtained several months later. For example, unless an intervening event that changed its fair value can be identified, the sale of an asset to a third party shortly after the acquisition date for an amount that differs significantly from its provisional fair value determined at that date is likely to indicate an error in the provisional amount.</i>	
3G	IFRS 3 (2008).48	Has an increase (or a decrease) in the provisional amount recognised for an identifiable asset (liability) been recognised by means of a decrease (or an increase) in goodwill?	
	IFRS 3 (2008).48	Note: <i>However, new information obtained during the measurement period may sometimes result in an adjustment to the provisional amount of more than one asset or liability. For example, the acquirer might have assumed a liability to pay damages related to an accident in one of the acquiree's facilities, part or all of which are covered by the acquiree's liability insurance policy.</i>	
3G	IFRS 3 (2008).48	If the acquirer obtains new information during the measurement period about the acquisition-date fair value of that liability, has the adjustment to goodwill resulting from a change to the provisional amount recognised for the liability been offset (in whole or in part) by a corresponding adjustment to goodwill resulting from a change to the provisional amount recognised for the claim receivable from the insurer?	
3G	IFRS 3 (2008).49	If adjustments to the provisional amounts are recognised during the measurement period, have the adjustments been accounted for as if the accounting for the business combination had been completed at the acquisition date?	
	IFRS 3 (2008).49	Note: <i>Thus, the acquirer shall revise comparative information for prior periods presented in financial statements as needed, including making any change in depreciation, amortisation or other income effects recognised in completing the initial accounting.</i>	

TQ	Reference	Recognition/measurement requirement	Yes / No / N/A
3G	IFRS 3 (2008).50	If the accounting for a business combination has been revised after the measurement period ends, has the revision been done only to correct an error in accordance with IAS 8 <i>Accounting Policies, Changes in Accounting Estimates and Errors</i> ?	
	IFRS 3 (2008).B50	Determining what is part of the business combination transaction <i>Note: The acquirer should consider the following factors, which are neither mutually exclusive nor individually conclusive, to determine whether a transaction is part of the exchange for the acquiree or whether the transaction is separate from the business combination:</i> a) the reasons for the transaction - Understanding the reasons why the parties to the combination (the acquirer and the acquiree and their owners, directors and managers – and their agents) entered into a particular transaction or arrangement may provide insight into whether it is part of the consideration transferred and the assets acquired or liabilities assumed. For example, if a transaction is arranged primarily for the benefit of the acquirer or the combined entity rather than primarily for the benefit of the acquiree or its former owners before the combination, that portion of the transaction price paid (and any related assets or liabilities) is less likely to be part of the exchange for the acquiree. Accordingly, the acquirer would account for that portion separately from the business combination. b) who initiated the transaction - Understanding who initiated the transaction may also provide insight into whether it is part of the exchange for the acquiree. For example, a transaction or other event that is initiated by the acquirer may be entered into for the purpose of providing future economic benefits to the acquirer or combined entity with little or no benefit received by the acquiree or its former owners before the combination. On the other hand, a transaction or arrangement initiated by the acquiree or its former owners is less likely to be for the benefit of the acquirer or the combined entity and more likely to be part of the business combination transaction. c) the timing of the transaction - The timing of the transaction may also provide insight into whether it is part of the exchange for the acquiree. For example, a transaction between the acquirer and the acquiree that takes place during the negotiations of the terms of a business combination may have been entered into in contemplation of the business combination to provide future economic benefits to the acquirer or the combined entity. If so, the acquiree or its former owners before the business combination are likely to receive little or no benefit from the transaction except for benefits they receive as part of the combined entity.	
3A	IFRS 3 (2008).51	If the acquirer and the acquiree have pre-existing relationship or other arrangement before negotiations for the business combination began, or they have entered into an arrangement during the negotiations that is separate from the business combination, has the acquirer identified any amounts that are not part of what the acquirer and the acquiree (or its former owners) exchanged in the business combination, i.e. amounts that are not part of the exchange for the acquiree?	

TQ	Reference	Recognition/measurement requirement	Yes / No / N/A
3A	IFRS 3 (2008).51	Has the acquirer recognised, as part of applying the acquisition method, only the consideration transferred for the acquiree and the assets acquired and liabilities assumed in the exchange for the acquiree?	
	IFRS 3 (2008).52	<i>Note: A transaction entered into by or on behalf of the acquirer or primarily for the benefit of the acquirer or the combined entity, rather than primarily for the benefit of the acquiree (or its former owners) before the combination, is likely to be a separate transaction. The following are examples of separate transactions that are not to be included in applying the acquisition method:</i> a) a transaction that in effect settles pre-existing relationships between the acquirer and acquiree; b) a transaction that remunerates employees or former owners of the acquiree for future services; and c) a transaction that reimburses the acquiree or its former owners for paying the acquirer's acquisition-related costs. <u>Effective settlement of a pre-existing relationship between the acquirer and acquiree in a business combination</u>	
3A	IFRS 3 (2008).B52	If the business combination in effect settles a pre-existing relationship, has the acquirer recognised a gain or loss, measured as follows: a) for a pre-existing non-contractual relationship (such as a lawsuit), fair value? b) for a pre-existing contractual relationship, the lesser of (i) and (ii): i) the amount by which the contract is favourable or unfavourable from the perspective of the acquirer when compared with terms for current market transactions for the same or similar items. (An unfavourable contract is a contract that is unfavourable in terms of current market terms. It is not necessarily an onerous contract in which the unavoidable costs of meeting the obligations under the contract exceed the economic benefits expected to be received under it.) ii) the amount of any stated settlement provisions in the contract available to the counterparty to whom the contract is unfavourable.	
3A		If (ii) is less than (i), is the difference included as part of the business combination accounting?	
	IFRS 3 (2008).B52	<i>Notes:</i> 1) The amount of gain or loss recognised may depend in part on whether the acquirer had previously recognised a related asset or liability, and the reported gain or loss therefore may differ from the amount calculated by applying the above requirements.	
	IFRS 3 (2008).B53	2) A pre-existing relationship may be a contract that the acquirer recognises as a reacquired right. If the contract includes terms that are favourable or unfavourable when compared with pricing for current market transactions for the same or similar items, the acquirer recognises, separately from the business combination, a gain or loss for the effective settlement of the contract, measured in accordance with paragraph B52 of IFRS 3(2008).	

TQ	Reference	Recognition/measurement requirement	Yes / No / N/A
3A	IFRS 3 (2008).B55	<u>Arrangements for contingent payments to employees or selling shareholders</u> If it is not clear whether an arrangement for payments to employees or selling shareholders is part of the exchange for the acquiree or is a transaction separate from the business combination, has the acquirer considered the following indicators: a) Continuing employment b) Duration of continuing employment c) Level of remuneration d) Incremental payments to employees e) Number of shares owned f) Linkage to the valuation g) Formula for determining consideration h) Other agreements and issues	
	IFRS 3 (2008).B55	Note: The following should be considered in terms of the above indicators: a) Continuing employment - The terms of continuing employment by the selling shareholders who become key employees may be an indicator of the substance of a contingent consideration arrangement. The relevant terms of continuing employment may be included in an employment agreement, acquisition agreement or some other document. A contingent consideration arrangement in which the payments are automatically forfeited if employment terminates is remuneration for post-combination services. Arrangements in which the contingent payments are not affected by employment termination may indicate that the contingent payments are additional consideration rather than remuneration. b) Duration of continuing employment - If the period of required employment coincides with or is longer than the contingent payment period, that fact may indicate that the contingent payments are, in substance, remuneration. c) Level of remuneration - Situations in which employee remuneration other than the contingent payments is at a reasonable level in comparison with that of other key employees in the combined entity may indicate that the contingent payments are additional consideration rather than remuneration. d) Incremental payments to employees - If selling shareholders who do not become employees receive lower contingent payments on a per-share basis than the selling shareholders who become employees of the combined entity, that fact may indicate that the incremental amount of contingent payments to the selling shareholders who become employees is remuneration.	

TQ	Reference	Recognition/measurement requirement	Yes / No / N/A
		e) Number of shares owned - The relative number of shares owned by the selling shareholders who remain as key employees may be an indicator of the substance of the contingent consideration arrangement. For example, if the selling shareholders who owned substantially all of the shares in the acquiree continue as key employees, that fact may indicate that the arrangement is, in substance, a profit-sharing arrangement intended to provide remuneration for post-combination services. Alternatively, if selling shareholders who continue as key employees owned only a small number of shares of the acquiree and all selling shareholders receive the same amount of contingent consideration on a per-share basis, that fact may indicate that the contingent payments are additional consideration. The pre-acquisition ownership interests held by parties related to selling shareholders who continue as key employees, such as family members, should also be considered. f) Linkage to the valuation - If the initial consideration transferred at the acquisition date is based on the low end of a range established in the valuation of the acquiree and the contingent formula relates to that valuation approach, that fact may suggest that the contingent payments are additional consideration. Alternatively, if the contingent payment formula is consistent with prior profit-sharing arrangements, that fact may suggest that the substance of the arrangement is to provide remuneration. g) Formula for determining consideration - The formula used to determine the contingent payment may be helpful in assessing the substance of the arrangement. For example, if a contingent payment is determined on the basis of a multiple of earnings, that might suggest that the obligation is contingent consideration in the business combination and that the formula is intended to establish or verify the fair value of the acquiree. In contrast, a contingent payment that is a specified percentage of earnings might suggest that the obligation to employees is a profit-sharing arrangement to remunerate employees for services rendered. h) Other agreements and issues - The terms of other arrangements with selling shareholders (such as agreements not to compete, executory contracts, consulting contracts and property lease agreements) and the income tax treatment of contingent payments may indicate that contingent payments are attributable to something other than consideration for the acquiree. For example, in connection with the acquisition, the acquirer might enter into a property lease arrangement with a significant selling shareholder. If the lease payments specified in the lease contract are significantly below market, some or all of the contingent payments to the lessor (the selling shareholder) required by a separate arrangement for contingent payments might be, in substance, payments for the use of the leased property that the acquirer should recognise separately in its post-combination financial statements. In contrast, if the lease contract specifies lease payments that are consistent with market terms for the leased property, the arrangement for contingent payments to the selling shareholder may be contingent consideration in the business combination.	

TQ	Reference	Recognition/measurement requirement	Yes / No / N/A
3A	IFRS 3 (2008).B56	<u>Acquirer share-based payment awards exchanged for awards held by the acquiree's employees</u> If the acquirer is obliged to replace the acquiree awards, is either all or a portion of the market-based measure of the acquirer's replacement awards included in measuring the consideration transferred in the business combination?	
	IFRS 3 (2008).B56	<i>Note: The acquirer is obliged to replace the acquiree awards if the acquiree or its employees have the ability to enforce replacement. For example, for the purposes of applying this requirement, the acquirer is obliged to replace the acquiree's awards if replacement is required by:</i> <i>a) the terms of the acquisition agreement;</i> <i>b) the terms of the acquiree's awards; or</i> <i>c) applicable laws or regulations.</i>	
3A	IFRS 3 (2008).B56	If the acquirer replaces acquiree awards that expire as a consequence of a business combination even though it is not obliged to do so, has all of the market-based measure of the replacement awards been recognised as remuneration cost in the post-combination financial statements?	
	IFRS 3 (2008).B57	<i>Notes:</i> 1) <i>To determine the portion of a replacement award that is part of the consideration transferred for the acquiree and the portion that is remuneration for post-combination service, the acquirer shall measure both the replacement awards granted by the acquirer and the acquiree awards as of the acquisition date in accordance with IFRS 2.</i> <i>The portion of the market-based measure of the replacement award that is part of the consideration transferred in exchange for the acquiree equals the portion of the acquiree award that is attributable to pre-combination service.</i>	
	IFRS 3 (2008).B58	2) <i>The portion of the replacement award attributable to pre-combination service is the market-based measure of the acquiree award multiplied by the ratio of the portion of the vesting period completed to the greater of the total vesting period or the original vesting period of the acquiree award. The vesting period is the period during which all the specified vesting conditions are to be satisfied. Vesting conditions are defined in IFRS 2.</i>	
	IFRS 3 (2008).B59	3) <i>The portion of a non-vested replacement award attributable to post-combination service, and therefore recognised as remuneration cost in the post-combination financial statements, equals the total market-based measure of the replacement award less the amount attributed to pre-combination service. Therefore, the acquirer attributes any excess of the market-based measure of the replacement award over the market-based measure of the acquiree award to post-combination service and recognises that excess as remuneration cost in the post-combination financial statements. The acquirer shall attribute a portion of a replacement award to post-combination service if it requires post-combination service, regardless of whether employees had rendered all of the service required for their acquiree awards to vest before the acquisition date.</i>	

TQ	Reference	Recognition/measurement requirement	Yes / No / N/A
3A	IFRS 3 (2008).B60	4) <i>The portion of a non-vested replacement award attributable to pre-combination service, as well as the portion attributable to post-combination service, shall reflect the best available estimate of the number of replacement awards expected to vest. For example, if the market-based measure of the portion of a replacement award attributed to pre-combination service is CU100 and the acquirer expects that only 95 per cent of the award will vest, the amount included in consideration transferred in the business combination is CU95. Changes in the estimated number of replacement awards expected to vest are reflected in remuneration cost for the periods in which the changes or forfeitures occur not as adjustments to the consideration transferred in the business combination. Similarly, the effects of other events, such as modifications or the ultimate outcome of awards with performance conditions, that occur after the acquisition date are accounted for in accordance with IFRS 2 in determining remuneration cost for the period in which an event occurs.</i>	
	IFRS 3 (2008).B61	5) <i>The same requirements for determining the portions of a replacement award attributable to pre-combination and post-combination service apply regardless of whether a replacement award is classified as a liability or as an equity instrument in accordance with the provisions of IFRS 2. All changes in the market-based measure of awards classified as liabilities after the acquisition date and the related income tax effects are recognised in the acquirer's post-combination financial statements in the period(s) in which the changes occur.</i>	
	IFRS 3 (2008).B62	Has the income tax effects of replacement awards of share-based payments been recognised in accordance with of IAS 12 <i>Income Taxes</i> ?	
	IFRS 3 (2008).53	Acquisition-related costs Have the acquisition-related costs been recognised as expenses in the periods in which the costs are incurred and the services are received?	
	IFRS 3 (2008).53	Notes: 1) <i>Acquisition-related costs are costs the acquirer incurs to effect a business combination. Those costs include finder's fees; advisory, legal, accounting, valuation and other professional or consulting fees; general administrative costs, including the costs of maintaining an internal acquisitions department; and costs of registering and issuing debt and equity securities.</i>	
	IFRS 3 (2008).53	2) <i>The costs to issue debt or equity securities shall be recognised in accordance with IAS 32 and IAS 39, i.e. not recognised as expenses in the periods in which the costs are incurred and the services received.</i>	

TQ	Reference	Recognition/measurement requirement	Yes / No / N/A
		Subsequent measurement and accounting	
3A	IFRS 3 (2008).54	Have the assets acquired, liabilities assumed or incurred and equity instruments issued in a business combination subsequently been measured in accordance with other applicable IFRSs for those items, depending on their nature?	
	IFRS 3 (2008).B63	<i>Note: Examples of other IFRSs that provide guidance on subsequently measuring and accounting for assets acquired and liabilities assumed or incurred in a business combination include:</i> a) IAS 38 prescribes the accounting for identifiable intangible assets acquired in a business combination. The acquirer measures goodwill at the amount recognised at the acquisition date less any accumulated impairment losses. IAS 36 Impairment of Assets prescribes the accounting for impairment losses. b) IFRS 4, Insurance Contracts provides guidance on the subsequent accounting for an insurance contract acquired in a business combination. c) IAS 12 prescribes the subsequent accounting for deferred tax assets (including unrecognised deferred tax assets) and liabilities acquired in a business combination. d) IFRS 2 provides guidance on subsequent measurement and accounting for the portion of replacement share-based payment awards issued by an acquirer that is attributable to employees' future services. e) IAS 27 (as amended in 2008) provides guidance on accounting for changes in a parent's ownership interest in a subsidiary after control is obtained.	
		Reacquired rights	
3A	IFRS 3 (2008).55	Has reacquired right recognised as an intangible asset been amortised over the remaining contractual period of the contract in which the right was granted?	
3A	IFRS 3 (2008).55	Has the carrying amount of the intangible asset been included in determining the gain or loss on the subsequent sale of a reacquired right to a third party?	
		Contingent liabilities	
3A	IFRS 3 (2008).56	After initial recognition and until the liability is settled, cancelled or expires, has the acquirer measured a contingent liability recognised in a business combination at the higher of: a) the amount that would be recognised in accordance with IAS 37; and b) the amount initially recognised less, if appropriate, cumulative amortisation recognised in accordance with IAS 18 Revenue	
	IFRS 3 (2008).56	<i>Note: This requirement does not apply to contracts accounted for in accordance with IAS 39.</i>	
		Indemnification assets	
3A	IFRS 3 (2008).57	Has the acquirer, at the end of each subsequent reporting period, measured an indemnification asset that was recognised at the acquisition date on the same basis as the indemnified liability or asset, subject to any contractual limitations on its amount and, for an indemnification asset that is not subsequently measured at its fair value, management's assessment of the collectability of the indemnification asset?	
3A	IFRS 3 (2008).57	Has indemnification assets been derecognised only when the acquirer collects the asset, sells it or otherwise loses the right to it?	

TQ	Reference	Recognition/measurement requirement	Yes / No / N/A
3D	IFRS 3 (2008).58	Contingent consideration Has the acquirer accounted for changes in the fair value of contingent consideration that are not measurement period adjustments as follows: a) Has contingent consideration classified as equity not been remeasured and its subsequent settlement accounted for within equity? b) Has contingent consideration been classified as an asset or a liability that: i) is a financial instrument and is within the scope of IAS 39 shall be measured at fair value, with any resulting gain or loss recognised either in profit or loss or in other comprehensive income in accordance with that IFRS? ii) is not within the scope of IAS 39 shall be accounted for in accordance with IAS 37 or other IFRSs as appropriate?	
	IFRS 3 (2008).58	<i>Note: Some changes in the fair value of contingent consideration that the acquirer recognises after the acquisition date may be the result of additional information that the acquirer obtained after that date about facts and circumstances that existed at the acquisition date. Such changes are measurement period adjustments in accordance with paragraphs 45–49 of IFRS 3(2008). However, changes resulting from events after the acquisition date, such as meeting an earnings target, reaching a specified share price or reaching a milestone on a research and development project, are not measurement period adjustments.</i>	
		Reverse acquisitions	
3H	IFRS 3 (2008).B19	Has the acquirer (for accounting purposes) the entity whose equity interests are acquired (the legal acquiree)?	
3H	IFRS 3 (2008).B19	Does the accounting acquiree meet the definition of a business?	
	IFRS 3 (2008).B19	<i>Notes:</i> 1) <i>A reverse acquisition occurs when the entity that issues securities (the legal acquirer) is identified as the acquiree for accounting purposes on the basis of the guidance in paragraphs B13–B18. For example, reverse acquisitions sometimes occur when a private operating entity wants to become a public entity but does not want to register its equity shares.</i> <i>To accomplish that, the private entity will arrange for a public entity to acquire its equity interests in exchange for the equity interests of the public entity. In this example, the public entity is the legal acquirer because it issued its equity interests, and the private entity is the legal acquiree because its equity interests were acquired. However, application of the guidance in paragraphs B13–B18 results in identifying:</i> a) <i>the public entity as the acquiree for accounting purposes (the accounting acquiree); and</i> b) <i>the private entity as the acquirer for accounting purposes (the accounting acquirer).</i>	

TQ	Reference	Recognition/measurement requirement	Yes / No / N/A
	IFRS 3 (2008).B20	2) <i>In a reverse acquisition, the accounting acquirer usually issues no consideration for the acquiree. Instead, the accounting acquiree usually issues its equity shares to the owners of the accounting acquirer. Accordingly, the acquisition-date fair value of the consideration transferred by the accounting acquirer for its interest in the accounting acquiree is based on the number of equity interests the legal subsidiary would have had to issue to give the owners of the legal parent the same percentage equity interest in the combined entity that results from the reverse acquisition. The fair value of the number of equity interests calculated in that way can be used as the fair value of consideration transferred in exchange for the acquiree.</i>	
3H	IFRS 3 (2008).B21	Have the consolidated financial statements following a reverse acquisition been issued under the name of the legal parent (accounting acquiree) but described in the notes as a continuation of the financial statements of the legal subsidiary (accounting acquirer), with one adjustment, which is to adjust retroactively the accounting acquirer's legal capital to reflect the legal capital of the accounting acquiree?	
	IFRS 3 (2008).B21	<i>Note: That adjustment is required to reflect the capital of the legal parent (the accounting acquiree).</i>	
3H	IFRS 3 (2008).B21	Has the comparative information presented in those consolidated financial statements been retroactively adjusted to reflect the legal capital of the legal parent (accounting acquiree)?	
3H	IFRS 3 (2008).B22	Because the consolidated financial statements represent the continuation of the financial statements of the legal subsidiary except for its capital structure, do the consolidated financial statements reflect: a) the assets and liabilities of the legal subsidiary (the accounting acquirer) recognised and measured at their pre-combination carrying amounts? b) the assets and liabilities of the legal parent (the accounting acquiree) recognised and measured in accordance with this IFRS? c) the retained earnings and other equity balances of the legal subsidiary (accounting acquirer) before the business combination? d) the amount recognised as issued equity interests in the consolidated financial statements determined by adding the issued equity interest of the legal subsidiary (the accounting acquirer) outstanding immediately before the business combination to the fair value of the legal parent (accounting acquiree) determined in accordance with this IFRS. However, the equity structure (i.e. the number and type of equity interests issued) reflects the equity structure of the legal parent (the accounting acquiree), including the equity interests the legal parent issued to effect the combination. Accordingly, the equity structure of the legal subsidiary (the accounting acquirer) is restated using the exchange ratio established in the acquisition agreement to reflect the number of shares of the legal parent (the accounting acquiree) issued in the reverse acquisition? e) the non-controlling interest's proportionate share of the legal subsidiary's (accounting acquirer's) pre-combination carrying amounts of retained earnings and other equity interests?	

TQ	Reference	Recognition/measurement requirement	Yes / No / N/A
		<i>Non-controlling interest</i>	
3H	IFRS 3 (2008).B23	Has the owners of the legal acquiree (the accounting acquirer) that have not exchanged their equity interests for equity interests of the legal parent (the accounting acquiree) been treated as a non-controlling interest in the consolidated financial statements after the reverse acquisition?	
	IFRS 3 (2008).B23	<i>Note: That is because the owners of the legal acquiree that do not exchange their equity interests for equity interests of the legal acquirer have an interest in only the results and net assets of the legal acquiree - not in the results and net assets of the combined entity. Conversely, even though the legal acquirer is the acquiree for accounting purposes, the owners of the legal acquirer have an interest in the results and net assets of the combined entity.</i>	
3H	IFRS 3 (2008).B24	Does the non-controlling interest reflect the non-controlling shareholders' proportionate interest in the pre-combination carrying amounts of the legal acquiree's net assets?	
		<i>Earnings per share</i>	
3H	IFRS 3 (2008).B26	In calculating the weighted average number of ordinary shares outstanding (the denominator of the earnings per share calculation) during the period in which the reverse acquisition occurs: a) Has the number of ordinary shares outstanding from the beginning of that period to the acquisition date been computed on the basis of the weighted average number of ordinary shares of the legal acquiree (accounting acquirer) outstanding during the period multiplied by the exchange ratio established in the merger agreement; and b) Has the number of ordinary shares outstanding from the acquisition date to the end of that period been the actual number of ordinary shares of the legal acquirer (the accounting acquiree) outstanding during that period?	
3H	IFRS 3 (2008).B27	Has the basic earnings per share for each comparative period before the acquisition date presented in the consolidated financial statements following a reverse acquisition been calculated by dividing: a) the profit or loss of the legal acquiree attributable to ordinary shareholders in each of those periods by b) the legal acquiree's historical weighted average number of ordinary shares outstanding multiplied by the exchange ratio established in the acquisition agreement.	
		<u>Adoption of IFRS 3 (2008) in advance of its effective date</u>	
	IFRS 3 (2008).64	<i>Note: IFRS 3(2008) shall be applied prospectively to business combinations for which the acquisition date is on or after the beginning of the first annual period beginning on or after 1 July 2009. Earlier application is permitted. However, IFRS 3(2008) shall be applied only at the beginning of an annual period that begins on or after 30 June 2007. If an entity applies IFRS 3(2008) before 1 July 2009, it shall apply IAS 27(2008) at the same time.</i>	

IFRS 4 Insurance Contracts

TQ	Reference	Recognition/measurement requirement	Yes / No / N/A
		<i>This section of the questionnaire addresses IFRS 4, which specifies the financial reporting for insurance contracts by an entity that issues such contracts (described as an insurer). IFRS 4 is an interim measure until the IASB completes the second phase of its project on insurance contracts.</i> TAILORING QUESTIONS <i>If you answer "yes" to any of the tailoring questions below, please answer the compliance questions relating to it.</i>	
4A		Has the entity issued any insurance contracts (including reinsurance contracts) or does it hold any reinsurance contracts? <i>Note: An insurance contract is a contract under which the one party (the insurer) accepts significant insurance risk from another party (the policy holder) by agreeing to compensate the policy holder if they are adversely impacted by a specified uncertain future event (the insurance event). An insurance risk is a risk, other than the risk of a possible future change in one or more of a specified interest rate, financial instrument price, commodity price, foreign exchange rate, index of prices or rates, credit rating or credit index or other variable, provided that in the case of a non-financial variable that the variable is not specific to a party to the contract, transferred from the holder of a contract to the issuer.</i> <i>All references in the questionnaire to insurance contract also apply to reinsurance contracts unless reinsurance contracts are specifically referred to.</i>	
4B		Has the entity issued financial instruments with a discretionary participation feature? <i>Note: A discretionary participation feature is a contractual right to receive, as a supplement to guaranteed benefits, additional benefits:</i> <i>a) that are likely to be a significant portion of the total contractual benefits;</i> <i>b) whose amount or timing is contractually at the discretion of the issuer; and</i> <i>c) that are contractually based on:</i> <i>i) the performance of a specified pool of contracts or a specified type of contract;</i> <i>ii) realised and/or unrealised investment returns on a specified pool of assets held by the issuer, or</i> <i>iii) the profit or loss of the company, fund or other entity that issues the contract.</i>	
4C		Has the entity issued an insurance contract which contains a discretionary participation feature (see above definition) as well as a guaranteed element?	
4D		Are there any embedded derivatives in insurance contracts which the entity has issued, apart from an embedded derivative which is itself an insurance contract?	
4E		Do any of the insurance contracts which the entity has issued contain both an insurance component and a deposit component? <i>Note: A deposit component is a contractual component that is not accounted for as a derivative under IAS 39 and would be within the scope of IAS 39 if it were a separate instrument.</i>	

TQ	Reference	Recognition/measurement requirement	Yes / No / N/A
4F		Has the insurer changed its accounting policies for insurance contracts? <i>Note: This applies to changes made by an insurer that already applies IFRSs and changes made by an insurer adopting IFRSs for the first time.</i>	
4G		Did the entity assume any insurance liabilities or acquire any insurance assets in a business combination (as defined in IFRS 3)? OR Did the entity acquire a portfolio of insurance contracts? DETAILED COMPLIANCE QUESTIONS Scope <i>Definition of an insurance contract</i> <i>Note: Appendix B to IFRS 4 provides guidance on the definition of an insurance contract. Some of the main features of Appendix B are addressed below.</i> <u>Uncertain future event</u>	
4A	IFRS 4.B2	In order to qualify as an insurance contract, is at least one of the following uncertain at the inception of the contract: a) whether an insured event will occur; b) when it will occur; or c) how much the insurer will need to pay if it occurs? <u>Payments in kind</u>	
4A	IFRS 4.B5	In identifying insurance contracts, has the entity considered that some insurance contracts require or permit payments to be made in kind? <i>Note: An example is when the insurer replaces a stolen article directly, instead of reimbursing the policyholder. Another example is when an insurer uses its own hospitals and medical staff to provide medical services covered by the contracts.</i>	
4A	IFRS 4.B6	In identifying insurance contracts, has the entity considered that some fixed-fee service contracts in which the level of service depends on an uncertain event meet the definition of an insurance contract in IFRS 4, even though they are not regulated as insurance contracts in some countries? <i>Note: One example is a maintenance contract in which the service provider agrees to repair specified equipment after a malfunction. The fixed service fee is based on the expected number of malfunctions, but it is uncertain whether a particular machine will break down. The malfunction of the equipment adversely affects its owner and the contract compensates the owner (in kind, rather than cash).</i> <u>Distinction between insurance risk and other risks</u> <i>Note: Refer to the detailed guidance in Appendix B in this regard (paragraph B8 to B17).</i> <u>Examples of insurance contracts</u>	
4A	IFRS 4.B18	Has the entity accounted for the following as insurance contracts in accordance with IFRS 4, if the transfer of insurance risk is significant: a) insurance against theft or damage to property? b) insurance against product liability, professional liability, civil liability or legal expenses?	

TQ	Reference	Recognition/measurement requirement	Yes / No / N/A
		c) life insurance and prepaid funeral plans (although death is certain, it is uncertain when death will occur or, for some types of life insurance, whether death will occur within the period covered by the insurance)? d) life-contingent annuities and pensions (i.e. contracts that provide compensation for the uncertain future event – the survival of the annuitant or pensioner – to assist the annuitant or pensioner in maintaining a given standard of living, which would otherwise be adversely affected by his or her survival)? e) disability and medical cover? f) surety bonds, fidelity bonds, performance bonds and bid bonds (i.e. contracts that provide compensation if another party fails to perform a contractual obligation, for example an obligation to construct a building)? g) credit insurance that provides for specified payments to be made to reimburse the holder for a loss it incurs because a specified debtor fails to make payment when due under the original or modified terms of a debt instrument? <i>Note: These contracts could have various legal forms, such as that of a financial guarantee, some types of letter of credit, a credit derivative default product or insurance contract. However, although these contracts meet the definition of an insurance contract, they also meet the definition of a financial guarantee contract in IAS 39 and are within the scope of IAS 32 and IAS 39, not IFRS 4 (see paragraph 4(d) of IFRS 4). Nevertheless, if an issuer of financial guarantee contracts has previously asserted explicitly that it regards such contracts as insurance contracts, and has used accounting applicable to insurance contracts, the issuer may elect to apply either IAS 32 and IAS 39, or IFRS 4, to such financial guarantee contracts.</i> h) product warranties? <i>Note: Product warranties issued by another party for goods sold by a manufacturer, dealer or retailer are within the scope of this IFRS. However, product warranties issued directly by a manufacturer, dealer or retailer are outside its scope, because they are within the scope of IAS 18 and IAS 37.</i> i) title insurance (i.e. insurance against the discovery of defects in title to land that were not apparent when the insurance contract was written)? <i>Note: In this case, the insured event is the discovery of a defect in the title, not the defect itself.</i> j) travel assistance (i.e. compensation in cash or in kind to policyholders for losses suffered while they are travelling)? k) catastrophe bonds that provide for reduced payments of principal, interest or both if a specified event adversely affects the issuer of the bond (unless the specified event does not create significant insurance risk, for example if the event is a change in an interest rate or foreign exchange rate)? l) insurance swaps and other contracts that require a payment based on changes in climatic, geological or other physical variables that are specific to a party to the contract? m) reinsurance contracts?	

TQ	Reference	Recognition/measurement requirement	Yes / No / N/A
4A	IFRS 4.B19	Has the entity <u>not</u> accounted for the following as insurance contracts in accordance with IFRS 4: a) investment contracts that have the legal form of an insurance contract but do not expose the insurer to significant insurance risk, for example life insurance contracts in which the insurer bears no significant mortality risk (such contracts are non-insurance financial instruments or service contracts, see paragraphs B20 and B21 of Appendix B to IFRS 4)? b) contracts that have the legal form of insurance, but pass all significant insurance risk back to the policyholder through non-cancellable and enforceable mechanisms that adjust future payments by the policyholder as a direct result of insured losses, for example some financial reinsurance contracts or some group contracts (such contracts are normally non-insurance financial instruments or service contracts, see paragraphs B20 and B21 of Appendix B to IFRS 4)? c) self-insurance, in other words retaining a risk that could have been covered by insurance (there is no insurance contract because there is no agreement with another party)? d) contracts (such as gambling contracts) that require a payment if a specified uncertain future event occurs, but do not require, as a contractual precondition for payment, that the event adversely affects the policyholder? <i>Note: However, this does not preclude the specification of a predetermined payout to quantify the loss caused by a specified event such as death or an accident (see also paragraph B13 of Appendix B to IFRS 4).</i> e) derivatives that expose one party to financial risk but not insurance risk, because they require that party to make payment based solely on changes in one or more of a specified interest rate, financial instrument price, commodity price, foreign exchange rate, index of prices or rates, credit rating or credit index or other variable, provided in the case of a non-financial variable that the variable is not specific to a party to the contract (see IAS 39)? f) a credit-related guarantee (or letter of credit, credit derivative default contract or credit insurance contract) that requires payments even if the holder has not incurred a loss on the failure of the debtor to make payments when due (see IAS 39)? g) contracts that require a payment based on a climatic, geological or other physical variable that is not specific to a party to the contract (commonly described as weather derivatives)? h) catastrophe bonds that provide for reduced payments of principal, interest or both, based on a climatic, geological or other physical variable that is not specific to a party to the contract? Significant insurance risk	
4A	IFRS 4.B22	Has the entity accounted for a contract as an insurance contract only if it transfers significant insurance risk?	
4A	IFRS 4.B23	Has the entity considered insurance risk to be significant if, and only if, an insured event could cause an insurer to pay significant additional benefits in any scenario, excluding scenarios that lack commercial substance (i.e. have no discernible effect on the economics of the transaction)?	

TQ	Reference	Recognition/measurement requirement	Yes / No / N/A
		Notes: 1) <i>If significant additional benefits would be payable in scenarios that have commercial substance, the condition in this context is met even if the insured event is extremely unlikely or even if the expected (i.e. probability-weighted) present value of contingent cash flows is a small proportion of the expected present value of all the remaining contractual cash flows.</i> 2) <i>The additional benefits described in paragraph B23 refer to amounts that exceed those that would be payable if no insured event occurred (excluding scenarios that lack commercial substance). Those additional amounts include claims handling and claims assessment costs, but exclude:</i> a) <i>the loss of the ability to charge the policyholder for future services. For example, in an investment-linked life insurance contract, the death of the policyholder means that the insurer can no longer perform investment management services and collect a fee for doing so. However, this economic loss for the insurer does not reflect insurance risk, just as a mutual fund manager does not take on insurance risk in relation to the possible death of the client. Therefore, the potential loss of future investment management fees is not relevant in assessing how much insurance risk is transferred by a contract.</i> b) <i>waiver on death of charges that would be made on cancellation or surrender. Because the contract brought those charges into existence, the waiver of these charges does not compensate the policyholder for a pre-existing risk. Hence, they are not relevant in assessing how much insurance risk is transferred by a contract.</i> c) <i>a payment conditional on an event that does not cause a significant loss to the holder of the contract. For example, consider a contract that requires the issuer to pay one million currency units if an asset suffers physical damage causing an insignificant economic loss of one currency unit to the holder. In this contract, the holder transfers to the insurer the insignificant risk of losing one currency unit. At the same time, the contract creates non-insurance risk that the issuer will need to pay 999,999 currency units if the specified event occurs. Because the issuer does not accept significant insurance risk from the holder, this contract is not an insurance contract.</i> d) <i>possible reinsurance recoveries. The insurer accounts for these separately.</i>	
4A	IFRS 4.B25	Has the insurer assessed the significance of insurance risk contract by contract, rather than by reference to materiality to the financial statements? Note: <i>Thus, insurance risk may be significant even if there is a minimal probability of material losses for a whole book of contracts. This contract-by-contract assessment makes it easier to classify a contract as an insurance contract. However, if a relatively homogeneous book of small contracts is known to consist of contracts that all transfer insurance risk, an insurer need not examine each contract within that book to identify a few non-derivative contracts that transfer insignificant insurance risk.</i>	
4A	IFRS 4.B26	Has the entity applied IFRS 4 if a contract pays a death benefit exceeding the amount payable on survival, as the contract is an insurance contract unless the additional death benefit is insignificant (judged by reference to the contract rather than to an entire book of contracts)?	
4A	IFRS 4.B28	If an insurance contract is unbundled into a deposit component and an insurance component, has the significance of insurance risk transfer been assessed by reference to the insurance component? Note: <i>The significance of insurance risk transferred by an embedded derivative is assessed by reference to the embedded derivative.</i>	

TQ	Reference	Recognition/measurement requirement	Yes / No / N/A
		<u>Changes in the level of insurance risk</u>	
4A	IFRS 4.B29	Has the entity classified as insurance contracts, some contracts that do not transfer any insurance risk at inception, although they do transfer insurance risk at a later time? <i>Note: For example, consider a contract that provides a specified investment return and includes an option for the policyholder to use the proceeds of the investment on maturity to buy a life-contingent annuity at the current annuity rates charged by the insurer to other new annuitants when the policyholder exercises the option. The contract transfers no insurance risk to the issuer until the option is exercised, because the insurer remains free to price the annuity on a basis that reflects the insurance risk transferred to the insurer at that time. However, if the contract specifies the annuity rates (or a basis for setting the annuity rates), the contract transfers insurance risk to the issuer at inception.</i>	
4A	IFRS 4.B30	Has a contract that qualifies as an insurance contract been kept as an insurance contract until all rights and obligations are extinguished or expire? <i>Embedded derivatives</i>	
4D	IFRS 4.7	Has the entity applied IAS 39 to embedded derivatives included in insurance contracts (except for embedded derivatives which are themselves insurance contracts)? <i>Note: In applying IAS 39, an entity separates some embedded derivatives from their host contracts, measure them at fair value and include changes in their fair value in profit or loss.</i>	
4B, D	IFRS 4.8	As an exception to the requirement in IAS 39, has the insurer considered that it need not separate, and measure at fair value, a policyholder's option to surrender an insurance contract for a fixed amount (or for an amount based on a fixed amount and an interest rate), even if the exercise price differs from the carrying amount of the host insurance liability?	
4B, D	IFRS 4.8	Has the insurer applied the requirement in IAS 39 to a put option or cash surrender option embedded in an insurance contract if the surrender value varies in response to the change in a financial variable (such as an equity or commodity price or index), or a non-financial variable that is not specific to a party to the contract?	
4B, D	IFRS 4.8	Has the insurer also applied the requirement in IAS 39 if the holder's ability to exercise a put option or cash surrender option is triggered by a change in such a variable (for example, a put option that can be exercised if a stock market index reaches a specified level).?	
4B, D	IFRS 4.9	Has the insurer applied the requirements of paragraph 8 of IFRS 4 (above) to options to surrender a financial instrument containing a discretionary participation feature? <i>Unbundling of deposit components</i> <i>Note: Some insurance contracts contain both an insurance component and a deposit component. In some cases, an insurer is <u>required</u> or <u>permitted</u> to unbundle those components.</i> <i>To unbundle a contract, an insurer shall:</i> • apply IFRS 4 to the insurance component; and • apply IAS 39 to the deposit component.	

TQ	Reference	Recognition/measurement requirement	Yes / No / N/A
4E	IFRS 4.10	Has the insurer unbundled (this is a <u>requirement</u>) where both of the following conditions are met: a) the insurer can measure the deposit component (including any embedded surrender options) separately (i.e. without considering the insurance component); and b) the insurer's accounting policies do not otherwise require it to recognise all obligations and rights arising from the deposit component? <i>Note: The following is an example of a case when an insurer's accounting policies do not require it to recognise all obligations arising from a deposit component. A cedant receives compensation for losses from a reinsurer, but the contract obliges the cedant to repay the compensation in future years. That obligation arises from a deposit component. If the cedant's accounting policies would otherwise permit it to recognise the compensation as income without recognising the resulting obligation, unbundling is required.</i>	
4E	IFRS 4.10	Has the insurer considered unbundling (this is <u>permitted</u> , not required) if the insurer can measure the deposit component (including any embedded surrender options) separately (i.e. without considering the insurance component) but its accounting policies require it to recognise all obligations and rights arising from the deposit component, regardless of the basis used to measure those rights and obligations?	
4E	IFRS 4.10	Has the insurer <u>not</u> unbundled if it cannot measure the deposit component (including any embedded surrender options) separately (i.e. without considering the insurance component)? Recognition and measurement Temporary exemptions from some other IFRSs <i>Note: IFRS 4 exempts an insurer from applying the principles of paragraphs 10-12 of IAS 8, Accounting Policies, Changes in Accounting Estimates and Errors, to its accounting policies for:</i> • insurance contracts that it issues (including related acquisition costs and related intangible assets); and • reinsurance contracts that it holds. <i>These paragraphs specify criteria for developing an accounting policy if no IFRS applies to a specific item. However, there are some implications of these criteria from which insurers are not exempt, and these have been addressed in the questions which follow.</i>	
4A	IFRS 4.14	Has the insurer <u>not</u> recognised as a liability any provisions for possible future claims, if those claims arise under insurance contracts that are not in existence at the end of the reporting period (such as catastrophe provisions and equalisation provisions)?	
4A	IFRS 4.14	Has the insurer carried out the liability adequacy test described in paragraphs 15 to 19 of IFRS 4 (see below)?	
4A	IFRS 4.14	Has the insurer removed an insurance liability (or part of an insurance liability) from its statement of financial position when, and only when, it has been extinguished – i.e. when the obligation specified in the contract is discharged or cancelled or expires?	
4A	IFRS 4.14	Has the insurer <u>not</u> offset: a) reinsurance assets against the related insurance liabilities; or b) income or expense from reinsurance contracts against the income or expense from the related insurance contracts?	

TQ	Reference	Recognition/measurement requirement	Yes / No / N/A
4A	IFRS 4.14	Has the insurer considered whether its reinsurance assets are impaired (refer to paragraph 20 of IFRS 4 – see below)? <u>Liability adequacy test</u>	
4A	IFRS 4.15	Has the insurer assessed at the end of each reporting period, whether its recognised insurance liabilities are adequate, using current estimates of future cash flows under its insurance contracts? <i>Note: An insurer may already apply a liability adequacy test. Where such a test meets certain minimum requirements, no further requirements are prescribed by paragraph 15 of IFRS 4. Paragraph 16 and 17 of IFRS 4 give additional guidance in this regard (see below).</i>	
4A	IFRS 4.15	Where the insurer's assessment shows that the carrying amount of its insurance liabilities (less related deferred acquisition costs and related intangible assets) is inadequate in the light of the estimated future cash flows, has the entire deficiency been recognised in profit or loss?	
4A	IFRS 4.16	Has the insurer applied a liability adequacy test that meets the following specified minimum requirements: a) the test considers current estimates of all contractual cash flows, and of related cash flows such as claims handling costs, as well as cash flows resulting from embedded options and guarantees; b) if the test shows that the liability is inadequate, the entire deficiency is recognised in profit or loss? <i>Note: If these minimum requirements are met, IFRS 4 imposes no further restrictions.</i>	
4A	IFRS 4.17	If an insurer's accounting policies do not require a liability adequacy test that meets the minimum requirements of paragraph 16 of IFRS 4 (see above), has the insurer: a) determined the carrying amount of the relevant insurance liabilities less the carrying amount of: i) any related deferred acquisition costs; and ii) any related intangible assets, such as those acquired in a business combination or portfolio transfer (see paragraphs 31 and 32 of IFRS 4).; b) determined whether the amount described in (a) is less than the carrying amount that would be required if the relevant insurance liabilities were within the scope of IAS 37, in which case, the insurer recognises the entire difference in profit or loss and decreases the carrying amount of the related deferred acquisition costs or related intangible assets or increases the carrying amount of the relevant insurance liabilities? <i>Notes:</i> 1) The relevant insurance liabilities are those insurance liabilities (and related deferred acquisition costs and related intangible assets) for which the insurer's accounting policies do not require a liability adequacy test that meets the minimum requirements in paragraph 16 of IFRS 4. 2) For the purposes of (a)(ii) above, related reinsurance assets are not considered because an insurer accounts for them separately (see paragraph 20 of IFRS 4). 3) The amount described in (b) above (i.e. the result of applying IAS 37) shall reflect future investment margins (see paragraphs 27-29 of IFRS 4) if, and only if, the amount described in paragraph 17(a) above also reflects those margins.	

TQ	Reference	Recognition/measurement requirement	Yes / No / N/A
4A	IFRS 4.18	If an insurer's liability adequacy test meets the minimum requirements of paragraph 16 of IFRS 4 (see above), has the test been applied at the level of aggregation specified in that test?	
4A	IFRS 4.18	If an insurer's liability adequacy test does <u>not</u> meet those minimum requirements of paragraph 16 of IFRS 4, has the comparison described in paragraph 17 of IFRS 4 (see above) been made at the level of a portfolio of contracts that are subject to broadly similar risks and managed together as a single portfolio? <u>Impairment of reinsurance assets</u>	
4A	IFRS 4.20	Has a cedant reduced the carrying amount of a reinsurance asset as a result of an impairment loss if, and only if: a) there is objective evidence, as a result of an event that occurred after initial recognition of the reinsurance asset, that the cedant may not receive all the amounts due to it under the terms of the contract; and b) that event has a reliably measurable impact on the amounts that the cedant will receive from the reinsurer?	
4A	IFRS 4.20	Has the impairment loss been recognised in profit or loss? <u>Changes in accounting policies</u> <i>Note: Paragraphs 22 to 30 of IFRS 4 (see below) apply both to changes made by an insurer that already applies IFRSs and to changes made by an insurer adopting IFRSs for the first time.</i>	
4F	IFRS 4.22	Has the insurer changed its accounting policies for insurance contracts if, and only if, the change makes the financial statements more relevant to the economic decision-making needs of users and no less reliable, or more reliable and no less relevant to those needs? <u>Notes:</u> 1) <i>An insurer shall judge relevance and reliability by the criteria in IAS 8.</i> 2) <i>To justify changing its accounting policies for insurance contracts, an insurer shall show that the change brings its financial statements closer to meeting the criteria in IAS 8, but the change need not achieve full compliance with those criteria. Certain specific issues in this regard are discussed below under the underlined headings.</i> <u>Current market interest rates</u>	
4F	IFRS 4.24	Has the insurer considered that it is <u>permitted</u> , but not required, to change its accounting policies so that it remeasures designated insurance liabilities to reflect current market interest rates and recognises changes in those liabilities in profit or loss? <i>Note: At that time, it may also introduce accounting policies that require other current estimates and assumptions for the designated liabilities. The election in this paragraph permits an insurer to change its accounting policies for designated liabilities, without applying those policies consistently to all similar liabilities as IAS 8 would otherwise require.</i>	
4F	IFRS 4.24	If an insurer designates liabilities for this election (per paragraph 24 of IFRS 4 – see above), has it continued to apply current market interest rates (and, if applicable, the other current estimates and assumptions) consistently in all periods to all these liabilities until they are extinguished?	

TQ	Reference	Recognition/measurement requirement	Yes / No / N/A
4F	IFRS 4.25	<u>Continuation of existing practices</u>	
		Has the entity continued but <u>not</u> introduced any of the following practices:	
		a) measuring insurance liabilities on an undiscounted basis? b) measuring contractual rights to future investment management fees at an amount that exceeds their fair value as implied by a comparison with current fees charged by other market participants for similar services?	
		<i>Note: It is likely that the fair value at inception of those contractual rights equals the origination costs paid, unless future investment management fees and related costs are out of line with market comparables.</i>	
4F	IFRS 4.26	c) using non-uniform accounting policies for the insurance contracts (and related deferred acquisition costs and related intangible assets, if any) of subsidiaries, except as permitted by paragraph 24 of IFRS 4 (see above)?	
		<i>Note: If those accounting policies are not uniform, an insurer may change them if the change does not make the accounting policies more diverse and also satisfies the other requirements in this IFRS.</i>	
4F	IFRS 4.26	<u>Prudence</u>	
		Has the insurer considered that it need not change its accounting policies for insurance contracts to eliminate excessive prudence?	
4F	IFRS 4.27	<i>Note: However, if an insurer already measures its insurance contracts with sufficient prudence, it shall not introduce additional prudence.</i>	
		<u>Future investment margins</u>	
4F	IFRS 4.27	Has the insurer considered that it need not change its accounting policies for insurance contracts to eliminate future investment margins?	
		<i>Note: There is a rebuttable presumption that an insurer's financial statements will become less relevant and reliable if it introduces an accounting policy that reflects future investment margins in the measurement of insurance contracts, unless those margins affect the contractual payments. Two examples of accounting policies that reflect those margins are:</i> • using a discount rate that reflects the estimated return on the insurer's assets; or • projecting the returns on those assets at an estimated rate of return, discounting those projected returns at a different rate and including the result in the measurement of the liability.	
4F	IFRS 4.28	Has the insurer overcome the rebuttable presumption (that an insurer's financial statements will become less relevant and reliable if it introduces an accounting policy that reflects future investment margins in the measurement of insurance contracts, unless those margins affect the contractual payments) if, and only if, the other components of a change in accounting policies increase the relevance and reliability of its financial statements sufficiently to outweigh the decrease in relevance and reliability caused by the inclusion of future investment margins?	

TQ	Reference	Recognition/measurement requirement	Yes / No / N/A
		Notes: 1) For example, suppose that an insurer's existing accounting policies for insurance contracts involve excessively prudent assumptions set at inception and a discount rate prescribed by a regulator without direct reference to market conditions, and ignore some embedded options and guarantees. The insurer might make its financial statements more relevant and no less reliable by switching to a comprehensive investor-oriented basis of accounting that is widely used and involves: a) current estimates and assumptions; b) a reasonable (but not excessively prudent) adjustment to reflect risk and uncertainty; c) measurements that reflect both the intrinsic value and time value of embedded options and guarantees; and d) a current market discount rate, even if that discount rate reflects the estimated return on the insurer's assets. 2) In some measurement approaches, the discount rate is used to determine the present value of a future profit margin. That profit margin is then attributed to different periods using a formula. In those approaches, the discount rate affects the measurement of the liability only indirectly. In particular, the use of a less appropriate discount rate has a limited or no effect on the measurement of the liability at inception. However, in other approaches, the discount rate determines the measurement of the liability directly. In the latter case, because the introduction of an asset-based discount rate has a more significant effect, it is highly unlikely that an insurer could overcome the rebuttable presumption described in paragraph 27 of IFRS 4. <u>Shadow accounting</u> Has the insurer considered the fact that it is <u>permitted</u>, but not required, to change its accounting policies so that a recognised but unrealised gain or loss on an asset affects those measurements in the same way that a realised gain or loss does and that the related adjustment to the insurance liability (or deferred acquisition costs or intangible assets) shall be recognised in other comprehensive income if, and only if, the unrealised gains or losses are recognised in other comprehensive income? <i>Note: In some accounting models, realised gains or losses on an insurer's assets have a direct effect on the measurement of some or all of (a) its insurance liabilities, (b) related deferred acquisition costs and (c) related intangible assets, such as those described in paragraphs 31 and 32 of IFRS 4.</i> <u>Redesignation of financial assets</u> Has the insurer considered that if it changes its accounting policies for insurance liabilities, it is permitted (but not required) to reclassify some or all of its financial assets as "at fair value through profit or loss" and be treated as a change in accounting policies, and IAS 8 applies? <i>Note: This reclassification is permitted if an insurer changes accounting policies when it first applies IFRS 4, and if it makes a subsequent accounting policy change permitted by paragraph 22 of IFRS 4 (see above).</i>	
4F	IFRS 4.30		
4F	IFRS 4.45		

TQ	Reference	Recognition/measurement requirement	Yes / No / N/A
		<i>Insurance contracts acquired in a business combination or portfolio transfer</i>	
4G	IFRS 4.31	Has the insurer, at the acquisition date, measured at fair value the insurance liabilities assumed and insurance assets acquired in a business combination?	
4G	IFRS 4.31	Has the insurer considered that it is permitted, but not required, to use an expanded presentation that splits the fair value of acquired insurance contracts into two components: a) a liability measured in accordance with the insurer's accounting policies for insurance contracts that it issues; and b) an intangible asset, representing the difference between: i) the fair value of the contractual insurance rights acquired and insurance obligations assumed; and ii) the amount described in (a) above. <i>Note: The subsequent measurement of this asset shall be consistent with the measurement of the related insurance liability.</i> <i>The intangible assets described in paragraphs 31 and 32 of IFRS 4 are excluded from the scope of IAS 36 and IAS 38. However, IAS 36 and IAS 38 do apply to customer lists and customer relationships reflecting the expectation of future contracts that are not part of the contractual insurance rights and contractual insurance obligations that existed at the date of a business combination or portfolio transfer.</i>	
4G	IFRS 4.32	Has the insurer, if it acquired a portfolio of insurance contracts, considered that it may use the expanded presentation described in paragraph 31 of IFRS 4 (see above)? <i>Discretionary participation features in insurance contracts</i> <i>Note: Some insurance contracts contain a discretionary participation feature as well as a guaranteed element.</i>	
4C	IFRS 4.34	If the issuer has <u>not</u> recognised the guaranteed element of an insurance contract or financial instrument separately from the discretionary participation feature, has it classified the whole contract as a liability? <i>Note: The issuer of such a contract may, but need not, recognise the guaranteed element separately from the discretionary participation feature.</i>	
4C	IFRS 4.34	If the issuer has recognised the guaranteed element of an insurance contract or financial instrument separately from the discretionary participation feature, has it classified the guaranteed element as a liability?	
4C	IFRS 4.34	If the issuer has recognised the guaranteed element of an insurance contract or financial instrument separately from the discretionary participation feature, has it classified the discretionary participation feature as either a liability or equity, and not as an intermediate category that is neither liability nor equity? <i>Note: IFRS 4 does not specify how the issuer determines whether that feature is a liability or equity. The entity may split the discretionary participation feature into liability and equity components, but the accounting policy used to determine the split must be used consistently.</i>	

TQ	Reference	Recognition/measurement requirement	Yes / No / N/A
4C	IFRS 4.34	Has the issuer considered that it may recognise all premiums received as revenue without separating any portion that relates to the equity component? <i>Note: The resulting changes in the guaranteed element and in the portion of the discretionary participation feature classified as a liability shall be recognised in profit or loss. If part or all of the discretionary participation feature is classified in equity, a portion of profit or loss may be attributable to that feature (in the same way that a portion may be attributable to non-controlling interests). The issuer shall recognise the portion of profit or loss attributable to any equity component of a discretionary participation feature as an allocation of profit or loss, not as expense or income (see IAS 1).</i>	
4C	IFRS 4.34	If the contract contains an embedded derivative within the scope of IAS 39, has the entity applied IAS 39 to that embedded derivative?	
4C	IFRS 4.34	Has the issuer, in all respects <u>not</u> described in paragraphs 14 to 20 and 34(a) to (d) of IFRS 4, continued its existing accounting policies for such contracts, unless it changes those accounting policies in a way that complies with paragraphs 21 to 30 of IFRS 4? Discretionary participation features in financial instruments <i>Note: The requirements in paragraph 34 of IFRS 4 (see above) apply to a financial instrument that contains a discretionary participation feature. The requirements of paragraph 35 below apply to financial instruments that contain discretionary participation features, in addition to those specified in paragraph 34 above.</i>	
4B	IFRS 4.35	If the issuer classifies the entire discretionary participation feature as a liability, has it applied the liability adequacy test in paragraphs 15 to 19 of IFRS 4 to the whole contract (i.e. both the guaranteed element and the discretionary participation feature)? <i>Note: The issuer need not determine the amount that would result from applying IAS 39 to the guaranteed element.</i>	
4B	IFRS 4.35	If the issuer classifies part or all of that feature as a separate component of equity, has the liability recognised for the whole contract not less than the amount that would result from applying IAS 39 to the guaranteed element? <i>Note: That amount shall include the intrinsic value of an option to surrender the contract, but need not include its time value if paragraph 9 exempts that option from measurement at fair value. The issuer need not disclose the amount that would result from applying IAS 39 to the guaranteed element, nor need it present that amount separately. Furthermore, the issuer need not determine that amount if the total liability recognised is clearly higher.</i>	
4B	IFRS 4.35	Although these contracts are financial instruments, has the issuer considered that it may continue to recognise the premiums for those contracts as revenue and recognise as an expense the resulting increase in the carrying amount of the liability?	

IFRS 5 Non-current Assets Held for Sale and Discontinued Operations

TQ	Reference	Recognition/measurement requirement	Yes / No / N/A
		<i>This section of the questionnaire addresses IFRS 5, which prescribes reporting of non-current assets held for sale and discontinued operations. The principal issues relate to the accounting treatment of assets held for sale, and the presentation and disclosure of discontinued operations.</i> SCOPE NOTE <i>The measurement requirements of IFRS 5 apply to all recognised non-current assets and disposal groups, except for those assets listed below (whether as individual assets or as part of a disposal group) which shall continue to be measured in accordance with the IFRSs listed:</i> <i>deferred tax assets (see IAS 12, Income Taxes);</i> <i>assets arising from employee benefits (see IAS 19, Employee Benefits);</i> <i>financial assets within the scope of IAS 39, Financial Instruments: Recognition and Measurement;</i> <i>non-current assets that are accounted for in accordance with the fair value model in IAS 40, Investment Property;</i> <i>non-current assets that are measured at fair value less costs to sell in accordance with IAS 41, Agriculture; and</i> <i>contractual rights under insurance contracts as defined in IFRS 4, Insurance Contracts.</i> <i>However, the classification and presentation requirements of IFRS 5 apply to all recognised non-current assets and to all disposal groups of an entity.</i> <i>A disposal group is a group of assets to be disposed of, by sale or otherwise, together as a group in a single transaction, and liabilities directly associated with those assets that will be transferred in the transaction. The group includes goodwill acquired in a business combination if the group is a cash-generating unit to which goodwill has been allocated in accordance with the requirements of paragraphs 80-87 of IAS 36, Impairment of Assets, or if it is an operation within such a cash-generating unit.</i> TAILORING QUESTIONS <i>If you answer "yes" to any of the tailoring questions below, please answer the compliance questions relating to it.</i>	
5A		Does the entity hold non-current assets or groups of assets for which it intends to recover the carrying amount principally through a sale transaction rather than through continuing use (an asset 'held for sale')? <i>Note: For this to be the case, the asset (or disposal group) must be available for immediate sale in its present condition subject only to terms that are usual and customary for sales of such assets (or such disposal groups), and its sale must meet certain specific conditions in IFRS 5 (including, for example, management commitment and active marketing) to qualify as "highly probable".</i> <i>Sale transactions include exchanges of non-current assets for other non-current assets when the exchange has commercial substance, in accordance with IAS 16, Property, Plant and Equipment.</i>	
5B		Has the entity acquired any non-current assets (or disposal groups) exclusively with a view to their subsequent disposal (see note to 5A above)?	
5C		Has the entity previously classified assets (or disposal groups) as held for sale which no longer meet the classification criteria (see 5A above)?	

TQ	Reference	Recognition/measurement requirement	Yes / No / N/A
DETAILED COMPLIANCE QUESTIONS			
Classification of non-current assets (or disposal groups) as held for sale			
5A, B	IFRS 5.6	Have non-current assets (or disposal groups) been classified as held for sale if their carrying amounts will be recovered principally through a sale transaction rather than through continuing use? <i>Note: Paragraphs 7 and 8 of IFRS 5 (see below) set out the detailed criteria for classification as held for sale.</i>	
5A, B	IFRS 5.7	For this to be the case, is the asset (or disposal group) available for immediate sale in its present condition, subject only to terms that are usual and customary for sales of such assets (or disposal groups)?	
5A, B	IFRS 5.7	Is the sale of the asset (or disposal group) "highly probable"? <i>Note: For the sale to be regarded as "highly probable", all of the criteria in paragraph 8 of IFRS 5 (see below) must be met.</i>	
5A, B	IFRS 5.8	Has the appropriate level of management committed to a plan to sell the asset (or disposal group)?	
5A, B	IFRS 5.8	Has an active programme been initiated to locate a buyer and complete the plan to sell the asset (or disposal group)?	
5A, B	IFRS 5.8	Is the asset (or disposal group) being actively marketed for sale at a sale price that is reasonable in relation to its current fair value?	
5A, B	IFRS 5.8	Is the sale of the asset (or disposal group) expected to qualify for recognition as a completed sale within one year from the date of classification, except as permitted by paragraph 9 of IFRS 5 (see below)?	
5A, B	IFRS 5.8	Do actions required to complete the plan to sell the asset (or disposal group) indicate that it is unlikely that significant changes to the plan will be made or that the plan will be withdrawn?	
5A, B	IFRS 5.8A	When an entity is committed to a sale plan involving loss of control of a subsidiary, have all the assets and liabilities of the subsidiary been classified as held for sale (when the criteria set out in paragraphs 6–8 of IFRS 5 are met), regardless of whether the entity will retain a non-controlling interest in its former subsidiary after the sale? <i>Note: Paragraph 8A of IFRS 5 was added by Improvements to IFRSs issued in May 2008.</i> <i>An entity shall apply the amendment for annual periods beginning on or after 1 July 2009. Earlier application is permitted. However, an entity shall not apply the amendment for annual periods beginning before 1 July 2009 unless it also applies IAS 27(2008). An entity shall apply the amendment prospectively from the date at which it first applied IFRS 5, but subject to the transitional provisions in paragraph 45 of IAS 27(2008).</i>	
5A, B	IFRS 5.9	Where the period required to complete a sale has been extended beyond one year, is the delay caused by events or circumstances beyond the entity's control?	
5A, B	IFRS 5.9	Where the period required to complete a sale has been extended beyond one year, is there sufficient evidence that the entity remains committed to its plan to sell the asset (or disposal group)? <i>Note: An exception to the one year requirement will only be permitted when the criteria in Appendix B of IFRS 5 are met (see below).</i>	

TQ	Reference	Recognition/measurement requirement	Yes / No / N/A
5A, B	IFRS 5.B1	<i>Extension of the period required to complete a sale</i> Has an exception to the one-year requirement in paragraph 8 of IFRS 5 (see above) been applied in the following situations in which such events or circumstances arise: a) at the date an entity commits itself to a plan to sell a non-current asset (or disposal group), it reasonably expects that others (not a buyer) will impose conditions on the transfer of the asset (or disposal group) that will extend the period required to complete the sale, and: i) actions necessary to respond to those conditions cannot be initiated until after a firm purchase commitment is obtained, and; ii) a firm purchase commitment is highly probable within one year; b) an entity obtains a firm purchase commitment and, as a result, a buyer or others unexpectedly impose conditions on the transfer of a non-current asset (or disposal group) previously classified as held for sale that will extend the period required to complete the sale, and: i) timely actions necessary to respond to the conditions have been taken, and ii) a favourable resolution of the delaying factors is expected; c) during the initial one-year period, circumstances arise that were previously considered unlikely and, as a result, a non-current asset (or disposal group) previously classified as held for sale is not sold by the end of that period, and: i) during the initial one-year period the entity took action necessary to respond to the change in circumstances, ii) the non-current asset (or disposal group) is being actively marketed at a price that is reasonable, given the change in circumstances, and iii) the criteria in paragraphs 7 and 8 of IFRS 5 are met?	
		5B IFRS 5.11 For a non-current assets (or disposal groups) acquired exclusively with a view to its subsequent disposal, have such assets (or disposal groups) been classified as held for sale at the acquisition date only if the one-year requirement set out in paragraph 8 of IFRS 5 (see above) has been met (except as permitted in paragraph 9 – see above) and if it is highly probable that the criterion referred in paragraphs 7 and 8 of IFRS 5 (see above) will be met within a short period following the acquisition (usually three months)? <i>Criteria for classification as held for sale met after the end of the reporting period</i>	
5A, B	IFRS 5.12	If the criteria in paragraphs 7 and 8 (see above) are not met until after the reporting period, has the entity excluded the non-current asset (or disposal group) as from held-for-sale classification in those financial statements when issued? <i>Note: When the criteria are met after the reporting period, but before the authorisation of the financial statements for issue, the entity should disclose the information specified in paragraphs 41 (a), (b) and (d) of IFRS 5 (see Deloitte's Presentation and Disclosure Checklist).</i>	

TQ	Reference	Recognition/measurement requirement	Yes / No / N/A
5A	IFRS 5.13	Non-current assets that are to be abandoned Has the entity excluded from classification as held for sale any non-current assets (or disposal groups) that are to be abandoned? <i>Note: This is because the carrying amount will be recovered principally through continuing use. However, if the disposal group to be abandoned meets the criteria in paragraphs 32(a)-(c) of IFRS 5 (see below), the entity shall present the results and cash flows of the disposal group as discontinued operations in accordance with paragraphs 33 and 34 of IFRS 5 at the date on which it ceases to be used.</i> Measurement of non-current assets (or disposal groups) classified as held for sale Measurement of a non-current asset (or disposal group)	
5A, B	IFRS 5.15	Has the entity measured any non-current asset (or disposal group) classified as held for sale at the lower of its carrying amount and fair value less costs to sell?	
5A, B	IFRS 5.16	If a newly acquired asset (or disposal group) meets the criteria to be classified as held for sale (paragraph 11 of IFRS 5 – see above), is the asset (or disposal group) measured on initial recognition at the lower of its carrying amount had it not been so classified (e.g. cost) and fair value less costs to sell? <i>Note: Therefore, if the asset (or disposal group) is acquired as part of a business combination, it shall be measured at fair value less costs to sell.</i>	
5A, B	IFRS 5.17	If the sale is expected to occur beyond one year, has the entity measured the costs to sell at their present value?	
5A, B	IFRS 5.17	Is any increase in the present value of the costs to sell that arises from the passage of time presented in profit or loss as a financing cost?	
5A, B	IFRS 5.18	Immediately prior to initial classification of the asset (or disposal group) as held for sale, is the carrying amount of the non-current asset (or all the assets and liabilities in the disposal group) measured in accordance with the applicable IFRSs?	
5A, B	IFRS 5.19	On subsequent remeasurement of a disposal group, are the carrying amounts of any assets and liabilities that are not within the measurement requirements of IFRS 5, but that are included in a disposal group classified as held for sale, measured in accordance with applicable IFRSs before the fair value less costs to sell of the disposal group is remeasured?	
5A, B	IFRS 5.20	Recognition of impairment losses and reversals Has the entity recognised an impairment loss for any initial or subsequent write-down of the asset (or disposal group) to fair value less costs to sell, to the extent that it has not been recognised in accordance with paragraph 19 (see above)?	
5A, B	IFRS 5.21	Has the entity recognised a gain for any subsequent increase in fair value less costs to sell of an asset, but not in excess of the cumulative impairment loss that has previously been recognised either in accordance with IFRS 5 or previously in accordance with IAS 36 <i>Impairment of Assets</i> ?	
5A, B	IFRS 5.22	Has the entity recognised a gain for any subsequent increase in fair value less costs to sell of a <u>disposal group</u>: a) to the extent that it has not been recognised in accordance with paragraph 19 of IFRS 5 (see above); but	

TQ	Reference	Recognition/measurement requirement	Yes / No / N/A
		b) not in excess of the cumulative impairment loss that has been recognised either in accordance with IFRS 5 or previously in accordance with IAS 36, on the non-current assets that are within the scope of the measurement requirements of IFRS 5?	
5A, B	IFRS 5.23	Has the impairment loss (or any subsequent gain) recognised for a disposal group reduced (or increased) the carrying amount of the non-current assets in the group that are within the scope of the measurement requirements of IFRS 5 in the order of allocation set out in paragraphs 104(a) and (b) and 122 of IAS 36?	
5A, B	IFRS 5.24	Have any gains or losses not recognised through remeasurement before the date of sale of a non-current asset (or disposal group) been recognised at the date of derecognition?	
5A, B	IFRS 5.25	Has the entity not depreciated or amortised a non-current asset while it is classified as held for sale or while it is part of a disposal group classified as held for sale?	
5A, B	IFRS 5.25	Has the entity continued to recognise interest and other expenses attributable to the liabilities of a disposal group classified as held for sale?	
		<i>Changes to a plan of sale</i>	
5C	IFRS 5.26	If an asset (or disposal group) was previously classified as held for sale, but no longer satisfies the classification criteria in paragraphs 7 to 9 of IFRS 5 (see above), has the entity ceased to classify the asset (or disposal group) as held for sale?	
5C	IFRS 5.27	Are assets that cease to be classified as held for sale (or that cease to be included in a disposal group held for sale) measured at the lower of : a) the carrying amount prior to classification as held for sale, adjusted for any depreciation, amortisation or revaluations that would have been recognised had the asset (or disposal group) not been classified as held for sale; and b) the recoverable amount at the date of the subsequent decision not to sell?	
5C	IFRS 5.28	Subject to the exception for certain revalued assets (see below), is any required adjustment to the carrying amount of a non-current asset that ceases to be classified as held for sale included in profit or loss from continuing operations for the period in which the classification criteria are no longer met?	
5C	IFRS 5.28 (Note)	Where the non-current asset is property, plant and equipment or an intangible asset that had been revalued in accordance with IAS 16 or IAS 38 <i>Intangible Assets</i> before classification as held for sale, has the required adjustment to the carrying amount of the non-current asset been treated as a revaluation increase or decrease?	
5C	IFRS 5.29	If an individual asset or liability is removed from a disposal group classified as held for sale, does the entity continue to measure the remaining assets and liabilities of the disposal group to be sold only if the group satisfies the classification criteria in paragraphs 7 to 9 of IFRS 5 (see above)?	
5C	IFRS 5.29	If the remaining disposal group does not satisfy the classification criteria: a) are the remaining non-current assets of the group that individually meet the criteria to be classified as held for sale measured individually at the lower of carrying amount and fair value less costs to sell at that date? b) have any non-current asset that do not meet the criteria ceased to be classified as held for sale in accordance with paragraph 26 of IFRS 5 (see above)?	

IFRS 6 Exploration for and Evaluation of Mineral Resources

TQ	Reference	Recognition/measurement requirement	Yes / No / N/A
		<i>This section of the questionnaire addresses IFRS 6, which applies to financial reporting for the exploration for and evaluation of mineral resources.</i> <i>The principal objective of IFRS 6 is to limit the need for entities adopting IFRSs to change their existing accounting policies for exploration and evaluation assets, pending finalisation of a future comprehensive Standard on extractive activities. IFRS 6 provides temporary relief for entities involved in exploration and evaluation activities from applying the more rigorous requirements of IAS 8, Accounting Policies, Changes in Accounting Estimates and Errors, in determining their accounting policies for exploration and evaluation expenditure.</i> TAILORING QUESTIONS <i>If you answer "yes" to any of the tailoring questions below, please answer the compliance questions relating to it.</i>	
6A		Has the entity incurred expenditures related to exploration for and evaluation of mineral resources during the current or prior period?	
6B		Has the entity capitalised any exploration and evaluation expenditure as an asset?	
		DETAILED COMPLIANCE QUESTIONS Recognition	
6A, B	IFRS 6.6	Has the entity developed its accounting policies for the recognition of exploration and evaluation assets in accordance with paragraph 10 of IAS 8 <i>Accounting Policies, Changes in Accounting Estimates and Errors</i> ?	
	IAS 8.10	Notes: 1) Paragraph 10 of IAS 8 requires, in the absence of a IFRS that specifically applies to a transaction, other event or condition, that management use its judgement in developing and applying an accounting policy that results in information that is: a) relevant to the economic decision-making needs of users. and b) reliable, in that the financial statements: i) represent faithfully the financial position, financial performance and cash flows of the entity ii) reflect the economic substance of transactions, other events and condition, and not merely the legal form; iii) are neutral, i.e. free from bias; iv) are prudent; and v) are complete in all material respects.	
	IFRS 6.7	2) Paragraph 10 of IAS 8 (reproduced above) sets out the criteria to be used by an entity in selecting its accounting policies, in the absence of a relevant IFRS. Paragraphs 11 and 12 of IAS 8 specify sources of guidance that management is required to consider in developing such accounting policies. Subject to paragraphs 9 and 10 of IFRS 6 (see below), entities are exempted from applying paragraphs 11 and 12 of IAS 8 to their accounting policies for the recognition and measurement of exploration and evaluation assets.	

TQ	Reference	Recognition/measurement requirement	Yes / No / N/A
		Measurement at recognition	
6B	IFRS 6.8	Have exploration and evaluation assets been initially measured at cost?	
		Elements of cost	
6B	IFRS 6.9	Has the entity determined an accounting policy specifying which expenditures are recognised as exploration and evaluation assets and applied the policy consistently?	
6B	IFRS 6.9	In determining its accounting policy, has the entity considered the degree to which the expenditure can be associated with finding specific mineral resources?	
		<i>Note: The following are examples of expenditures that might be included in the initial measurement of exploration and evaluation assets (the list is not exhaustive):</i> • acquisition of rights to explore; • topographical, geological, geochemical and geophysical studies; • exploratory drilling; • trenching; • sampling; and • activities in relation to evaluating the technical feasibility and commercial viability of extracting a mineral resource.	
6B	IFRS 6.10	Has the entity excluded expenditures related to the development of mineral resources from the recognised exploration and evaluation assets?	
		<i>Note: The Framework and IAS 38, Intangible Assets, provide guidance on the recognition of assets arising from development.</i>	
6A, B	IFRS 6.11	Has the entity recognised any obligations for removal and restoration that are incurred during a particular period as a consequence of having undertaken the exploration for and evaluation of mineral resources in accordance with IAS 37 Provisions, Contingent Liabilities and Contingent Assets?	
		Measurement after recognition	
6B	IFRS 6.12	After recognition, has the entity applied either the cost model or the revaluation model to the exploration and evaluation assets?	
6B	IFRS 6.12	If the revaluation model has been applied, has it been applied consistently with the classification of the assets (either the revaluation model in IAS 16 Property, Plant and Equipment or the revaluation model in IAS 38)?	
		Changes in accounting policies	
6A, B	IFRS 6.13	Where the entity has changed its accounting policies for exploration and evaluation expenditures:	
		a) has the change made the financial statements more relevant to the economic decision-making needs of users and no less reliable, or more reliable and no less relevant to those needs? b) in making the assessment in a), has the entity judged relevance and reliability using the criteria in IAS 8?	
	IFRS 6.14	<i>Note: To justify changing its accounting policies for exploration and evaluation expenditures, entities must demonstrate that the change brings its financial statements closer to meeting the criteria in IAS 8, but the change need not achieve full compliance with those criteria.</i>	

TQ	Reference	Recognition/measurement requirement	Yes / No / N/A
6B	IFRS 6.15	Classification Has the entity classified exploration and evaluation assets as tangible or intangible according to the nature of the assets acquired and applied that classification consistently?	
	IFRS 6.16	<i>Note: Some exploration and evaluation assets are treated as intangible (e.g. drilling rights), whereas other are tangible (e.g. vehicles and drilling rigs). To the extent that a tangible asset is consumed in developing an intangible asset, the amount reflecting that consumption is part of the cost of the intangible asset. However, using a tangible asset to develop an intangible asset does not change a tangible asset into an intangible asset.</i>	
6B	IFRS 6.17	Reclassification When the technical feasibility and commercial viability of extracting a mineral resource has been demonstrated, has any related exploration and evaluation asset: a) been reclassified, i.e. no longer been classified as an exploration and evaluation asset? b) been assessed for impairment (see below), and any impairment losses recognised, before reclassification?	
		Impairment Recognition and measurement	
6B	IFRS 6.18	Have exploration and evaluation assets been assessed for impairment when facts and circumstances suggest that the carrying amount of an exploration and evaluation asset may exceed its recoverable amount?	
		Notes:	
	IFRS 6.19	1) When identifying an exploration and evaluation asset that may be impaired only paragraph 20 of IFRS 6 shall be applied rather than paragraphs 8-17 of IAS 36.	
	IFRS 6.20	2) One or more of the following facts and circumstances indicate that an entity should test exploration and evaluation assets for impairment (the list is not exhaustive): a) the period for which the entity has the right to explore in the specific area has expired during the period or will expire in the near future, and is not expected to be renewed; b) substantive expenditure on further exploration for and evaluation of mineral resources in the specific area is neither budgeted nor planned; c) exploration for and evaluation of mineral resources in the specific area have not led to the discovery of commercially viable quantities of mineral resources and the entity has decided to discontinue such activities in the specific area; and d) sufficient data exist to indicate that, although a development in the specific area is likely to proceed, the carrying amount of the exploration and evaluation asset is unlikely to be recovered in full from successful development or by sale. <i>In any such case, or similar cases, the entity shall perform an impairment test in accordance with IAS 36.</i>	

TQ	Reference	Recognition/measurement requirement	Yes / No / N/A
6B	IFRS 6.18	When assessing exploration and evaluation assets for impairment as a result of facts and circumstances suggesting that the carrying amount of an exploration and evaluation asset may exceed its recoverable amount:	
	IFRS 6.21	a) has the entity determined an accounting policy for allocating exploration and evaluation assets to cash-generating units or groups of cash-generating units for the purpose of assessing such assets for impairment?	
	IFRS 6.21	b) Is each cash-generating unit or group of units to which an exploration and evaluation asset is allocated no larger than an operating segment determined in accordance with IFRS 8?	
	IFRS 6.20	c) where the recoverable amount of an exploration and evaluation asset is less than its carrying amount, has any impairment loss been recognised as an expense in accordance with IAS 36?	
	IFRS 6.19	d) has the entity otherwise measured, presented and disclosed any resulting impairment loss in accordance with IAS 36, except as modified by the steps above?	

IFRS 7 Financial Instruments: Disclosures

TQ	Reference	Recognition/measurement requirement	Yes / No / N/A
		Please refer to Deloitte's Presentation and Disclosure Checklist for the requirements of IFRS 7, which prescribes the disclosure requirements for financial instruments, both recognised and unrecognised.	

IFRS 8 Operating Segments

TQ	Reference	Recognition/measurement requirement	Yes / No / N/A
		Please refer to Deloitte's Presentation and Disclosure Checklist for the requirements of IFRS 8, which requires certain entities to report information regarding the nature and financial effects of their various operating segments..	

IAS 1 Presentation of Financial Statements

TQ	Reference	Recognition/measurement requirement	Yes / No / N/A
		Please refer to Deloitte's Presentation and Disclosure Checklist for the requirements of IAS 1 which prescribes the basis for presentation of general purpose financial statements in order to ensure comparability both with the entity's own financial statements of previous periods and with the financial statements of other entities.	

IAS 2 Inventories

TQ	Reference	Recognition/measurement requirement	Yes / No / N/A
		<i>This section of the questionnaire addresses IAS 2, which prescribes the accounting treatment for inventories. The primary issues are: the costs that may be capitalised as an asset, the subsequent recognition as an expense, including the write-down to net realisable value and determining the cost formulas to be used in assigning costs to inventories.</i> SCOPE NOTE <i>IAS 2 applies to all inventories except for the following:</i> a) <i>work in progress arising under construction contracts including directly related service contracts that are covered by IAS 11, Construction Contracts;</i> b) <i>financial instruments (IAS 32 and 39);</i> c) <i>biological assets related to agricultural activity (IAS 41); and</i> d) <i>agricultural produce at the point of harvest (IAS 41).</i> <i>The Standard establishes a clear distinction between those inventories that are entirely outside the scope of the Standard (described above) and those inventories that are outside the scope of the measurement requirements but within the scope of the other requirements of the Standard (described below).</i> <i>The Standard does <u>not</u> apply to the <u>measurement</u> of inventories held by:</i> a) <i>producers of agricultural and forest products, agricultural produce after harvest and minerals and mineral products that measure such inventories at net realisable value in accordance with well-established practices in those industries. When such inventories are measured at net realisable value, changes in that value are recognised in profit or loss in the period of change; and</i> b) <i>commodity broker-traders who measure their inventories at fair value less costs to sell. When such inventories are measured at fair value less costs to sell, changes in fair value less costs to sell are recognised in profit or loss in the period of change.</i> <i>Note, however, that the <u>disclosure</u> requirements of IAS 2 <u>do apply</u> to inventory held by these types of entities (refer to separate presentation and disclosure checklist).</i> DEFINITIONS <i>Inventories</i> <i>are defined as assets:</i> a) <i>held for sale in the ordinary course of business;</i> b) <i>in the process of production for such sale; or</i> c) <i>in the form of materials or supplies to be consumed in the production process or in the rendering of services.</i> <i>Net realisable value</i> <i>is the estimated selling price in the ordinary course of business less the estimated costs of completion and the estimated costs necessary to make the sale. Net realisable value for inventories may not equal fair value less costs to sell.</i> TAILORING QUESTIONS <i>If you answer "yes" to any of the tailoring questions below, please answer the compliance questions relating to it.</i>	
2A		Does the entity purchase goods for resale (for example merchandise, land)?	
2B		Does the entity produce or manufacture inventories?	

TQ	Reference	Recognition/measurement requirement	Yes / No / N/A
2C		Does the entity purchase any materials or supplies to be used in the rendering of services?	
2D		Does the entity hold any agricultural produce measured in accordance with IAS 2?	
		DETAILED COMPLIANCE QUESTIONS	
		Measurement of inventories	
2A, B, C	IAS 2.9	Are all inventories measured at the lower of cost and net realisable value?	
		Cost of inventories	
2A, B, C	IAS 2.10	Does the entity include the following in the cost of inventories: a) all costs of purchase; b) all costs of conversion; and c) any other costs incurred in bringing the inventories to their present location and condition?	
		<u>Costs of purchase</u>	
2A, B, C	IAS 2.11	Do the costs of purchase included in the cost of inventories comprise the following: a) the purchase price (less trade discounts, and rebates and similar items); b) import duties; c) other non-recoverable taxes; and d) transport, handling and other costs directly attributable to the acquisition of finished goods, materials and services?	
2A, B, C	IAS 21.21	If the entity imported inventory or purchased inventory with a price denominated in a foreign currency, has the cost of inventory been calculated by applying to the foreign currency amount the foreign currency exchange rate at the date of the transaction (referred to as the spot rate)?	
		<i>Note: Foreign currency transactions may be recorded at a rate that approximates the spot rate at the date of the transaction (i.e. an average rate of a week or month). However, if exchange rates fluctuate significantly, the use of an average rate is inappropriate.</i>	
		<u>Costs of conversion</u>	
2B	IAS 2.12	Where an entity produces or manufactures inventories, do the costs of conversion included in the cost of inventories comprise the following: a) those costs that are directly related to the units of production (e.g. direct labour); and b) a systematic allocation of fixed and variable production overheads that are incurred in converting the materials into finished goods?	

TQ	Reference	Recognition/measurement requirement	Yes / No / N/A
		<i>Note: Fixed production overheads are those indirect costs of production that remain relatively constant regardless of the volume of production (e.g. depreciation and maintenance of factory buildings, cost of factory management and administration)</i> <i>Variable production overheads are those indirect costs of production that vary directly with the volume of production (e.g. labour and material costs).</i>	
2B	IAS 2.13	Where an entity allocates the fixed production overheads to inventories, does the entity base the allocation on either: a) normal capacity, which is based on the production that the entity expects to be achieved on average over a number of periods or seasons under normal circumstances, taking into account the loss of capacity resulting from planned maintenance; or b) the actual level of production only where it approximates normal capacity?	
2B	IAS 2.13	Where an entity allocates fixed production overheads to inventories, does the entity expense the costs arising as a consequence of low production or idle plant (i.e. does not increase the allocation of overheads to each unit of production so as to ensure that all overheads have been allocated)?	
2B	IAS 2.13	Where an entity allocates fixed production overheads to inventories, does the entity reduce the amount of fixed overheads capitalised to each unit of production during periods of abnormally high production?	
2B	IAS 2.14	Where the production process generates more than one product, are the cost individually allocated to each product unless the cost of conversion cannot be separately identified, in which case are the cost of conversion allocated on a rational and consistent basis? <i>Note: Where the production process generates more than one product, and the value of the one product (by-product) is immaterial, the by-product is often measured at net realisable value, with the main product being measured at cost less the value attributed to the by-product. Using this method, the carrying amount of the main product is not materially different from its cost.</i>	
		<u>Other costs</u>	
2A, B, C	IAS 2.15	Do other costs included in the carrying amount of inventories represent only those costs that have been incurred in bringing inventories to their present location and condition? <i>Note: For example, it may be appropriate to include non-production overheads or the costs of designing products for specific customers in the cost of inventories.</i>	
2A, B, C	IAS 2.16	Are costs that are not directly related to bringing inventories to their present location and condition recognised as expenses in the period in which they are incurred? <i>Note: Examples of costs excluded from the cost of inventories and recognised as expenses in the period in which they are incurred are:</i> <i>abnormal amounts of wasted material, labour, or other production costs;</i> <i>storage costs (unless necessary part of the production process before a further production stage);</i> <i>administrative overheads; and</i> <i>selling costs.</i>	

TQ	Reference	Recognition/measurement requirement	Yes / No / N/A
2A, B, C	IAS 2.17	If borrowing costs have been capitalised in the cost of inventories, has the entity complied with the requirements of IAS 23 <i>Borrowing Costs</i> ?	
		<i>Note: Refer to the IAS 23 section of this questionnaire.</i>	
2A, B, C	IAS 2.18	If the entity has purchased inventory on deferred settlement terms (i.e. a financing arrangement), is the financing element recognised as an expense over the settlement term?	
		<i>Note: The financing element is likely to be the difference between the purchase price under normal credit terms and the amount paid over the financing period.</i>	
		<u>Cost of inventories of a service provider</u>	
2C	IAS 2.19	If the entity is a service provider:	
		a) has the entity measured inventories at the cost of their production, for example, the cost of personnel directly involved in rendering the service? b) has the entity recognised labour and other costs relating to sales and general administrative personnel as an expense for the period? c) has the entity excluded profit margins, and other non-attributable overheads from the cost of inventories?	
		<u>Cost of agricultural produce harvested from biological assets</u>	
2D	IAS 2.20	If the entity's inventories include agricultural produce harvested from its biological assets, is the cost of such inventories for the purposes of IAS 2 measured at fair value less costs to sell at the point of harvest?	
	IAS 2.9	<i>Note: This is the new cost of the inventories. Subsequently, they are measured as all other inventories in the scope of IAS 2, i.e. at the lower of cost and net realisable value.</i>	
		<u>Techniques for the measurement of cost</u>	
2A, B, C	IAS 2.21	Does the entity use techniques for the measurement of the cost of inventories, such as the standard cost or the retail method, only where the results approximate cost?	
2A, B, C	IAS 2.21	Where the standard cost method is used:	
		a) do standard costs take into account normal levels of material and supplies, labour, efficiency and capacity utilisation; and b) are standard costs regularly reviewed and revised if necessary?	
2A, B, C	IAS 2.22	Where the retail method is used:	
		a) is the cost of the inventories determined by reducing the sales value of the inventories by the appropriate percentage gross margin? b) does the percentage used take into consideration inventories that have been marked down to below their original selling price?	
		<i>Note: The retail method is often used in the retail industry for measuring inventories of large numbers of rapidly changing items with similar margins for which it is impracticable to use other costing methods.</i>	

TQ	Reference	Recognition/measurement requirement	Yes / No / N/A
2A, B, C		Cost formulas	
	IAS 2.23	Where the entity holds inventories that are not ordinarily interchangeable or goods or services that are segregated and produced for specific projects, does the entity assign the cost of inventory items by using specific identification of their individual costs?	
	IAS 2.24	<i>Note: Specific identification of cost means that specific costs are attributed to identified items of inventory. However, specific identification of costs is inappropriate when there are large numbers of inventory that are ordinarily interchangeable, since that would permit selection of items that remain in inventories so as to obtain predetermined effects on profit or loss.</i>	
2A, B, C	IAS 2.25	Except for items that are dealt with under paragraph 23 of IAS 2 (see above), does the entity assign the cost of inventory on one of the following bases: a) the first-in, first-out (FIFO) method, or b) the weighted average cost formula? <i>Notes:</i> 1) <i>The FIFO method assumes that the items of inventory which were purchased or produced first are sold first. The result is that the items remaining in inventory at the end of a period represent items the most recently purchased or produced.</i> 2) <i>According to the weighted average method, the cost of each item is determined from the weighted average of the cost of similar items at the beginning of a period and the cost of similar items purchased or produced during the period. The average may be calculated on a periodic basis, or as each additional shipment is received, depending upon the circumstances of the entity.</i>	
	IAS 2.25	Has the entity used the same cost formula (i.e. FIFO or weighted average) for all inventories that have a similar nature and use to the entity?	
	IAS 2.26	<i>Note: Different cost formulas may only be used where this can be justified based on the fact that the inventories are of a different nature or use. A difference in geographical location of inventories (or in the respective tax rules), by itself, is not sufficient in itself to justify a different cost formula.</i>	
2A, B, C, D		Net realisable value	
	IAS 2.29	Has the entity assessed the net realisable value (NRV) of inventories on an item by item basis, unless they are similar or related items, in which case they can be assessed on a group basis? <i>Notes:</i> 1) <i>Items are similar or related for this purpose if they relate to the same product line, have similar purposes or end uses, are produced and marketed in the same geographical area, and cannot be practicably evaluated separately from other items in that production line.</i> 2) <i>It is not appropriate to write inventory down on the following bases:</i> <i>a classification of inventory (e.g. finished goods); or</i> <i>all inventories in a particular operating segment.</i> 3) <i>Service providers should treat each service for which a separate selling price is charged as a separate item when evaluating the NRV of inventories.</i>	

TQ	Reference	Recognition/measurement requirement	Yes / No / N/A
2A, B, C, D	IAS 2.30	Has the estimates of NRV been based on the most reliable evidence available at the time the estimates were made of the amount that the inventory is expected to realise, taking into account the purpose for which the inventory is held?	
2A, B, C, D	IAS 2.30	Do estimates of NRV take into account changes in prices and costs directly relating to events occurred after year-end to the extent that these events confirm conditions that existed at year-end?	
2A, B, C, D	IAS 2.31	Do estimates of NRV take into account the purpose for which the inventory is held? <i>Note: For example, the net realisable value of the quantity of inventory held to satisfy firm sales or service contracts is based on the contract price. If the sales contracts are for less than the inventory quantities held, the net realisable value of the excess is based on general selling prices. Provisions may arise from firm sales contracts in excess of inventory quantities held or from firm purchase contracts. Such provisions are dealt with under IAS 37, Provisions, Contingent Liabilities and Contingent Assets.</i>	
2B	IAS 2.32	Where the NRV of materials and supplies used in the production of inventories is below the recorded cost, have these only been written down where the finished products in which they will be incorporated also have a net realisable value below cost? <i>Note: The replacement cost of materials is regarded as their best available measure of net realisable value.</i> <u>Reversals of previous write downs</u>	
2A, B, C, D	IAS 2.33	Where the circumstances that previously caused inventories to be written down below cost no longer exist, or where there is clear evidence of an increase in NRV because of changed economic circumstances, has the write down been reversed (i.e. the reversal is limited to the amount of the original write down) so that the new carrying amount represents the lower of cost and the revised NRV? <i>Note: This occurs, for example, when an item of inventory that is carried at NRV, because its selling price has declined, is still on hand in a subsequent period and its selling price has increased.</i> <u>Recognition as an expense</u>	
2A, B, C, D	IAS 2.34	Has the carrying amount of all inventories which were sold during the period been expensed in the period when the related revenue was recognised?	
2A, B, C, D	IAS 2.35	Where inventories have been allocated to some other asset account (e.g. inventory used as a component of self-constructed property, plant or equipment), have the inventories been recognised as an expense during the useful life of that asset?	
2A, B, C, D	IAS 2.34	Has the entity recognised the write down of inventories to NRV, and all other losses of inventories, as an expense in the period the write down or loss occurred?	
2A, B, C, D	IAS 2.34	Where the write down of inventory to NRV is reversed, as a result of an increase in net realisable value, has the reversal been recognised as a reduction in the amount of inventories recognised as an expense in the period in which the reversal occurs?	

IAS 7 Statement of Cash Flows

TQ	Reference	Recognition/measurement requirement	Yes / No / N/A
		Please refer to Deloitte's Presentation and Disclosure Checklist for the requirements of IAS 7, which prescribes the manner in which a statement of cash flows should be prepared and presented.	

IAS 8 Accounting Policies, Changes in Accounting Estimates and Errors

TQ	Reference	Recognition/measurement requirement	Yes / No / N/A
		<i>This section of the questionnaire addresses IAS 8, which prescribes the criteria for selecting and changing accounting policies, together with the accounting treatment and disclosure of changes in accounting policies, changes in accounting estimates and corrections of errors.</i> TAILORING QUESTIONS <i>If you answer "yes" to any of the tailoring questions below, please answer the compliance questions relating to it.</i> 8A Has there been a change in accounting estimate during the year? 8B During the current period, did the entity discover any errors in the preparation of financial statements of prior periods? 8C Has the adoption of an IFRS or an Interpretation resulted in a change in accounting policy? 8D Has the entity voluntarily changed any accounting policy during the year (except for changes resulting from the adoption of a new Standard)? 8E Has the entity developed, in accordance with IFRSs, accounting policies that represent the specific principles, bases, conventions, rules and practices to be applied in preparing and presenting its financial statements? DETAILED COMPLIANCE QUESTIONS Accounting policies Selection and application of accounting policies 8E IAS 8.7 When a Standard or an Interpretation specifically applies to a transaction, other event or condition, has the entity determined the accounting policy or policies applied to that item by applying the Standard or Interpretation, and considering any relevant Implementation Guidance issued by the IASB for the Standard or Interpretation? IAS 8.8 <i>Note: The requirements of IFRSs need not be applied when the effect of applying them is immaterial. However, it is inappropriate to make or leave uncorrected immaterial differences from IFRSs to achieve a particular presentation of an entity's position, financial performance or cash flows.</i> 8E IAS 8.7 When an IFRS specifically applies to a transaction, other event or condition, has the entity determined the accounting policy or policies applied to that item by applying the IFRS? IAS 8.9 <i>Note: IFRSs are accompanied by guidance to assist entities in applying their requirements. All such guidance states whether it is an integral part of IFRSs. Guidance that is an integral part of IFRSs is mandatory. Guidance that is not an integral part of IFRSs does not contain requirements for financial statements.</i>	

TQ	Reference	Recognition/measurement requirement	Yes / No / N/A
8E	IAS 8.10	In the absence of an IFRS that specifically applies to a transaction, other event or condition, has the entity's management used its judgement in developing and applying an accounting policy that results in information that is relevant to the economic decision-making needs of users, and reliable? <i>Note: The requirement that information included is reliable is met where financial statements:</i> • represent faithfully the financial position, financial performance and cash flows for the period; • reflect the economic substance of transactions, other events and conditions, and not merely the legal form; • are neutral, i.e. free from bias; • are prudent; and • are complete in all material respects.	
8E	IAS 8.11	In selecting an accounting policy for specific transactions, events or conditions not addressed by an IFRS, has management referred to, and considered the applicability of, the following sources, in descending order: a) the requirements in other IFRSs dealing with similar and related issues? a) the definitions, recognition criteria and measurement concepts for assets, liabilities, income and expenses in the <i>Framework for the Preparation and Presentation of Financial Statements</i>?	
8E	IAS 8.12	In making its selection, has management also considered recent pronouncements of other standard-setting bodies that use a similar conceptual framework to develop accounting standards, and other accounting literature and accepted industry practices, to the extent that these do not conflict with the sources in paragraph 11 of IAS 8 (see above)? Consistency of accounting policies	
8E	IAS 8.13	Does the entity select and apply its accounting policies consistently for similar transactions, other events and conditions, unless an IFRS specifically requires or permits categorisation of items for which different policies may be appropriate?	
8E	IAS 8.13	If an IFRS requires or permits such categorisation, are accounting policies selected and applied consistently to each category? Changes in accounting policies	
8C, D	IAS 8.14	Has a change in accounting policy been made <u>only</u> if the change: a) is required by a Standard or an Interpretation; or b) results in the financial statements providing reliable and more relevant information about the effects of transactions, other events or conditions on the entity's financial position, financial performance or cash flows?	
	IAS 8.16	<i>Note: The following are <u>not</u> changes in accounting policies:</i> • the application of an accounting policy for transactions, other events or conditions that differ in substance from those previously occurring; and • the application of a new accounting policy for transactions, other events or conditions that did not occur previously or were immaterial.	

TQ	Reference	Recognition/measurement requirement	Yes / No / N/A
8D	IAS 8.17	If the entity has, for the first time, applied a policy to revalue assets in accordance with IAS 16 <i>Property, Plant and Equipment</i> or IAS 38 <i>Intangible Assets</i>, is the initial application accounted for as a revaluation under the relevant standard and not in accordance with IAS 8? Initial application of an IFRS	
8C	IAS 8.19 IAS 8.23	Has the entity accounted for the change in accounting policy resulting from the initial application of an IFRS in accordance with any specific transitional provisions in that IFRS, except to the extent that it is impracticable to determine either the period-specific effects or the cumulative effect of the change?	
8C	IAS 8.19 IAS 8.23	Where the IFRS does not include specific transitional provisions applying to the change in accounting policy, has the change been applied retrospectively, except to the extent that, when retrospective application is required, it is impracticable to determine either the period-specific effects or the cumulative effect of the change? <i>Note: Retrospective application is applying a new accounting policy to transactions, other events and conditions as if that policy had always been applied.</i> Voluntary changes in accounting policies	
8D	IAS 8.19 IAS 8.23	Has a voluntary change in accounting policy been applied retrospectively, except to the extent that it is impracticable to determine either the period-specific effects or the cumulative effect of the change? <i>Notes:</i> 1) For the purpose of IAS 8, early application of an IFRS is not a voluntary change in accounting policy. 2) In the absence of an IFRS that specifically applies to a transaction, other event, or condition, management may, in accordance with paragraph 12 of IAS 8, apply an accounting policy from the most recent pronouncements of other standard-setting bodies that use a similar conceptual framework to develop accounting standards. If an entity changes an accounting policy following the amendment of such a pronouncement, that change is accounted for and disclosed as a voluntary change in accounting policy. Retrospective application	
8C	IAS 8.22	Where a change in accounting policy has been applied retrospectively, has the entity adjusted: a) the opening balance of each affected component of equity for the earliest prior period presented, and b) other comparative amounts disclosed for each prior period presented, as if the new accounting policy had always been applied, except to the extent that it is impracticable to determine either the period-specific effects or the cumulative effect of the change?	
8C, D	IAS 8.26	When a change in accounting policy is applied retrospectively, is comparative information about prior periods, such as historical summaries of financial data, also adjusted as far back as is practicable?	

TQ	Reference	Recognition/measurement requirement	Yes / No / N/A
		<u>Limitations on retrospective application</u>	
8C, D	IAS 8.24	If it is impracticable to determine the period-specific effects of changing an accounting policy on comparative information for one or more prior periods presented: a) has the entity applied the new accounting policy to the carrying amounts of assets and liabilities as at the beginning of the earliest period for which retrospective application is practicable, which may be the current period; and b) has the entity made a corresponding adjustment to the opening balance of each affected component of equity for that period?	
8C, D	IAS 8.25	If it is impracticable to determine the cumulative effect, at the beginning of the current period, of applying a new accounting policy to all prior periods, has the entity adjusted the comparative information to apply the new accounting policy prospectively from the earliest date practicable?	
		<i>Notes:</i>	
	IAS 8.5	1) <i>Prospective application of a change in accounting policy is applying the new accounting policy to transactions, other events and conditions occurring after the date at which the policy is changed.</i>	
	IAS 8.27	2) <i>When it is impracticable for an entity to apply a new accounting policy retrospectively, because it cannot determine the cumulative effect of applying the policy to all prior periods, the entity, in accordance with paragraph 25 of IAS 8, applies the new policy prospectively from the start of the earliest period practicable. It therefore disregards the portion of the cumulative adjustment to assets, liabilities and equity arising before that date. Changing an accounting policy is permitted even if it is impracticable to apply the policy prospectively for any prior period.</i>	
	IAS 8.5	3) <i>Applying a requirement is impracticable when the entity cannot apply it after making every reasonable effort to do so. For a particular prior period, it is impracticable to apply a change in an accounting policy retrospectively if:</i> • <i>the effects of the retrospective application are not determinable;</i> • <i>the retrospective application requires assumptions about what management's intent would have been in that period; or</i> • <i>the retrospective application requires significant estimates of amounts and it is impossible to distinguish objectively information about those estimates that:</i> - o <i>provides evidence of circumstances that existed on the date(s) as at which those amounts are to be recognised, measured or disclosed; and</i> - o <i>would have been available when the financial statements for that prior period were authorised for issue from other information.</i> <i>Paragraphs 50 to 53 of IAS 8 provide guidance on when it is impracticable to apply a new accounting policy to one or more prior periods.</i>	

TQ	Reference	Recognition/measurement requirement	Yes / No / N/A
		Changes in accounting estimates	
	IAS 8.5	<i>Note: A change in accounting estimate is an adjustment of the carrying amount of an asset or a liability, or the amount of the periodic consumption of an asset, that results from the assessment of the present status of, and expected future benefits and obligations associated with, assets and liabilities. Changes in accounting estimates result from new information or new developments and, accordingly, are not corrections of errors.</i>	
	IAS 8.32	<i>As a result of the uncertainties inherent in business activities, many items in financial statements cannot be measured with precision but can only be estimated. Estimation involves judgements based on the latest available, reliable information. For example, estimates may be required of bad debts; inventory obsolescence; the fair value of financial assets or financial liabilities; the useful lives of, or expected pattern of consumption of the future economic benefits embodied in, depreciable assets; and warranty obligations.</i>	
	IAS 8.34	<i>An estimate may need revision if changes occur in the circumstances on which the estimate was based or as a result of new information or more experience. By its nature, the revision of an estimate does not relate to prior periods and is not the correction of an error.</i>	
	IAS 8.35	<i>A change in the measurement basis applied is a change in an accounting policy, and is not a change in an accounting estimate. When it is difficult to distinguish a change in an accounting policy from a change in an accounting estimate, the change is treated as a change in an accounting estimate.</i>	
8A	IAS 8.36-37	Has the effect of a change in accounting estimate been dealt with as follows: a) to the extent that the change gives rise to changes in assets and liabilities, or relates to an item of equity, the change is recognised by adjusting the carrying amount of the related asset, liability or equity item in the period of the change? b) otherwise, the effect of the change is recognised prospectively by including it in profit or loss in: i) the period of the change, if the change affects the period only; or ii) the period of the change and future periods, if the change affects both?	
	IAS 8.38	<i>Note: Prospective recognition of the effect of a change in an accounting estimate means that the change is applied to transactions, other events and conditions from the date of the change in estimate. A change in an accounting estimate may affect only the current period's profit or loss, or the profit or loss of both the current period and future periods. For example, a change in the estimate of the amount of bad debts affects only the current period's profit or loss and therefore is recognised in the current period. However, a change in the estimated useful life of, or the expected pattern of consumption of the future economic benefits embodied in, a depreciable asset affects depreciation expense for the current period and for each future period during the asset's remaining useful life. In both cases, the effect of the change relating to the current period is recognised as income or expense in the current period. The effect, if any, on future periods is recognised as income or expense in those future periods.</i>	

TQ	Reference	Recognition/measurement requirement	Yes / No / N/A
		Errors	
	IAS 8.5	<i>Note: Prior period errors are omissions from, and misstatements in, the entity's financial statements for one or more prior periods arising from a failure to use, or misuse of, reliable information that:</i> <i>a) was available when financial statements for those periods were authorised for issue; and</i> <i>b) could reasonably be expected to have been obtained and taken into account in the preparation and presentation of those financial statements.</i> <i>Such errors include the effects of mathematical mistakes, mistakes in applying accounting policies, oversights or misinterpretations of facts, and fraud.</i>	
8B	IAS 8.42	Except to the extent that it is impracticable to determine either the period-specific effects or the cumulative effect of the error, have all material prior period errors been corrected retrospectively in the first set of financial statements authorised for issue after their discovery by: a) restating the comparative amounts for the prior period(s) presented in which the error occurred; or b) if the error occurred before the earliest prior period presented, restating the opening balances of assets, liabilities, and equity for the earliest prior period presented?	
	IAS 8.46	<i>Note: The correction of a prior period error is excluded from profit or loss for the period in which the error is discovered.</i>	
8B	IAS 8.44	If it is impracticable to determine the period-specific effects of an error on comparative information for one or more prior periods presented, has the entity restated the opening balances of assets, liabilities and equity for the earliest period for which retrospective restatement is practicable (which may be the current period)? <i>Note: Paragraphs 50 to 53 of IAS 8 provide guidance on when it is impracticable to apply a new accounting policy to one or more prior periods.</i>	
8B	IAS 8.45	If it is impracticable to determine the cumulative effect, at the beginning of the current period, of an error on all prior periods, has the entity restated the comparative information to correct the error prospectively from the earliest date practicable?	
8B	IAS 8.46	Is any information about prior periods, such as historical summaries of financial data, restated as far back as is practicable?	

IAS 10 Events after the Reporting Period

TQ	Reference	Recognition/measurement requirement	Yes / No / N/A
		<i>This section of the questionnaire addresses IAS 10, which prescribes when an entity should adjust its financial statements for events after the reporting period, and the disclosures that an entity should give about the date when the financial statements were authorised for issue and about events after the reporting period.</i> DEFINITIONS <i>Events after the reporting period are those events, both favourable and unfavourable, that occur between the end of the reporting period and the date when the financial statements are authorised for issue. IAS 10 distinguishes two types of events:</i> <i>Adjusting events are events that provide evidence of conditions that existed at the end of the reporting period; and</i> <i>Non-adjusting events are events that are indicative of conditions that arose after the end of the reporting period.</i> TAILORING QUESTIONS <i>If you answer "yes" to any of the tailoring questions below, please answer the compliance questions relating to it.</i>	
10A		Has any favourable or unfavourable event, affecting the reporting entity, occurred after the reporting period but before the date when the financial statements are authorised for issue?	
10B		Has the entity proposed or declared dividends after the reporting period?	
10C		Has management determined after the reporting period that it intends to liquidate the entity or to cease trading or have there been indicators that the reporting entity may no longer be a going concern?	
		DETAILED COMPLIANCE QUESTIONS Recognition and measurement <i>Adjusting events after the reporting period</i>	
10A	IAS 10.8	Has the entity adjusted the amounts recognised in its financial statements to reflect adjusting events after the reporting period?	
10A	IAS 10.9	<i>Note: The following are examples of adjusting events after the reporting period that require an entity to adjust the amounts recognised in its financial statements, or to recognise items that were not previously recognised:</i> <i>the settlement after the reporting period of a court case that confirms that the entity had an obligation at the end of the reporting period;</i> <i>the receipt of information after the reporting period indicating that an asset was impaired at the end of the reporting period, or that the amount of a previously recognised impairment loss for that asset needs to be adjusted;</i> <i>the determination after the reporting period of the cost of assets purchased, or the proceeds from assets sold, before the end of the reporting period;</i> <i>the determination after the reporting period of the amount of profit sharing or bonus payments if the entity had a present legal or constructive obligation at the end of the reporting period to make such payments as a result of events before that date; and</i> <i>the discovery of fraud or errors that show that the financial statements are incorrect.</i>	

TQ	Reference	Recognition/measurement requirement	Yes / No / N/A
10A	IAS 10.10	Non-adjusting events after the reporting period	
		Has the entity <u>not</u> adjusted the amounts recognised in its financial statements for subsequent events that are indicative of conditions that arose after the reporting period? <i>Note: For example a decline in the market value of listed investments between the end of the reporting period and the date when the financial statements are authorised for issue, does not normally reflect conditions at the end of the reporting period, but rather circumstances which have arisen subsequently.</i>	
10B	IAS 10.12	Dividends Have dividends that were declared to holders of equity instruments after the reporting period, <u>not</u> been recognised as a liability at the end of the reporting period?	
10C	IAS 10.14	Going concern Has the entity prepared its financial statements on a basis other than going concern if management has determined after the reporting period either that it intends to liquidate the entity or to cease trading, or that it has no realistic alternative but to do so?	
10C	IAS 10.15	If the operating results of the reporting entity have deteriorated after the reporting period, has consideration been given to whether the going concern assumption is still appropriate? <i>Note: If the going concern assumption is no longer appropriate, the effect is so pervasive that IAS 10 requires a fundamental change in the basis of accounting, rather than an adjustment to the amounts recognised within the original basis of accounting.</i>	

IAS 11 Construction Contracts

TQ	Reference	Recognition/measurement requirement	Yes / No / N/A
11A		<i>IAS 11 should be applied in accounting for construction contracts in the financial statements of contractors. A construction contract is defined as a contract specifically negotiated for the construction of an asset or a combination of assets that are closely interrelated or interdependent in terms of their design, technology and function or their ultimate purpose or use. The term contractor is not defined.</i> TAILORING QUESTIONS <i>If you answer "yes" to any of the tailoring questions below, please answer the compliance questions relating to it.</i> Has the entity negotiated a contract for the construction of a single asset, or the construction of a number of assets which are closely interrelated or interdependent in terms of their design, technology and function or their ultimate purpose or use (i.e. a "construction contract" as defined in IAS 11)? <i>Note: For the purposes of IAS 11, construction contracts include:</i> - contracts for the rendering of services which are directly related to the construction of the asset (e.g. those for the services of project managers and architects); and - contracts for the destruction or restoration of assets, and the restoration of the environment following the demolition of assets.	
		DETAILED COMPLIANCE QUESTIONS Combining and segmenting construction contracts	
		11A IAS 11.8 When a contract covers a number of assets, is the construction of each asset treated as a separate construction contract when all of the following conditions are satisfied: a) separate proposals have been submitted for each asset? b) each asset has been subject to separate negotiation and the contractor and customer have been able to accept or reject that part of the contract relating to each asset? c) the costs and revenues of each asset can be identified?	
11A	IAS 11.9	Is a group of contracts, whether with a single customer or with several customers, treated as a single construction contract when all of the following conditions are satisfied: a) the group of contracts is negotiated as a single package? b) the contracts are so closely interrelated that they are, in effect, part of a single project with an overall profit margin? c) the contracts are performed concurrently or in a continuous sequence?	

TQ	Reference	Recognition/measurement requirement	Yes / No / N/A
11A	IAS 11.10	Where a contract provides for the construction of an additional asset at the option of the customer or is amended to include the construction of an additional asset, is the construction of the additional asset treated as a separate construction contract when either: a) the asset differs significantly in design, technology or function from the asset or assets covered by the original contract; or b) the price of the asset is negotiated without regard to the original contract price? Contract revenue	
11A	IAS 11.11	Does contract revenue comprise: a) the initial amount of revenue agreed in the contract; and b) variations in contract work, claims and incentive payments, to the extent that both of the following conditions are satisfied: i) it is probable that they will result in revenue; and ii) they are capable of being reliably measured?	
11A	IAS 11.12	Is contract revenue measured at the fair value of the consideration received or receivable? <i>Note: Fair value should take into account into the effect of discounting where payment is deferred beyond normal credit terms.</i>	
11A	IAS 11.13	Is the recognition of variations as contract revenue deferred until both of the following conditions are met: a) it is probable that the customer will approve the variation and the amount of revenue arising from the variation? b) the amount of revenue can be reliably measured? <i>Note: A variation is an instruction by the customer for a change in the scope of the work to be performed under the contract.</i>	
11A	IAS 11.14	Is the recognition of claims as contract revenue deferred until both of the following conditions are met: a) negotiations have reached an advanced stage such that it is probable that the customer will accept the claim? b) the amount that is probable will be accepted by the customer can be measured reliably? <i>Note: A claim is an amount that the contractor seeks to collect from the customer or another party as reimbursement for costs not included in the contract price.</i>	
11A	IAS 11.15	Is the recognition of incentive payments as contract revenue deferred until both of the following conditions are met: a) the contract is sufficiently advanced that it is probable that the specified performance standards will be met or exceeded? b) the amount of the incentive payment can be measured reliably? <i>Note: An incentive payment is an additional amount paid to the contractor if specified performance standards are met or exceeded.</i>	

TQ	Reference	Recognition/measurement requirement	Yes / No / N/A
		Contract costs	
11A	IAS 11.16	Do contract costs comprise all of the following: - costs that relate directly to the specific contract (e.g. labour, materials, depreciation of plant and equipment used for the contract); - costs that are attributable to contract activity in general and can be allocated to the contract (e.g. insurance, design and technical assistance, construction overheads, borrowing costs); and - such other costs as are specifically chargeable to the customer under the terms of the contract?	
11A	IAS 11.17	Are costs that relate directly to a specific contract reduced by any incidental income that is not included in contract revenue?	
11A	IAS 11.18	Where costs are attributable to contract activity in general and they can be allocated to the contract: - are such costs allocated using methods that are systematic and rational? - are those methods applied consistently to all costs having similar characteristics? - is the allocation based on the normal level of construction activity?	
11A	IAS 11.18	Where the entity capitalises borrowing costs incurred on qualifying asset, in accordance with IAS 23 <i>Borrowing Costs</i> , have borrowing costs been included in contract costs?	
11A	IAS 11.20	Do contract costs specifically exclude those costs that cannot be attributed to contract activity or cannot be allocated to a contract? <i>Note: Examples of such costs are:</i> - general administrative costs for which reimbursement is not specified in the contract; - selling costs; - research and development costs for which reimbursement is not specified in the contract; and - depreciation of idle plant and equipment that is not used on a particular contract.	
11A	IAS 11.21	Have costs that relate directly to the contract and that have been incurred in securing the contract been included as part of the contract costs, provided that all of the following conditions apply: - these costs can be separately identified; - reliably measured; and - it is probable that the contract will be obtained? <i>Note: If such costs were recognised as an expense in the period in which they were incurred, they are not included in contract costs when the contract is obtained in a subsequent period.</i>	

TQ	Reference	Recognition/measurement requirement	Yes / No / N/A
		Recognition of contract revenue and expenses	
11A	IAS 11.22	When the outcome of a construction contract can be estimated reliably, are contract revenue and contract costs associated with the construction contract recognised as revenue and expenses respectively by reference to the stage of completion of the contract activity at the end of the reporting period?	
	IAS 11.29	<i>Note: An entity is generally able to make reliable estimates after it has agreed to a contract which establishes (a) each party's enforceable rights regarding the asset to be constructed; (b) the consideration to be exchanged; and (c) the manner and terms of settlement.</i>	
11A	IAS 11.23	In order to make a reliable estimate of the outcome of a fixed price contract, have all of the following conditions been satisfied: a) can total contract revenue be measured reliably? b) is it probable that the economic benefits associated with the contract will flow to the entity? c) can both the contract costs to complete the contract and the stage of contract completion at the end of the reporting period be measured reliably? d) can the contract costs attributable to the contract be clearly identified and measured reliably so that actual contract costs incurred can be compared with prior estimates?	
	IAS 11.3	<i>Note: A fixed price contract is a construction contract in which the contractor agrees to a fixed contract price, or a fixed rate per unit of output, which in some cases is subject to cost escalation clauses.</i>	
11A	IAS 11.24	In order to make a reliable estimate of the outcome of a cost plus contract, have all of the following conditions been satisfied: a) is it probable that the economic benefits associated with the contract will flow to the entity? b) can the contract costs attributable to the contract, whether or not specifically reimbursable, be clearly identified and measured reliably?	
	IAS 11.3	<i>Note: A cost plus contract is a construction contract in which the contractor is reimbursed for allowable or otherwise defined costs, plus a percentage of these costs or a fixed fee.</i>	
11A	IAS 11.6	Where an entity has construction contracts that contain characteristics of both a fixed price contract and a cost plus contract (e.g. a cost plus contract with an agreed maximum price), has the entity considered all of the conditions in paragraphs 23 and 24 of IAS 11 in order to determine when to recognise contract revenue and expenses?	
11A	IAS 11.27	Are contract costs incurred by the entity that relate to future activity on the contract, recognised as an asset, provided it is probable that they will be recovered? <i>Note: Such contract costs representing an amount due from the customer and are often classified as "contract work in progress".</i>	
11A	IAS 11.28	When uncertainty arises about the collectability of an amount already included in contract revenue (and in profit or loss), has the uncollectible amount, or the amount in respect of which recovery has ceased to be probable, been recognised as an expense in profit or loss, and not as a reversal of revenue?	
11A	IAS 11.30	Has a reasonable basis been used to assess the percentage of completion (and consequent revenue recognition) of the contract?	

TQ	Reference	Recognition/measurement requirement	Yes / No / N/A
		<i>Note: Depending on the nature of the contract, the methods may include:</i> • the proportion that contract costs incurred for work performed to date bear to the estimated total contract costs; • surveys of work performed; or • completion of a physical proportion of the contract work.	
11A	IAS 11.31	Where the stage of completion is determined with reference to the contract costs incurred to date, are only those contract costs that reflect work performed included in costs incurred to date?	
		<i>Note: Work performed excludes the following contract costs:</i> • contract costs that relate to future activity on the contract, such as costs of materials that have been delivered to a contract site or set aside for use in a contract but not yet installed, used or applied during contract performance, unless the materials have been made specially for the contract; and • payments made to subcontractors in advance of work performed under the subcontract.	
11A	IAS 11.32	When the outcome of a construction contract cannot be estimated reliably:	
		a) is revenue recognised only to the extent of contract costs incurred that it is probable will be recoverable?	
		b) are contract costs recognised as an expense in the period in which they are incurred?	
11A	IAS 11.32	When the outcome of a construction contract cannot be estimated reliably, is an expected loss on a construction contract recognised as an expense immediately in accordance with paragraph 36 of IAS 11?	
11A	IAS 11.35	When the uncertainties that prevented the outcome of the contract being estimated reliably no longer exist, are revenue and expenses associated with the construction contract recognised by reference to the stage of completion of the contract activity at the end of the reporting period?	
		Recognition of expected losses	
11A	IAS 11.36	When it is probable that total contract costs will exceed total contract revenue, has the expected loss been recognised as an expense immediately?	
	IAS 11.37	<i>Note: The amount of such a loss is determined irrespective of:</i> • whether work has commenced on the activity; • the stage of completion of contract activity; or • the amount of profits expected to arise on other contracts which are not treated as a single construction contract in accordance with paragraph 9 of IAS 11.	
		Change in estimates	
11A	IAS 11.38	Where there has been a change in the estimate of contract revenue or costs, or where there has been a change in the estimate of the outcome of a contract, has the change been accounted for as a change in accounting estimate?	
		<i>Note: See the IAS 8 section of this questionnaire.</i>	

IAS 12 Income Taxes

TQ	Reference	Recognition/measurement requirement	Yes / No / N/A
		<i>This section of the questionnaire addresses IAS 12 which prescribes the accounting treatment for income taxes.</i> <i>IAS 12 uses the 'balance sheet approach' / 'balance sheet liability method' to determine the amount of deferred tax liabilities or assets. Under this method, the carrying amounts of assets and liabilities are compared to their 'tax bases', and any resulting difference is either a taxable temporary difference or a deductible temporary difference. IAS 12 prescribes the criteria for the recognition and measurement of deferred tax liabilities or assets that arise from these temporary differences.</i> SCOPE NOTE <i>For the purposes of IAS 12, income taxes include all domestic and foreign taxes which are <u>based on taxable profits</u>. Income taxes also include taxes, such as withholding taxes, which are payable by a subsidiary, associate or joint venture on distributions to the reporting entity.</i> <i>IAS 12 does not deal with the methods of accounting for government grants (see IAS 20, Accounting for Government Grants and Disclosure of Government Assistance) or investment tax credits. However, IAS 12 does deal with the accounting for temporary differences that may arise from such grants or investment tax credits.</i> DEFINITIONS <i>Taxable profit (tax loss) is the profit (loss) for a period, determined in accordance with the rules established by the taxation authorities, upon which income taxes are payable (recoverable).</i> <i>Current tax is the amount of income taxes payable (recoverable) in respect of the taxable profit (tax loss) for a period.</i> <i>Tax expense (tax income) is the aggregate amount included in the determination of profit or loss for the period in respect of current tax and deferred tax.</i> <i>The tax base of an asset or liability is the amount attributed to that asset or liability for tax purposes.</i> <i>Temporary differences are differences between the carrying amount of an asset or liability in the statement of financial position and its tax base.</i> TAILORING QUESTIONS <i>If you answer "yes" to any of the tailoring questions below, please answer the compliance questions relating to it.</i>	
	IAS 12.2		
	IAS 12.4		
	IAS 12.5		
12A		Is the entity subject to income tax legislation imposed either domestically and/or by foreign legislators, including withholding taxes, which are payable by a subsidiary, associate or joint venture on distributions to the reporting entity?	
12B		Do taxable temporary differences exist? <i>Note: Taxable temporary differences are those that will result in taxable amounts in determining taxable profit (tax loss) of future periods when the carrying amount of the asset or liability is recovered or settled.</i>	
12C		Do deductible temporary differences exist? <i>Note: Deductible temporary differences are those that will result in amounts that are deductible in determining taxable profit (tax loss) of future periods when the carrying amount of the asset or liability is recovered or settled.</i>	

TQ	Reference	Recognition/measurement requirement	Yes / No / N/A
12D		Has the entity had any unused tax losses or unused tax credits during or at the end of the current reporting period?	
12E		Has the entity held investments in subsidiaries, branches, associates or interests in joint ventures during or at the end of the current reporting period?	
12F		Has the entity been involved in a business combination in the current reporting period?	
12G		Does the entity carry assets at fair value or at a revalued amount (e.g. under the revaluation models of IAS 16 <i>Property, Plant and Equipment</i> and IAS 38 <i>Intangible Assets</i> ; at fair value under IAS 40 <i>Investment Property</i> or IAS 39 <i>Financial Instruments: Recognition and Measurement</i>)?	
12H		Has there been a change in the tax status of the entity or of its shareholders during the current reporting period? <i>Note: This may, for example, occur upon the public listing of an entity's equity instruments or upon the restructuring of an entity's equity. It may also occur upon a controlling shareholder's move to a foreign country. As a result of such an event, an entity may be taxed differently; it may for example gain or lose tax incentives or become subject to a different rate of tax in the future.</i>	
12I		Does the entity have share-based payment transactions within the scope of IFRS 2 <i>Share-based Payment</i> outstanding during the current reporting period?	
12J		Was the entity been involved in a business combination or acquisition in a past reporting period, for which a deferred tax liability in relation to goodwill has not been recognised?	
12K		Was the entity involved in a business combination or acquisition in a past reporting period and a deferred tax asset was not recognised for the acquiree's income tax loss carryforwards or other deferred tax assets because the recognition criteria in IFRS 3 <i>Business Combinations</i> were not met?	
DETAILED COMPLIANCE QUESTIONS			
Tax base			
12A	IAS 12.7	Has the entity determined the tax base of each of its <u>assets</u> as: a) where the recovery of the asset will give rise to taxable economic benefits – the amount that will be deductible for tax purposes against those taxable economic benefits? b) where the recovery of the asset will not give rise to taxable economic benefits – an amount equal to the carrying amount of the asset?	
	IAS 12.51	<i>Note: An asset may have different tax bases depending on the type of tax that is being considered – for example income tax vs. capital gains tax. Measurement should reflect the tax consequences that would follow from the manner in which the entity expects to recover or settle the carrying amount of assets and liabilities.</i>	
12A	IAS 12.8	Has the entity determined the tax base of each of its <u>liabilities</u> as: a) in the case of a liability other than revenue received in advance, the carrying amount of the liability, less any amount that will be deductible for tax purposes in respect of that liability in future periods? b) in the case of revenue which is received in advance, the tax base of the resulting liability is its carrying amount, less any amount of the revenue that will not be taxable in future periods?	

TQ	Reference	Recognition/measurement requirement	Yes / No / N/A
	IAS 12.9	Notes: 1) Some items have a tax base but are not recognised as assets and liabilities in the statement of financial position. For example, research costs are recognised as an expense in determining accounting profit in the period in which they are incurred but may not be permitted as a deduction in determining taxable profit (tax loss) until a later period. The tax base of the research costs is the amount the taxation authorities will permit as a deduction in future periods.	
	IAS 12.10	2) Where the tax base of an asset or liability is not immediately apparent, it is helpful to consider the fundamental principle upon which IAS 12 is based: that an entity shall, with certain limited exceptions, recognise a deferred tax liability (asset) wherever recovery or settlement of the carrying amount of an asset or liability would make future tax payments larger (smaller) than they would be if such recovery or settlement were to have no tax consequences.	
12A	IAS 12.11	In consolidated financial statements, have temporary differences been determined by comparing the carrying amounts of assets and liabilities in the consolidated financial statements with the appropriate tax base, as follows: a) in jurisdictions where a consolidated tax return is filed – by reference to the consolidated tax return? b) in jurisdictions where a consolidated tax return is <u>not</u> filed – by reference to the tax returns of each entity in the group? Recognition of current tax liabilities and current tax assets	
12A	IAS 12.12	Has current tax for the current and prior periods been recognised as a liability to the extent that it has not been paid?	
12A	IAS 12.12	Where the amount of current tax already paid in respect of current and prior periods exceeds the amount due for those periods, has the excess been recognised as an asset?	
12A	IAS 12.13	Has any benefit relating to a tax loss that can be carried back to recover current tax of a prior period been recognised as an asset? Recognition of deferred tax liabilities and deferred tax assets Taxable temporary differences	
12B	IAS 12.15	Has a deferred tax liability been recognised for all taxable temporary differences except for deferred tax liabilities arising in respect of the following items, which are considered elsewhere in this questionnaire: • goodwill; • the initial recognition of an asset or a liability; and • investments in subsidiaries, branches and associates and interests in joint ventures? <i>Note: Deferred tax liabilities may be required to be recognised in respect of the above items in some cases. Refer to the detailed questions below for more information on these items.</i>	

TQ	Reference	Recognition/measurement requirement	Yes / No / N/A
		<u>Goodwill</u>	
12J	IAS 12.15(a)	Have deferred tax liabilities arising from the initial recognition of goodwill not been recognised?	
12J	IAS 12.21A	Have subsequent reductions in a deferred tax liability that is unrecognised because it arises from the initial recognition of goodwill <u>not</u> been recognised? <i>Note: For example, if in a business combination an entity recognises goodwill of CU100 that has a tax base of nil, paragraph 15(a) of IAS 12 prohibits the entity from recognising the resulting deferred tax liability. If the entity subsequently recognises an impairment loss of CU20 for that goodwill, the amount of the taxable temporary difference relating to goodwill is reduced from CU100 to CU80. The resulting decrease in the value of the unrecognised deferred tax liability is also regarded as relating to the initial recognition of the goodwill and is therefore prohibited from being recognised under paragraph 15(a).</i>	
12J	IAS 12.21B	Are deferred tax liabilities recognised for taxable temporary differences relating to goodwill to the extent they do not arise from the initial recognition of goodwill? <i>Note: For example, if in a business combination an entity recognises goodwill of CU100 that is deductible for tax purposes at a rate of 20 per cent per year starting in the year of acquisition, the tax base of the goodwill is CU100 on initial recognition and CU80 at the end of the year of acquisition. If the carrying amount of goodwill at the end of the year of acquisition remains unchanged at CU100, a taxable temporary difference of CU20 arises at the end of that year. Because the taxable temporary difference does not relate to the initial recognition of the goodwill, the resulting deferred tax liability is recognised.</i>	
		<u>Initial recognition of an asset or a liability (other than goodwill)</u>	
12B	IAS 12.15(b)	Have deferred tax liabilities been recognised where they arise from the initial recognition of an asset or a liability, except where they arise in a transaction which: i) is not a business combination; and ii) at the time of the transaction, affects neither accounting profit nor taxable profit (tax loss)?	
12F	IAS 12.19	Are deferred tax liabilities recognised when taxable temporary differences arise in relation to the identifiable assets and liabilities acquired in a business combination? <i>Note: The recognition of a deferred tax liability in a business combination affects the amount of goodwill. For example, when the carrying amount of an asset is increased to its fair value, but the tax base of the asset remains at cost to the previous owners, a taxable temporary difference arises which results in a deferred tax liability.</i>	
12G	IAS 12.20	Have deferred tax liabilities been recognised for taxable temporary differences arising on the revaluation of assets or where assets are adjusted to their fair value? <i>Note: A deferred tax liability should be recognised even if the entity does not intend to dispose of the asset, since the revalued carrying amount of the asset will be recovered through use and this will generate taxable income which exceeds the depreciation that will be allowable for tax purposes in future periods. A deferred tax liability is also recognised even though tax on capital gains can be deferred if the proceeds of disposal of the asset are invested in similar assets, since the tax will ultimately become payable on sale or use of the similar assets.</i>	

TQ	Reference	Recognition/measurement requirement	Yes / No / N/A
12B		Where taxable temporary differences arise from the initial recognition of an asset or a liability in a transaction which is not a business combination <u>and</u> at the time of the transaction, affects neither accounting profit nor taxable profit (tax loss):	
	IAS 12.15(b)	a) has a deferred tax liability <u>not</u> been recognised in respect of the taxable temporary difference arising at initial recognition?	
12B	IAS 12.22	b) have subsequent changes in such unrecognised deferred tax liability that arise as the asset is depreciated <u>not</u> been recognised?	
		<i>Note: An asset costs 1,000 and will be depreciated over 10 years. 600 is deductible for tax purposes over 5 years. On initial recognition, a taxable temporary difference of 400 arises, which is not recognised. At the end of year one, the carrying amount of the asset is 900 and its tax base is 480. The temporary difference at the end of year one comprises 420 which is the reduced balance of the difference that arose on initial recognition, and a new difference of 20, which has arisen because the accounting and tax depreciation are at different rates. A deferred tax liability is only recognised in respect of the 'new' difference of 20.</i>	
12B	IAS 12.23	Has the entity recognised a deferred tax liability that arises on the bifurcation of compound financial instruments (e.g. a convertible bond) into their debt and equity components?	
		<i>Note: The exemption under paragraph 15(a) does not apply in this case because the temporary difference arises from the initial recognition of the separate liability and equity components of the compound financial instrument, rather than from the initial recognition of the liability.</i>	
		Deductible temporary differences	
12C	IAS 12.24	Has a deferred tax asset been recognised for all deductible temporary differences to the extent that it is probable that taxable profit will be available against which the deductible temporary difference can be utilised, except for the initial recognition exemption detailed below?	
12C	IAS 12.24	Have deferred tax assets <u>not</u> been recognised where they arise on the initial recognition of an asset or liability in a transaction which is : a) not a business combination and, b) at the time of the transaction, affects neither accounting profit nor taxable profit (loss)?	
		<i>Note: For deductible temporary differences associated with investments in subsidiaries, branches and associates, and interests in joint ventures, deferred tax assets are recognised in accordance with paragraph 44 of IAS 12 (see below).</i>	
12C	IAS 12.28	In assessing whether it is probable that taxable profit will be available, against which deductible temporary differences can be utilised, has the entity considered whether there are sufficient taxable temporary differences relating to the same taxation authority and the same taxable entity which are expected to reverse: a) in the same period as the expected reversal of the deductible temporary difference; or b) in periods into which a tax loss arising from the deferred tax asset can be carried back or forward?	

TQ	Reference	Recognition/measurement requirement	Yes / No / N/A
12C	IAS 12.29	When there are insufficient taxable temporary differences relating to the same taxation authority and the same taxable entity, is a deferred tax asset recognised to the extent that: a) it is probable that the entity will have sufficient taxable profit relating to the same taxation authority and the same taxable entity in the same period as the reversal of the deductible temporary difference (or in the periods into which a tax loss arising from the deferred tax asset can be carried back or forward); or b) tax planning opportunities are available to the entity that will create taxable profit in appropriate periods? <i>Note: In evaluating whether it will have sufficient taxable profit in future periods, an entity 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.</i>	
12C	IAS 12.22	Regarding deferred assets exempted from recognition under paragraph 24 of IAS 12 (initial recognition exemption – see above), have subsequent changes in such unrecognised deferred tax assets that arise as the asset is depreciated <u>not</u> been recognised?	
	IAS 12.33	<i>Note: One case when a deferred tax asset arises on initial recognition of an asset is when a non-taxable government grant related to an asset is deducted in arriving at the carrying amount of the asset but, for tax purposes, is not deducted from the asset's depreciable amount (in other words its tax base); the carrying amount of the asset is less than its tax base and this gives rise to a deductible temporary difference. Government grants may also be set up as deferred income in which case the difference between the deferred income and its tax base of nil is a deductible temporary difference. Whichever method of presentation an entity adopts, the entity does not recognise the resulting deferred tax asset, for the reason given in paragraph 22 of IAS 12 (see above).</i>	
12C	IAS 12.32A	If the carrying amount of goodwill arising in a business combination is less than its tax base, the difference gives rise to a deferred tax asset. Has the deferred tax asset arising from the initial recognition of goodwill been recognised as part of the accounting for a business combination to the extent that it is probable that taxable profit will be available against which the deductible temporary difference could be utilised? <i>Note: Paragraph 32A of IAS 12 was added as a result of IFRS 3(2008) issued in January 2008. An entity should apply the amendment for annual periods beginning on or after 1 July 2009. If an entity applies IFRS 3(2008) for an earlier period, the amendment should also be applied for that earlier period.</i>	
12C	IAS 12.33	Has a deferred tax asset not been recognised in relation to a deductible temporary difference arising from a non-taxable government grant related to an asset that has been deducted in arriving at the carrying amount of the asset but, for tax purposes, is not deducted from the asset's depreciable amount (in other words its tax base)?	
12C	IAS 12.33	Has a deferred tax asset not been recognised in relation to a deductible temporary difference arising from a non-taxable government grant that has been set up as deferred income?	

TQ	Reference	Recognition/measurement requirement	Yes / No / N/A
		<i>Unused tax losses and unused tax credits</i>	
12D	IAS 12.34	Is a deferred tax asset recognised for the carryforward of unused tax losses and unused tax credits to the extent that it is probable that future taxable profit will be available against which the unused tax losses and unused tax credits can be utilised?	
	IAS 12.35	<i>Note: The criteria for recognising deferred tax assets arising from the carryforward of unused tax losses and tax credits are the same as the criteria for recognising deferred tax assets arising from deductible temporary differences. However, the existence of unused tax losses is strong evidence that future taxable profit may not be available. Therefore, when an entity has a history of recent losses, the entity recognises a deferred tax asset arising from unused tax losses or tax credits only to the extent that the entity has sufficient taxable temporary differences or there is convincing other evidence that sufficient taxable profit will be available against which the unused tax losses or unused tax credits can be utilised by the entity.</i>	
12D	IAS 12.36	Have the following criteria been considered in assessing the probability that taxable profit will be available against which the unused tax losses or unused tax credits can be utilised: a) whether the entity has sufficient taxable temporary differences relating to the same taxation authority and the same taxable entity, which will result in taxable amounts against which the unused tax losses or unused tax credits can be utilised before they expire? b) whether it is probable that the entity will have taxable profits before the unused tax losses or unused tax credits expire? c) whether the unused tax losses result from identifiable causes which are unlikely to recur? d) whether tax planning opportunities are available to the entity that will create taxable profit in the period in which the unused tax losses or unused tax credits can be utilised? <i>Reassessment of unrecognised deferred tax assets</i>	
12C,D	IAS 12.37	At the end of each reporting period, does the entity reassess unrecognised deferred tax assets, and recognise them to the extent that it has become probable that future taxable profit will allow the deferred tax assets to be recovered?	
		<i>Investments in subsidiaries, branches and associates and interests in joint ventures</i>	
12E	IAS 12.39	Has a <u>deferred tax liability</u> been recognised for all taxable temporary differences associated with investments in subsidiaries, branches and associates, and interests in joint ventures, except to the extent that both of the following conditions are satisfied: a) the parent, investor or venturer is able to control the timing of the reversal of the temporary difference, and b) it is probable that the temporary difference will not reverse in the foreseeable future?	
	IAS 12.40	<i>Note: Often temporary differences arise from undistributed profits or foreign exchange translation. If the reporting entity is able to control the dividend policy of the investee, subsidiary, associate etc, it is able to control the timing of the reversal of the temporary difference.</i>	

TQ	Reference	Recognition/measurement requirement	Yes / No / N/A
12E	IAS 12.40	Where a parent (in the case of a subsidiary or a branch) has determined that profits will not be distributed in the foreseeable future, has the parent <u>not</u> recognised a deferred tax liability that arises from undistributed profits of the subsidiary or branch? <i>Note: As a parent controls the dividend policy of its subsidiary, it is able to control the timing of the reversal of temporary differences associated with that investment (including the temporary differences arising not only from undistributed profits but also from any foreign exchange translation differences). Furthermore, it would often be impracticable to determine the amount of income taxes that would be payable when the temporary difference reverses.</i>	
12E	IAS 12.41	Where taxable profit or tax loss (and, therefore, the tax base of its assets and liabilities) is determined in a currency other than the entity's functional currency (the currency in which its non-monetary assets and liabilities are measured), has the entity recognised a deferred tax liability or (subject to paragraph 24 of IAS 12) asset resulting from the temporary differences arising?	
12E	IAS 12.42	In the absence of an agreement requiring that the profits of an associate will <u>not</u> be distributed in the foreseeable future, has the investor recognised a deferred tax liability arising from taxable temporary differences associated with its investment in the associate? <i>Note: A deferred tax liability is recognised in these circumstances because an investor in an associate does not control the entity and is usually not in a position to determine its dividend policy.</i>	
12E	IAS 12.42	Where an investor in an associate is not able to determine the amount of tax that would be payable if it recovers the cost of its investment in an associate, but it can determine that the liability will equal or exceed a minimum amount, has the deferred tax liability been measured at that minimum amount?	
12E	IAS 12.44	Is a <u>deferred tax asset</u> recognised for all deductible temporary differences arising from investments in subsidiaries, branches and associates, and interests in joint ventures, to the extent that it is probable that: a) the temporary difference will reverse in the foreseeable future; and b) taxable profit will be available against which the temporary difference can be utilised?	
	IAS 12.45	<i>Note: In deciding whether a deferred tax asset is recognised for deductible temporary differences associated with its investments in subsidiaries, branches and associates, and its interests in joint ventures, an entity considers the guidance set out in paragraphs 28 to 31 of IAS 12 (see above).</i> Measurement	
12A	IAS 12.46	Are current tax liabilities and assets for the current and prior periods measured at the amount expected to be paid to or recovered from the taxation authorities, using the tax rates (and tax laws) that have been enacted, or substantially enacted, by the end of the reporting period?	
12A	IAS 12.47	Are deferred tax liabilities and assets measured at the tax rates that are expected to apply to the period when the liability is settled or the asset is realised, based on tax rates (and tax laws) that have been enacted, or substantially enacted, by the end of the reporting period?	

TQ	Reference	Recognition/measurement requirement	Yes / No / N/A
	IAS 12.48	<i>Note: Current and deferred tax assets and liabilities are usually measured using the tax rates (and tax laws) that have been enacted. However, in some jurisdictions, announcements of tax rates (and tax laws) by the government have the substantive effect of actual enactment, which may follow the announcement by a period of several months. In these circumstances, tax assets and liabilities are measured using the announced tax rate (and tax laws).</i>	
12A	IAS 12.49	When different tax rates apply to different levels of taxable income, are deferred tax assets and liabilities measured using the average rates that are expected to apply to the taxable profit (tax loss) of the periods in which the temporary differences are expected to reverse?	
12A	IAS 12.51	Does the measurement of deferred tax liabilities and assets appropriately reflect the tax consequences that would follow from the <u>manner</u> in which the entity expects, at the end of the reporting period, to recover or settle the carrying amount of its liabilities and assets?	
	IAS 12.52	<i>Note: In some jurisdictions, the manner in which an entity recovers (settles) the carrying amount of an asset (liability) may affect either or both of:</i> <i>the tax rate applicable when the entity recovers (settles) the carrying amount of the asset (liability); and</i> <i>the tax base of the asset (liability).</i> <i>In such cases, an entity measures deferred tax liabilities and deferred tax assets using the tax rate and the tax base that are consistent with the expected manner of recovery or settlement.</i>	
12G	SIC 21.5	Is the deferred tax liability or asset that arises from the revaluation of a non-depreciable asset under paragraph 31 of IAS 16 <i>Property, Plant and Equipment</i> measured based on the tax consequences that would follow from recovery of the carrying amount of that asset through sale, regardless of the basis of measuring the carrying amount of that asset?	
	SIC 21.6	<i>Note: Where a non-depreciable asset (such as freehold land) is carried at a revalued amount under IAS 16, no part of such an asset is considered to be recovered (i.e. consumed) through its use. Therefore, the deferred tax liability or asset associated with the non-depreciable assets reflects the tax consequences of selling the asset rather than through use.</i>	
	SIC 21.4	<i>This requirement also applies to investment properties that are carried at revalued amounts under paragraph 33 of IAS 40, Investment Properties, but would be considered non-depreciable if IAS 16 were to be applied (effectively the land component).</i>	
12A	IAS 12.52A	If the income tax rate is higher or lower depending on whether all or part of the net profit or retained earnings is paid out as a dividend to shareholders, <u>or</u> income taxes are refundable or payable if part or all of the net profit or retained earnings is paid out as a dividend to shareholders of the entity: a) have current and deferred tax assets and liabilities been measured at the tax rate applicable to undistributed profits?	
	IAS 12.52B	b) have the income tax consequences of dividends been recognised when a liability to pay dividends is recognised?	
12A	IAS 12.53	Has the effect of discounting been ignored in the measurement of deferred tax liabilities and assets?	
12A	IAS 12.56	Has the entity, at the end of each reporting period, reviewed the carrying amount of deferred tax assets, and considered whether sufficient taxable profit will be available to utilise the deferred tax assets?	

TQ	Reference	Recognition/measurement requirement	Yes / No / N/A
12A	IAS 12.56	Has the carrying amount of any deferred tax asset been reduced to the extent that, based on a review at the end of each reporting period, it is no longer probable that sufficient taxable profit will be available to allow the benefit of part or all of that deferred tax asset to be utilised?	
12A	IAS 12.56	Has any reduction in the carrying amount of a deferred tax asset that has been previously made been reversed to the extent that it has become probable that sufficient taxable profit will be available?	
		Recognition of current and deferred tax	
		Items recognised in profit or loss	
12A	IAS 12.58	Are current and deferred tax recognised as income or an expense, and included in the profit or loss for the period, except to the extent that the tax arises from: a) a transaction or event which is recognised, in the same or a different period, outside profit or loss, either in other comprehensive income or directly in equity; or b) a business combination?	
12A	IAS 12.60	If there has been a change in the carrying amount of deferred tax assets and liabilities without an equivalent change in the amount of the related temporary differences, has the deferred tax arising out of the change in carrying amount been recognised in profit or loss, except to the extent that it relates to items previously recognised outside profit or loss?	
		<i>Note: Such changes can result, for example, from a change in tax rates or tax laws; a reassessment of the recoverability of deferred tax assets; or a change in the expected manner of recovery of an asset.</i>	
		<u>Changes in the tax status of an entity or its shareholders</u>	
12H	SIC 25.4	Have the current and deferred tax consequences of a change in tax status been included in profit or loss for the period, unless those consequences related to transactions and events that result, in the same or a different time period, in a direct credit or charge to the recognised amount of equity or in amounts recognised in other comprehensive income?	
		Items recognised outside profit or loss	
12A	IAS 12.61	Has current and deferred tax been recognised outside profit or loss if the tax relates to items that are recognised, in the same or a different period, outside profit or loss?	
		<i>Notes:</i>	
	IAS 12.61A	1) <i>Therefore, current tax and deferred tax that relates to items that are recognised, in the same or a different period:</i> a) <i>in other comprehensive income, shall be recognised in other comprehensive income.</i> b) <i>directly in equity, shall be recognised directly in equity.</i>	
	IAS 12.62	2) <i>Examples of items recognised in other comprehensive income are:</i> • <i>a change in carrying amount arising from the revaluation of property, plant and equipment (see IAS 16); and</i> • <i>exchange differences arising on the translation of the financial statements of a foreign operation (see IAS 21 The Effects of Changes in Foreign Exchange Rates).</i>	

TQ	Reference	Recognition/measurement requirement	Yes / No / N/A
	IAS 12.62A	3) <i>Examples of items credited or charged directly to equity are:</i> • <i>an adjustment to the opening balance of retained earnings resulting from either a change in accounting policy that is applied retrospectively or the correction of an error (see IAS 8 Accounting Policies, Changes in Accounting Estimates and Errors); and</i> • <i>amounts arising on initial recognition of the equity component of a compound financial instrument (see paragraph 23 of IAS 12).</i>	
12A	IAS 12.63	Where, in exceptional circumstances, it is difficult to determine the amount of current and deferred tax that relates to items recognised outside profit or loss (either in other comprehensive income or directly in equity), is the amount recognised outside profit or loss determined based on a reasonable pro rata allocation of the current and deferred tax of the entity in the tax jurisdiction concerned, or another method that achieves a more appropriate allocation in the circumstances?	
12A	IAS 12.64	Where an entity carries assets at revalued amounts under IAS 16, and it elects to transfer each year from revaluation surplus to retained earnings an amount equal to the difference between the depreciation or amortisation on a revalued asset and the depreciation or amortisation based on the cost of that asset, has the amount been transferred net of any related deferred tax?	
12A	IAS 12.64	Where an entity carries assets at revalued amount under IAS 16 and, on disposal of an asset, it transfers from revaluation surplus to retained earnings an amount equal to the balance in the revaluation surplus relating to that asset, has the amount been transferred net of any related deferred tax?	
12A	IAS 12.65	When an asset is revalued for tax purposes and that revaluation is related to an accounting revaluation of an earlier period, or to one that is expected to be carried out in a future period, have the tax effects of both the asset revaluation and the adjustment of the tax base been recognised in other comprehensive income in the periods in which they occur?	
12A	IAS 12.65	When an asset is revalued for tax purposes and that revaluation is <u>not</u> related to an accounting revaluation of an earlier period, or to one that is expected to be carried out in a future period, have the tax effects of the adjustment of the tax base been recognised in profit or loss?	
		<u>Changes in the tax status of an entity or its shareholders</u>	
12H	SIC 25.4	Have those tax consequences of a change in tax status that relate to changes in the recognised amount of equity, in the same or a different period, been charged or credited directly to equity?	
12A	IAS 12.65A	When an entity pays dividends to its shareholders, and is required to pay a portion of the dividends to taxation authorities on behalf of shareholders (withholding tax), have any such amounts paid or payable to taxation authorities been charged to equity as a part of the dividends?	
		<u>Deferred tax arising from a business combination</u>	
12F	IAS 12.66	Have deferred tax assets or deferred tax liabilities resulting from a business combination: a) <u>not</u> been recognised where they result from taxable temporary differences associated with the initial recognition of goodwill? b) been recognised as identifiable assets (to the extent that any deferred tax assets meet the appropriate recognition criteria in paragraph 24 of IAS 12) or liabilities at the acquisition date?	

TQ	Reference	Recognition/measurement requirement	Yes / No / N/A
12F	IAS 12.67	Where, as a result of a business combination, an acquirer considers it probable that it will recover its own deferred tax asset that was not recognised before the business combination, has the acquirer: a) recognised a deferred tax asset; but b) <u>excluded</u> it from the accounting for the business combination? <i>Notes:</i> 1) <i>For example, the acquirer may be able to utilise the benefit of its unused tax losses against the future taxable profit of the acquiree. A new asset is therefore recognised, but it is not taken into account in the determination of goodwill. Alternatively, as a result of the business combination it might no longer be probable that future taxable profit will allow the deferred tax asset to be recovered</i> 2) <i>As a result of a business combination, the probability of realising a pre-acquisition deferred tax asset of the acquirer could change.</i> 3) <i>Paragraph 67 of IAS 12 was amended as a result of IFRS 3(2008) issued in January 2008. An entity should apply the amendment for annual periods beginning on or after 1 July 2009. If an entity applies IFRS 3(2008) for an earlier period, the amendment should also be applied for that earlier period.</i>	
12K	IAS 12.68	If the potential benefit of the acquiree's income tax loss carryforwards or other deferred tax assets did not satisfy the criteria in IFRS 3 for separate recognition when a business combination was initially accounted for, but is subsequently realised, has the acquirer: a) recognised the resulting deferred tax income in profit or loss; b) reduced the carrying amount of goodwill to the amount that would have been recognised if the deferred tax asset had been recognised as an identifiable asset from the acquisition date; and c) recognised the reduction in the carrying amount of the goodwill as an expense, provided that this procedure does not result in the creation of an excess of the acquirer's interest in the net fair value of the acquiree's identifiable assets, liabilities and contingent liabilities over the cost of the combination, nor does it increase the amount previously recognised for any such excess? <i>Note: See paragraph 68 of IAS 12 for an illustration of this procedure.</i>	
12K	IAS 12.68	The potential benefit of the acquiree's income tax loss carryforwards or other deferred tax assets might not satisfy the criteria for separate recognition when a business combination was initially accounted for, but might be realised subsequently. An entity shall recognise acquired deferred tax benefits that it realises after the business combination as follows: a) acquired deferred tax benefits recognised within the measurement period that result from new information about facts and circumstances that existed at the acquisition date shall be applied to reduce the carrying amount of any goodwill related to that acquisition. If the carrying amount of that goodwill is zero, any remaining deferred tax benefits shall be recognised in profit or loss. b) all other acquired deferred tax benefits realised shall be recognised in profit or loss (or, if IAS 12 so requires, outside profit or loss).	

TQ	Reference	Recognition/measurement requirement	Yes / No / N/A
		<i>Note: Paragraph 68 of IAS 12 was amended as a result of IFRS 3(2008). The example following paragraph 68 of IAS 12 was deleted as a result of IFRS 3(2008). An entity shall apply paragraph 68 prospectively from the effective date of IFRS 3(2008) to the recognition of deferred tax assets acquired in business combinations. IFRS 3(2008) is effective for business combinations for which the acquisition date is on or after 1 July 2009. Earlier application of IFRS 3 (2008) is permitted for periods beginning on or after 30 June 2007 provided that IAS 27(2008) is applied at the same time (see relevant section of this questionnaire for details).</i>	
		Current and deferred tax arising from share-based payment transactions	
12I	IAS 12.68C	Have current and/or deferred taxes arising from share-based payment transactions been recognised in profit or loss for the period, except where the amount of the tax deduction (or estimated future tax deduction) exceeds the amount of the related cumulative remuneration expense, in which case the excess of the associated current or deferred tax is recognised directly in equity?	
	IAS 12.68A	<i>Notes:</i> 1) <i>In some jurisdictions, the amount of the tax deduction that relates to remuneration paid in shares, share options or other equity instruments of the equity may differ from the amount recognised as an expense in accordance with IFRS 2, Share-based Payment, and may arise in a later period (e.g. the tax deduction may not be allowed until share options are exercised, with the measurement of the deduction based on the entity's share price at the date of exercise). At the end of any reporting period, the difference between the tax base of the employee services rendered to date (being the amount the taxation authorities will permit as a deduction in future periods), and the carrying amount of nil, is a deductible temporary difference that results in a deferred tax asset.</i>	
	IAS 12.68C	2) <i>If the amount of the tax deduction (or estimated future tax deduction) exceeds the amount of the related cumulative remuneration expense, this indicates that the tax deduction relates not only to remuneration expense but also to an equity item. In this situation, the excess of the associated current or deferred tax should be recognised directly in equity.</i>	
12I	IAS 12.68B	If the amount the taxation authorities will permit as a deduction for share-based payments in future periods is not known at the end of the period, has the future allowable deduction been estimated based on information available at the end of the period? <i>Note: An example of the above requirements applying is where the deduction permitted is dependent upon the entity's share price at a future date. In this case, the measurement of the deductible temporary difference is based on the entity's share price at the end of the period.</i>	

IAS 16 Property, Plant and Equipment

TQ	Reference	Recognition/measurement requirement	Yes / No / N/A
		<i>This section of the questionnaire deals with IAS 16, which prescribes the accounting treatment for property, plant and equipment. The principal issues in accounting for property, plant and equipment are: the recognition of assets, the determination of their carrying amounts and the recognition of depreciation charges and impairment losses.</i> SCOPE <i>IAS 16 should be applied in accounting for property, plant and equipment except when another Standard permits or requires a different accounting treatment.</i> <i>If the entity has land and/or buildings that are used to generate rental income or that are held for the purpose of capital appreciation, these should be accounted for in accordance with IAS 40, Investment Property, and are excluded from the scope of IAS 16. (However, property in the process of construction, even if it will be classified as an investment property upon completion, is accounted for under IAS 16).</i> <i>IAS 16 does not deal with:</i> <i>a) property, plant and equipment classified as held for sale in accordance with IFRS 5, Non-current Assets held for Sale and Discontinued Operations;</i> <i>b) biological assets related to agricultural activity (see IAS 41, Agriculture);</i> <i>c) the recognition and measurement of exploration and evaluation assets (see IFRS 6, Exploration for and Evaluation of Mineral Resources); or</i> <i>d) mineral rights and mineral reserves (e.g. oil, natural gas).</i> <i>However, IAS 16 must be applied to property, plant and equipment used to develop or maintain the assets described in (b) to (d) above.</i> TAILORING QUESTIONS <i>If you answer "yes" to any of the tailoring questions below, please answer the compliance questions relating to it.</i>	
16A		Did the entity hold, construct or acquire any property, plant or equipment during the year?	
16B		Did the entity incur any subsequent expenditure relating to an existing item of property, plant and equipment during the year?	
16C		Does the entity hold/own assets held at cost less accumulated depreciation and accumulated impairment loss under the cost model?	
16D		Does the entity revalue any class of its property, plant and equipment under the revaluation model?	
16E		Did the entity sell, scrap or otherwise dispose of any property, plant and equipment during the year?	
16F		Did the entity acquire an item of property, plant and equipment in exchange for another asset?	
16G		Does the entity have any obligations to dismantle, remove and restore items of property, plant and equipment (commonly referred to as 'decommissioning, restoration and similar liabilities')?	

TQ	Reference	Recognition/measurement requirement	Yes / No / N/A
		DETAILED COMPLIANCE QUESTIONS	
		Recognition	
16A	IAS 16.6	Do all items of property, plant and equipment recorded during the year, meet the definition of property, plant and equipment i.e. they are tangible assets that are both: a) held for use in the production or supply of goods or services, for rental to others, or for administrative purposes; and b) are expected to be used during more than one accounting period?	
16A	IAS 16.7	Is an item of property, plant and equipment recognised as an asset if, and only if, the following conditions are met: a) it is probable that future economic benefits associated with the item will flow to the entity; and b) the cost of the item can be measured reliably?	
	IAS 16.10	<i>Note: An entity evaluates under this recognition principle all its property, plant and equipment costs at the time they are incurred. These costs include costs incurred initially to acquire or construct an item of property, plant and equipment and costs incurred subsequently to add to, replace part of, or service it.</i>	
16A	IAS 16.7	Has all expenditure that does not meet the recognition criteria for an asset as described above been accounted for as an expense?	
16A	IAS 16.8	Have the following items been recognised as property, plant and equipment assets: a) major spare parts and stand-by equipment which the entity expects to use for more than one period; and b) spare parts and servicing equipment that can be used only in connection with an item of property, plant and equipment?	
		<i>Note: Except for the items referred to in (a) and (b) above, spare parts and servicing equipment are usually recorded as inventory and recognised in profit or loss as consumed.</i>	
		Initial costs	
16A	IAS 16.11	If the entity acquired items of property, plant and equipment for safety and environmental reasons that do not directly increase the future economic benefits of a particular item of property, plant and equipment, but are necessary to be acquired to generate future economic benefits for other assets: a) have the items been recognised as property, plant and equipment? b) have the carrying amounts of such assets been reviewed for impairment in accordance with IAS 36 <i>Impairment of Assets</i>?	
		Subsequent costs	
16B	IAS 16.12	Have the day-to-day costs of servicing property, plant and equipment been recognised in profit or loss as incurred?	
		<i>Note: Costs of day-to-day servicing are primarily the costs of labour and consumables, and may include the cost of small parts. The purpose of these expenditures is often described as for the "repairs and maintenance" of the item of property, plant and equipment.</i>	

TQ	Reference	Recognition/measurement requirement	Yes / No / N/A
16B	IAS 16.13	For parts of items of property, plant and equipment that require replacement at regular intervals, has the entity: a) only recognised the cost of replacing the parts when it is incurred if: i) it is probable that future economic benefits associated with the item will flow to the entity; and ii) the cost of the item can be measured reliably; and b) derecognised the carrying amount of those parts that have been replaced in accordance with paragraphs 67 to 72 of IAS 16 (see below)? <i>Note: Parts of some items of property, plant and equipment may require replacement at regular intervals (e.g. a furnace may require relining after a specified number of hours of use, or aircraft interiors such as seats and galleys may require replacement several times during the life of the airframe). Items of property, plant and equipment may also be acquired to make a less frequently recurring replacement, such as replacing the interior walls of a building, or to make a non-recurring replacement. Under the recognition principle in paragraph 7 of IAS 16 (see above), an entity recognises in the carrying amount of an item of property, plant and equipment the cost of replacing part of such an item when that cost is incurred if the recognition criteria are met. The carrying amount of those parts that are replaced is derecognised in accordance with the derecognition provisions of IAS 16.</i>	
16B	IAS 16.14	If major inspections are required as a condition to operate an item of property, plant and equipment, has the entity: a) only recognised the cost of such inspections in the carrying amount of property, plant and equipment when it is incurred if: i) it is probable that future economic benefits associated with the item will flow to the entity; and ii) the cost of the item can be measured reliably; and b) derecognised the remaining cost of a previous inspection, regardless of whether the cost of a previous inspection was identified in the transaction in which the item was acquired or constructed? <i>Note: The cost of a previous inspection must be derecognised even if it was not separately identified when the asset was acquired or constructed. If necessary, the estimated cost of a future similar inspection may be used as an indication of the cost of the inspection component of an asset acquired or constructed.</i> Measurement at recognition	
16A	IAS 16.15	Are all items of property, plant and equipment that meet the recognition criteria initially measured at cost?	

TQ	Reference	Recognition/measurement requirement	Yes / No / N/A
		<i>Elements of cost</i>	
16A	IAS 16.16	For the purpose of determining the cost of an item of property, plant and equipment, has the entity included the following: a) purchase price (including import duties, non-refundable purchase taxes, and deducting trade discounts and rebates); and b) any costs directly attributable to bringing the asset to the location and condition necessary for it to be capable of operating in the manner intended by management?	
16G	IAS 16.16	Has the entity included in the cost of an item of property, plant and equipment the initial estimate of the costs of dismantling and removing the item and restoring the site on which it is located, the obligation for which the entity incurs either when the item is acquired or as a consequence of having used the item during a particular period for purposes other than to produce inventories during that period?	
16A	IAS 16.17	Are the following included in directly attributable costs: a) costs of employee benefits (as defined in IAS 19 <i>Employee Benefits</i>) arising directly from the construction or acquisition of the item of property, plant and equipment; b) costs of site preparation; c) initial delivery and handling costs; d) installation and assembly costs; e) costs of testing whether the asset is functioning properly, after deducting the net proceeds from selling any items produced while bringing the asset to that location and condition (such as samples produced when testing equipment); and f) professional fees?	
		<i>Note: The above list is not exhaustive.</i>	
16A	IAS 16.19	Have the following costs been excluded from the costs of property, plant and equipment assets: a) costs of opening a new facility; b) costs of introducing a new product or service (including costs of advertising and promotional activities); c) costs of conducting business in a new location or with a new class of customer (including costs of staff training); and d) administration and other general overhead costs?	
16A	IAS 16.20	Has the recognition of costs in the carrying amount of an item of property, plant and equipment ceased when the item is in the location and condition necessary for it to be capable of operating in the manner intended by management?	

TQ	Reference	Recognition/measurement requirement	Yes / No / N/A
16A	IAS 16.20	Have the following costs incurred in using or redeploying an item been excluded from the costs of property, plant and equipment assets: a) costs incurred while an item capable of operating in the manner intended by management has yet to be brought into use or is operated at less than full capacity; b) initial operating losses, such as those incurred while demand for the item's output builds up; and c) costs of relocating or reorganising part or all of an entity's operations?	
16A	IAS 16.21	Have income and expenses relating to incidental operations been recognised in profit or loss for the period and not as adjustment to the cost of the asset? <i>Note: Some operations occur in connection with the construction or development of an item of property, plant and equipment, but are not necessary to bring the item to the location and condition necessary for it to be capable of operating in the manner intended by management. These incidental operations may occur before or during the construction or development activities. For example, income may be earned through using a building site as a car park until construction starts. Because incidental operations are not necessary to bring an item to the location and condition necessary for it to be capable of operating in the manner intended by management, the income and related expenses of incidental operations are recognised in profit or loss and included in their respective classifications of income and expense.</i>	
16A	IAS 16.22	Is the cost of a self-constructed asset determined using the same principles as for an acquired asset? <i>Note: This implies:</i> <i>if an entity makes similar assets for sale in the normal course of business, the cost of the asset is usually the same as the cost of constructing an assets for sale (see IAS 2, Inventories);</i> <i>any internal profits are eliminated in arriving at such costs;</i> <i>the cost of abnormal amounts of wasted material, labour or other resources incurred in self-constructing an asset is not included in the cost of the asset; and</i> <i>the capitalisation of borrowing costs is determined in accordance with IAS 23, Borrowing Costs.</i> Measurement of cost	
16A	IAS 16.23	Is the cost of an item of property, plant and equipment measured as the cash price equivalent at the recognition date?	
16A	IAS 16.23	If payment for an asset is deferred beyond normal credit terms, has the difference between the cash price equivalent and the total payments been recognised as an interest expense over the period of credit given, unless such interest is recognised in the carrying amount of the item in accordance with the allowed alternative treatment in IAS 23?	

TQ	Reference	Recognition/measurement requirement	Yes / No / N/A
16F	IAS 16.24	If any item of property, plant or equipment was acquired via an exchange for a non-monetary asset(s) or a combination of monetary and non-monetary assets, has the asset received been recognised at <u>fair value</u> unless: a) the exchange lacks commercial substance; or b) the fair value of neither the asset received nor the asset exchanged is reliably measurable?	
		<i>Notes:</i>	
	IAS 16.25	1) <i>An exchange transaction has commercial substance if:</i> a) <i>the configuration (risk, timing, and amount) of the cash flows of the asset received differs from the configuration of the cash flows of the asset(s) transferred; or</i> b) <i>the entity-specific value of the portion of the entity's operations affected by the transaction (which should reflect post-tax cash flows) changes as a result of the exchange; or</i> c) <i>the difference in either (a) or (b) is significant relative to the fair value of the assets exchanged.</i>	
	IAS 16.24	2) <i>The acquired asset is measured in this way even if the entity cannot immediately derecognise the asset given up.</i>	
16F	IAS 16.24	If any items of property, plant or equipment were acquired via an exchange for a non-monetary asset(s) or a combination of monetary and non-monetary assets, and the asset received was not recorded at fair value, was it measured at the carrying amount of asset given up?	
16F	IAS 16.26	If the entity is able to determine reliably the fair value of either the asset received or the asset given up, has the entity used the fair value of the asset given up to measure the cost of the asset received unless the fair value of the asset received is more clearly evident?	
16A	IAS 16.27	If the asset was acquired under a finance lease, has the cost of the asset been determined in accordance with IAS 17 <i>Leases</i> (i.e. the lower of the fair value of the leased asset or the present value of the minimum lease payments) and not the cost as defined per IAS 16?	
16A	IAS 16.28	Has any reduction in the carrying amount of an item of property, plant and equipment by government grants been treated in accordance with IAS 20 <i>Accounting for Government Grants and Disclosure of Government Assistance</i> ?	
		Measurement After recognition	
16A	IAS 16.29	Has the entity chosen either the cost model in paragraph 30 or the revaluation model in paragraph 31 of IAS 16 as its accounting policy?	
16A	IAS 16.29	Has the entity applied the chosen measurement policy to the entire class of property, plant and equipment?	
	IAS 16.37	<i>Note: A class of property, plant and equipment is a grouping of assets of a similar nature and use in an entity's operations. The following are examples of separate classes: land; land and buildings; machinery; ships; aircraft; motor vehicles; furniture and fittings; and office equipment.</i>	
		Cost model	
16C	IAS 16.30	After recognition as an asset, are items of property, plant and equipment carried at cost less any accumulated depreciation and any accumulated impairment losses?	

TQ	Reference	Recognition/measurement requirement	Yes / No / N/A
		Revaluation model	
16D	IAS 16.31	After recognition as an asset, are items of property, plant and equipment, whose fair value can be measured reliably, carried at a revalued amount, being the fair value of the asset at the date of the revaluation less any subsequent accumulated depreciation and subsequent accumulated impairment losses? <i>Note: The fair value of property, plant and equipment is usually the market value as determined by appraisal. Where there is no market value for property, plant and equipment, an income or depreciated replacement cost approach may be used to estimate fair value.</i>	
16D	IAS 16.31	Are revaluations made with sufficient regularity to ensure that the carrying amount does not differ materially from that which would be determined using fair value at the end of the reporting period?	
16D	IAS 16.35	When an item of property, plant and equipment is revalued, has the entity treated any accumulated depreciation at the date of the revaluation in one of the following ways: a) restated proportionately with the change in the gross carrying amount of the asset so that the carrying amount of the asset after revaluation equals its revalued amount (this method is often used when an asset is revalued by means of an index to determine its depreciated replacement cost); or b) eliminated against the gross carrying amount of the asset and the net amount restated to the revalued amount of the asset?	
16D	IAS 16.36	If an item of property, plant and equipment is revalued, is the entire class of property, plant and equipment to which the asset belongs revalued?	
16D	IAS 16.38	Are the items within a class of property, plant and equipment revalued either: a) simultaneously to avoid selective revaluation of assets and the reporting of amounts in the financial statements that are a mixture of costs and values as at different dates; or b) on a rolling basis provided that revaluation of the class of assets is completed within a short period and provided that the revaluations are kept up to date?	
16D	IAS 16.39	If an asset's carrying amount is increased as a result of a revaluation, is the increase: a) recognised in profit or loss to the extent that it reverses a revaluation decrease of the same asset previously recognised in profit or loss; or b) in all other circumstances, recognised in other comprehensive income and accumulated in equity under the heading of revaluation surplus?	
16D	IAS 16.40	If an asset's carrying amount is decreased as a result of a revaluation, is the decrease: a) recognised in other comprehensive income under the heading revaluation surplus to the extent of any credit balance existing in the revaluation surplus in respect of that asset; or b) in all other circumstances, recognised as an expense?	
16D	IAS 16.41	Where the revaluation surplus included in equity in respect of an item of property, plant and equipment is transferred to retained earnings in its entirety when the asset is derecognised, or gradually as the asset is used by the entity;	

TQ	Reference	Recognition/measurement requirement	Yes / No / N/A
		a) are such transfers from revaluation surplus made directly to retained earnings and not through profit or loss? b) where the transfer is made as the asset is used by the entity, is the amount of the surplus transferred the difference between depreciation based on the revalued carrying amount of the asset and depreciation based on the asset's original cost?	
16D	IAS 16.42	Have the income tax effects of the revaluation of property, plant and equipment been recognised and disclosed in accordance with IAS 12 <i>Income Taxes</i> ?	
		Depreciation	
16C, D	IAS 16.43	Has the entity depreciated separately each part of an item of property, plant and equipment that has a cost that is significant in relation of the total cost of the item?	
		Notes:	
	IAS 16.44	1) <i>An entity is required to allocate the amount initially recognised in respect of an item of property, plant and equipment to its significant parts and depreciate each part separately (e.g. it may be appropriate to depreciate separately the airframe and engines of an aircraft).</i>	
	IAS 16.45	2) <i>If more than one significant part of the same asset have the same useful life and depreciation method, the parts may be grouped together to determine the depreciation charge.</i>	
	IAS 16.46	3) <i>If an entity separately depreciates parts of an item of property, plant and equipment, the remainder of the item must also be separately depreciated. Approximation techniques may be used to depreciate the remainder in a manner that faithfully represents the consumption pattern/useful life of its parts.</i>	
	IAS 16.47	4) <i>An entity may choose to depreciate parts of an item of property, plant and equipment even if the cost of the part is not significant in relation to the total cost of the item.</i>	
16C, D	IAS 16.48	Has the entity recognised the depreciation charge for each period in profit or loss unless it is included in the carrying amount of another asset (e.g. inventory or development costs)?	
		<u>Depreciable amount and depreciation period</u>	
16C, D	IAS 16.50	Has the entity allocated the depreciable amount of its assets on a systematic basis over their useful lives?	
		Note: <i>The depreciable amount of an asset is its costs less its residual value. The residual value is the amount that an entity would currently obtain from the disposal of the asset, after deducting the estimated costs of disposal, if the asset were already of the age and in the condition expected at the end of its useful life.</i> <i>The useful life of an asset is the period over which an asset is expected to be available for use by an entity, or the number of production or similar units expected to be obtained from the asset by an entity.</i>	
16C, D	IAS 16.51	Has the entity reviewed the residual value and the useful life of its assets at least at each financial year-end?	
16C, D	IAS 16.51	Has the entity accounted for any change in the residual value or the useful life of an asset as a change in estimate in accordance with IAS 8 <i>Accounting Policies, Changes in Accounting Estimates and Errors</i> ?	

TQ	Reference	Recognition/measurement requirement	Yes / No / N/A
16C, D	IAS 16.52	Has the entity recognised depreciation even if the fair value of the asset exceeds its carrying amount as long as the asset's residual value does not exceed its carrying amount?	
16C, D	IAS 16.54	If the residual value of an asset has increased to an amount equal to or greater than the asset's carrying amount, is the asset's depreciation charge zero until the residual value subsequently decreases to an amount below the asset's carrying amount?	
16C, D	IAS 16.55	Does the entity begin depreciation of an asset when it is available for use, i.e. when it is in the location and condition necessary for it to be capable of operating in the manner intended by management?	
16C, D	IAS 16.55	Does the entity cease to depreciate an asset at the earlier of: a) the date that the asset is classified as held for sale, or included in a disposal group that is classified as held for sale, in accordance with IFRS 5; and b) the date that the asset is derecognised?	
16C, D	IAS 16.56	Has the entity considered all the following factors in determining the useful life of the asset: a) expected usage of the asset? <i>Note: Usage is assessed by reference to the asset's expected capacity or physical output.</i> b) expected physical wear and tear, which depends on operational factors such as the number of shifts for which the asset is to be used and the repair and maintenance programme, and the care and maintenance of the asset while idle? c) technical or commercial obsolescence arising from changes or improvements in production, or from a change in the market demand for the product or service output of the asset? d) legal or similar limits on the use of the asset, such as the expiry dates of related leases?	
16C, D	IAS 16.57	Is the useful life of an asset defined in terms of the asset's expected utility to the entity? <i>Note: The asset management policy of the entity may involve the disposal of assets after a specified time or after consumption of a specified proportion of the future economic benefits embodied in the asset. Therefore, the useful life of an asset may be shorter than its economic life. The estimation of the useful life of the asset is a matter of judgement based on the experience of the entity with similar assets.</i>	
16C, D	IAS 16.58	Are land and buildings accounted for separately, even when they are acquired together? <i>Note: With some exceptions, such as quarries and sites used for landfill, land has an unlimited useful life and therefore is not depreciated. Buildings have a limited useful life and therefore are depreciable assets. An increase in the value of the land on which a building stands does not affect the determination of the depreciable amount of the building.</i>	
16G	IAS 16.59	If the cost of land includes the costs of site dismantlement, removal and restoration, is that portion of the land asset depreciated over the period of benefits obtained by incurring those costs?	

TQ	Reference	Recognition/measurement requirement	Yes / No / N/A
		<u>Depreciation method</u>	
16C, D	IAS 16.60	Does the depreciation method used for assets reflect the pattern in which the assets' future economic benefits are expected to be consumed by the entity? <i>Note: A variety of depreciation methods can be used to allocate the depreciable amount of an asset on a systematic basis over its useful life. These methods include the straight-line method, the diminishing balance method and the units of production method. The entity selects the method that most closely reflects the expected pattern of consumption of the future economic benefits embodied in the asset. That method is applied consistently from period to period unless there is a change in the expected pattern of consumption of those future economic benefits.</i>	
16C, D	IAS 16.61	Is the depreciation method that is applied to property, plant and equipment reviewed at least at each financial year-end?	
16C, D	IAS 16.61	If there has been a significant change in the expected pattern of consumption of the future economic benefits embodied in an asset: a) has the depreciation method been changed to reflect the changed pattern; and b) has such a change been accounted for as a change in accounting estimate in accordance with IAS 8?	
		<u>Impairment</u>	
16C, D	IAS 16.63	Has the entity applied IAS 36 <i>Impairment of Assets</i> to determine whether an item of property, plant and equipment is impaired?	
		<u>Compensation for impairment</u>	
16C, D	IAS 16.65	Is compensation from third parties for items of property, plant and equipment that were impaired, lost or given up included in profit or loss when the compensation becomes receivable?	
16C, D	IAS 16.66	Have impairments or losses of items of property, plant and equipment, related claims for or payments of compensation from third parties and any subsequent purchase or construction of replacement assets been considered as separate economic events and accounted for separately as follows: a) impairments of item of property, plant and equipment were recognised under IAS 36; b) the derecognition of items of property, plant and equipment retired or disposed of were determined in accordance with this standard; c) compensation from third parties for items of property, plant and equipment that were impaired, lost or given up were included in determining profit or loss for the period in which it became receivable; and d) the cost of items of property, plant and equipment restored, purchased or constructed as replacements were determined in accordance with this Standard?	

TQ	Reference	Recognition/measurement requirement	Yes / No / N/A
		Derecognition	
16E	IAS 16.67	Has the entity derecognised the carrying amount of an asset: a) on disposal; or b) when no future economic benefits were expected from its use or disposal?	
16E	IAS 16.68	Has the entity classified gains or losses arising from derecognition of an item of property, plant and equipment in profit or loss for the period in which the asset is derecognised (unless IAS 17 requires otherwise on a sale and leaseback)?	
16E	IAS 16.68	Has the entity <u>not</u> classified gains arising from derecognition of an asset as revenue?	
16E	IAS 16.68A	If the entity, in the course of its ordinary activities, routinely sell items of property, plant and equipment that it has held for rental to others, has the entity transferred such assets to inventories at their carrying amount when they cease to be rented and become held for sale?	
16E	IAS 16.68A	Has the entity recognised the proceeds from the sale of such assets as revenue in accordance with IAS 18 <i>Revenue</i> ?	
		<i>Note: IFRS 5 does not apply when assets that are held for sale in the ordinary course of business are transferred to inventories.</i>	
16E	IAS 16.69	Does the entity determine the date of disposal of an item of property, plant and equipment by applying the criteria for recognising revenue from the sale of goods in IAS18?	
16E	IAS 16.70	If the entity recognised in the carrying amount of an item of property, plant and equipment the cost of a replacement for part of the item, has the entity derecognised the carrying amount of the replaced part regardless of whether the replaced part was depreciated separately?	
16E	IAS 16.70	If it is not practicable for an entity to determine the carrying amount of the replaced part, has it used the cost of the replacement as an indication of what the cost of the replaced part was at the time it was acquired or constructed?	
16E	IAS 16.71	Has the gain or loss arising from the derecognition of an item of property, plant and equipment been determined as the difference between the net disposal proceeds, if any, and the carrying amount of the item?	
16E	IAS 16.72	Has the consideration receivable on disposal of an item of property, plant and equipment been recognised initially at its fair value?	
16E	IAS 16.72	If payment for the item is deferred: a) is the consideration received recognised initially at the cash price equivalent? b) is the difference between the nominal amount of the consideration and the cash price equivalent recognised as interest revenue in accordance with IAS 18 <i>Revenue</i> reflecting the effective yield on the receivable?	
		IFRIC 1 Changes in Existing Decommissioning, Restoration and Similar Liabilities	
16G	IFRIC 1.4	Have changes in the measurement of an existing decommissioning, restoration or similar liability that result from changes in the estimated timing or amount of the outflow of resources embodying economic benefits required to settle the obligation, or a change in the discount rate, been accounted for in accordance with paragraphs 5 to 7 of IFRIC 1?	

TQ	Reference	Recognition/measurement requirement	Yes / No / N/A
16G	IFRIC 1.5	If the related asset is measured using the cost model: a) subject to (b), have changes in the liability been added to, or deducted from, the cost of the related asset in the current period? b) has the amount deducted from the cost of the asset not exceeded its carrying amount? <i>Note: If a decrease in the liability exceeds the carrying amount of the asset, the excess shall be recognised immediately in profit or loss.</i> c) if the adjustment results in an addition to the cost of an asset, has the entity considered whether this is an indication that the new carrying amount of the asset may not be fully recoverable? <i>Note: If there is any such indication, the entity shall test the asset for impairment by estimating its recoverable amount, and shall account for any impairment loss, in accordance with IAS 36.</i>	
16G	IFRIC 1.6	If the related asset is measured using the revaluation model: a) have changes in the liability altered the revaluation surplus or deficit previously recognised on that asset, so that: i) a decrease in the liability is (subject to (b)) recognised in other comprehensive income and increase the revaluation surplus within equity, except that it shall be recognised in profit or loss to the extent that it reverses a revaluation deficit on the asset that was previously recognised in profit or loss; ii) an increase in the liability is recognised in profit or loss, except that it shall be recognised in other comprehensive income and reduce the revaluation surplus within equity to the extent of any credit balance existing in the revaluation surplus in respect of that asset? b) in the event that a decrease in the liability exceeds the carrying amount that would have been recognised had the asset been carried under the cost model, has the excess been recognised immediately in profit or loss? c) has a change in the liability been considered as an indication that the asset may have to be revalued in order to ensure that the carrying amount does not differ materially from that which would be determined using fair value at the end of the reporting period? <i>Note: Any such revaluation shall be taken into account in determining the amounts to be recognised in profit or loss or in other comprehensive income under (a). If a revaluation is necessary, all assets of that class shall be revalued.</i>	
16G	IFRIC 1.7	Once the related asset has reached the end of its useful life, have <u>all</u> subsequent changes in the liability been recognised in profit or loss as they occur? <i>Note: This applies under both the cost model and the revaluation model. The adjusted depreciable amount of the asset is depreciated over its useful life.</i>	
16G	IFRIC 1.8	Has the periodic unwinding of the discount been recognised in profit or loss as a finance cost as it occurs? <i>Note: The allowed alternative treatment of capitalisation under IAS 23 is not permitted.</i>	

IAS 17 Leases

TQ	Reference	Recognition/measurement requirement	Yes / No / N/A
		<i>This section of the questionnaire addresses the accounting for leases from the perspectives of both the lessee and the lessor.</i>	
		SCOPE NOTE	
	IAS 17.2	IAS 17 must be applied in accounting for all leases other than the following: a) leases to explore for or use minerals, oil, natural gas and similar non-regenerative resources; and b) licensing agreements for such items as motion picture films, video recordings, plays, manuscripts, patents and copyrights. IAS 17 should not be applied as the basis of measurement for: a) property held by lessees that is accounted for under IAS 40, Investment Property; b) investment properties provided by lessors under operating leases (see IAS 40); c) biological assets held by lessees under finance leases (see IAS 41, Agriculture); or d) biological assets provided by lessors under operating leases (see IAS 41).	
	IAS 17.3	IAS 17 applies to agreements that transfer the right to use assets even though substantial services by the lessor may be called for in connection with the operation or maintenance of such assets. The Standard does not apply to agreements that are contracts for services that do not transfer the right to use assets from one contracting party to the other. TAILORING QUESTIONS <i>If you answer "yes" to any of the tailoring questions below, please answer the compliance questions relating to it.</i>	
17A		Has the entity entered into a lease agreement, rental agreement, hire purchase agreement or any other agreement that gives the entity the right to use an asset or part of an asset for a period of time? <i>(Is the entity a lessee?)</i>	
17B		Has the entity financed the purchase of an asset by another entity, sold an asset with finance, transferred the right to use an asset, or rented an asset to another entity? <i>(Is the entity a lessor?)</i>	
17C		Has the entity entered into any sale and lease-back or lease and lease-back transactions in respect of the same asset?	
17D		During the period, have there been amendments to the terms of an existing lease agreement?	
17E		Has the entity entered in a lease agreement that includes both land and building(s) elements?	
17F		Is the entity a manufacturer or dealer lessor?	
17G		Has the entity entered into a transaction or a series of structured transactions (an arrangement) with an unrelated party or parties (an investor) that involves the legal form of a lease where the substance of the arrangement may be such that it does not meet the definition of a lease under IAS 17?	
17H		Is the entity a party to an arrangement, comprising a transaction or a series of related transactions, that does not take the legal form of a lease but that conveys a right to use an asset (e.g. an item of property, plant or equipment) in return for a payment or series of payments?	

TQ	Reference	Recognition/measurement requirement	Yes / No / N/A
		DETAILED COMPLIANCE QUESTIONS	
		Determining whether an arrangement constitutes a lease under IAS 17	
		Arrangements involving the legal form of a lease	
17G	SIC 27.3	Where an arrangement involves a series of transactions (that involve the legal form of a lease), have those transactions been considered to be linked, and have they been accounted for as one transaction, when the overall economic effect cannot be understood without reference to the series of transactions as a whole?	
17G	SIC 27.4	Have all aspects and implications of the arrangement been evaluated to determine the substance of the arrangement (with weight given to those aspect that have an economic effect), and does the accounting for the arrangement reflect that substance?	
17G	SIC 27.5	Have the requirements of IAS 17 been applied when the substance of the arrangement includes the conveyance of the right to use an asset for an agreed period of time?	
17G	SIC 27.5	Where any of the following indicators is present in the arrangement, has the entity taken this to demonstrate that the arrangement may not, in substance, involve a lease under IAS 17: a) the entity retains all the risks and rewards incident to ownership of the underlying asset and enjoys substantially the same rights to its use as before the arrangement; or b) the primary reasons for the arrangement is to achieve a particular tax result, and not to convey the right to use an asset; or c) an option is included on terms that make its exercise almost certain (e.g. a put option that is exercisable at a price sufficiently higher than the expected fair value when it becomes exercisable)?	
		Arrangements not involving the legal form of a lease	
17H	IFRIC 4.6	Has the entity accounted for an arrangement (even if it does not involve the legal form of a lease) or an element of an arrangement as a lease under IAS 17 when: a) fulfilment of the arrangement is dependent on the use of a specific asset or assets (the asset) (see notes 1 and 2 below); and b) the arrangement conveys a right to use the asset (see note 3 below).	
	IFRIC 4.7	Notes: 1) <i>Although a specific asset may be explicitly identified in an arrangement, it is not the subject of a lease if fulfilment of the arrangement is not dependent on the use of the specified asset. For example, if the supplier is obliged to deliver a specified quantity of goods or services and has the right and ability to provide those goods or services using other assets not specified in the arrangement, then fulfilment of the arrangement is not dependent on the specified asset and the arrangement does not contain a lease. A warranty obligation that permits or requires the substitution of the same or similar assets when the specified asset is not operating properly does not preclude lease treatment. In addition, a contractual provision (contingent or otherwise) permitting or requiring the supplier to substitute other assets for any reason on or after a specified date does not preclude lease treatment before the date of substitution.</i>	

TQ	Reference	Recognition/measurement requirement	Yes / No / N/A
17H	IFRIC 4.8	2) <i>An asset has been implicitly specified if, for example, the supplier owns or leases only one asset with which to fulfil the obligation and it is not economically feasible or practicable for the supplier to perform its obligation through the use of alternative assets.</i>	
	IFRIC 4.9	3) <i>An arrangement conveys the right to use the asset if the arrangement conveys to the purchaser (lessee) the right to control the use of the underlying asset. The right to control the use of the underlying asset is conveyed if any one of the following conditions is met:</i> <i>the purchaser has the ability or right to operate the asset or direct others to operate the asset in a manner it determines while obtaining or controlling more than an insignificant amount of the output or other utility of the asset; or</i> <i>the purchaser has the ability or right to control physical access to the underlying asset while obtaining or controlling more than an insignificant amount of the output or other utility of the asset; or</i> <i>facts and circumstances indicate that it is remote that one or more parties other than the purchaser will take more than an insignificant amount of the output or other utility that will be produced or generated by the asset during the term of the arrangement, and the price that the purchaser will pay for the output is neither contractually fixed per unit of output nor equal to the current market price per unit of output as of the time of delivery of the output.</i>	
	IFRIC 4.10	Has the entity performed an assessment as to whether an arrangement contains a lease at the inception of the arrangement (being the earlier of the date of the arrangement and the date of commitment by the parties to the principal terms of the arrangement) and reassessed the arrangement only if any one of the following conditions is met: a) there is a change in the contractual terms (unless the change only renews or extends the arrangement); or b) a renewal option is exercised or an extension is agreed to by the parties to the arrangement, unless the term of the renewal or extension had initially been included in the lease term in accordance with paragraph 4 of IAS 17; or c) there is a change in the determination of whether fulfilment is dependent on a specified asset; or d) there is a substantial change to the asset (e.g. a substantial physical change to property, plant or equipment).	
	IFRIC 4.11	<i>Note: Changes in estimate (e.g. the estimated amount of output to be delivered to the purchaser or other potential purchasers) would not trigger a reassessment.</i>	
17H	IFRIC 4.11	Where an arrangement has been reassessed because one of the conditions set out in paragraph 10 of IFRIC 4 (see above) is met, has that reassessment been based on the facts and circumstances at the date of reassessment, including the remaining term of the arrangement?	
17H	IFRIC 4.11	When an arrangement is reassessed and is determined to contain a lease (or not to contain a lease), has the entity applied (or ceased to apply) lease accounting from: a) in the case of (a), (c) or (d) in paragraph 10 of IFRIC 4, when the change in circumstances giving rise to the reassessment occurs; and b) in the case of (b) in paragraph 10 of IFRIC 4, the inception of the renewal or extension period?	

TQ	Reference	Recognition/measurement requirement	Yes / No / N/A
17H	IFRIC 4.12	When an arrangement has been determined to contain a lease, has the entity applied the requirements of IAS 17 to the lease element of the arrangement, unless exempted from those requirements in accordance with paragraph 2 of IAS 17? <i>Note: If an arrangement contains a lease, that lease shall be classified as a finance lease or an operating lease in accordance with paragraphs 7 to 19 of IAS 17. Other elements of the arrangement not within the scope of IAS 17 shall be accounted for in accordance with other Standards.</i>	
17H	IFRIC 4.13	At the inception of the arrangement, or upon a reassessment of the arrangement, for the purpose of applying the requirements of IAS 17, has the entity separated payments and other consideration required by the arrangement into those for the lease and those for other elements of the arrangement, on the basis of their relative fair values? <i>Note: The minimum lease payments as defined in paragraph 4 of IAS 17 include only payments for the lease (i.e. the right to use the asset) and exclude payments for other elements of the arrangement (e.g. for services and the cost of inputs).</i>	
17H	IFRIC 4.15	When the entity as purchaser has concluded that it is impracticable to separate the payments reliably has it: a) in the case of a finance lease, recognised an asset and a liability at an amount equal to the fair value of the underlying asset that is subject of the lease, and subsequently reduced the liability as payments are made and recognised a finance charge on the liability using the purchaser's incremental borrowing rate of interest; and b) in the case of an operating lease, treated all payments under the arrangement as lease payments for the purposes of complying with the disclosure requirements of IAS 17.	
17H	IFRIC 4.17	When an entity first applies IFRIC 4, have any resultant changes in accounting policies been accounted for according to the requirements of IAS 8 <i>Accounting Policies, Changes in Accounting Estimates and Errors</i>, or has the application of paragraphs 6-9 of the IFRIC 4 been restricted to arrangements existing at the start of the earliest period for which comparative information under IFRSs is presented, based on the facts and circumstances existing at the start of that period? Classification of leases	
17A, B, C	IAS 17.8	Does the entity classify a lease as a finance lease if it transfers substantially all the risks and rewards incidental to ownership?	
17A, B, C	IAS 17.8	Does the entity classify a lease as an operating lease if it does not transfer substantially all the risks and rewards incidental to ownership?	
		Indicators of finance leases	
17A, B, C	IAS 17.10	Are leases normally classified as finance leases when the following situations, individually or in combination, are present: a) the lease transfers ownership of the asset to the lessee by the end of the lease term; b) the lessee has the option to purchase the asset at a price that is expected to be sufficiently lower than the fair value at the date the option becomes exercisable for it to be reasonably certain, at the inception of the lease, that the option will be exercised; c) the lease term is for the major part of the economic life of the asset even if title is not transferred;	

TQ	Reference	Recognition/measurement requirement	Yes / No / N/A
17A, B, C	IAS 17.11	d) at the inception of the lease, the present value of the minimum lease payments amounts to at least substantially all of the fair value of the leased asset; and	
		e) the leased assets are of such a specialised nature that only the lessee can use them without major modifications?	
		In determining the classification of leases, have the following situations been considered that, individually or in combination, could also lead to a lease being classified as a finance lease:	
		a) if the lessee can cancel the lease, the lessor's losses associated with the cancellation are borne by the lessee?	
17A, B, C, D	IAS 17.12	b) gains or losses from the fluctuation in the fair value of the residual accrue to the lessee (e.g. in the form of a rent rebate equalling most of the sales proceeds at the end of the lease)?	
		c) the lessee has the ability to continue the lease for a secondary period at a rent that is substantially lower than market rent?	
		<i>Note: The examples and indicators noted above (paragraph 10 and 11 of IAS 17) are not always conclusive. If it is clear from other features that the lease does not transfer substantially all the risks and rewards incidental to ownership, the lease should be classified as an operating lease. For example, this may be the case if ownership of an asset transfers at the end of the lease for a variable payment equal to its then fair value, or if there are contingent rents, as a result of which the lessee does not have substantially all such risks and rewards.</i>	
		Lease classification determined at the inception of the lease and not subsequently revisited	
17A, B, C, D	IAS 17.13	Have lease classifications been determined at the inception of the leases?	
		<i>Note: Changes in estimates (e.g. changes in estimates of the economic life or of the residual value of the leased property), or changes in circumstances (e.g. default by the lessee), do not give rise to a new classification of a lease for accounting purposes.</i>	
17D	IAS 17.13	If at any time the lessee and the lessor agreed to change the provisions of the lease, other than by renewing the lease, in a manner that would have resulted in a different classification of the lease under the criteria in paragraphs 7 to 12 of IAS 17 if the changed terms had been in effect at the inception of the lease, is the revised agreement regarded as a new agreement over its term?	
		Leases of land and buildings	
17A, B, C	IAS 17.14	If a lease of land with an indefinite economic life does not transfer title to the lessee by the end of the lease term, is the lease classified as an operating lease?	
17A, B, C	IAS 17.14	Are payments made on entering into or acquiring a leasehold interest that is accounted for as an operating lease regarded as prepaid lease payments and amortised over the lease term in accordance with the pattern of benefits provided?	
17E	IAS 17.15	Where the lease covers both land and buildings, are the land and buildings elements of the lease considered separately for the purposes of lease classification?	
17E	IAS 17.15	If title to both land and buildings elements is expected to pass to the lessee by the end of the lease term, are both elements classified as a finance lease, unless it is clear from other features that the lease does not transfer substantially all risks and rewards incidental to ownership of one or both elements?	

TQ	Reference	Recognition/measurement requirement	Yes / No / N/A
17 E	IAS 17.15A	When a lease includes both land and buildings elements, has the entity assessed the classification of each element as a finance or an operating lease separately in accordance with paragraphs 7-13? <i>Notes:</i> 1) <i>In determining whether the land element is an operating or a finance lease, an important consideration is that land normally has an indefinite economic life.</i> 2) <i>Paragraphs 14 and 15 were deleted, and paragraphs 15A and 68A (transitional provisions) were added as part of Improvements to IFRSs issued in April 2009. An entity shall apply those amendments for annual periods beginning on or after 1 January 2010. Earlier application is permitted. If an entity applies the amendments for an earlier period it shall disclose that fact.</i>	
17E	IAS 17.16	At the inception of a lease of land and buildings, has the entity allocated the minimum lease payments (including any lump-sum upfront payments) between the land and the buildings elements in proportion to the relative fair values of land and buildings?	
17E	IAS 17.16	If the minimum lease payments cannot be allocated reliably between the land and buildings elements of a land and buildings lease, has the entity classified the entire lease as a finance lease, unless it is clear that both elements are operating leases, in which case the entity should classify the entire lease as an operating lease?	
17E	IAS 17.17	For a lease of land and buildings in which the amount that would initially be recognised for the land element is immaterial, are the land and buildings treated as a single unit for the purpose of lease classification? <i>Note: In such circumstances, the economic life of the buildings is regarded as the economic life of the entire leased asset.</i> <i>Leases of investment property</i>	
17A, B	IAS 17.19	If the entity as lessee classified a property interest held under an operating lease as investment property in accordance IAS 40, has the entity: a) accounted for the property interest as if it were a finance lease; b) used the fair value model for the asset recognised; and c) continued to account for the lease as a finance lease even if subsequent events changed the nature of the entity's property interest such that the property is no longer regarded as investment property? <i>Leases in the financial statements of lessees</i> <i>Finance leases</i> <u><i>Initial recognition</i></u>	
17A	IAS 17.20	At the commencement of the lease term, has the lessee recognised each finance lease as an asset and a liability in its statement of financial position?	
17A	IAS 17.20	At initial recognition, have finance lease assets and liabilities been measured at the lower of the following amounts, as determined at the inception of the lease: a) the fair value of the leased property; or b) if lower, the present value of the minimum lease payments?	

TQ	Reference	Recognition/measurement requirement	Yes / No / N/A
17A	IAS 17.20	<i>Note: The "commencement of the lease term" and the "inception of the lease" may not be the same date. Refer to IAS 17.4 for specific definitions.</i> For the purpose of measuring finance lease assets and liabilities, is the discount rate used in calculating the present value of the minimum lease payments the interest rate implicit in the lease, if this is practicable to determine?	
	IAS 17.4	<i>Notes:</i> 1) <i>The interest rate implicit in the lease is the discount rate that, at the inception of the lease, causes the aggregate present value of (a) the minimum lease payments and (b) the unguaranteed residual value to be equal to the sum of (i) the fair value of the leased asset and (ii) any initial direct costs of the lessor.</i> 2) <i>Unguaranteed residual value is that portion of the residual value of the leased asset, the realisation of which by the lessor is not assured or is guaranteed solely by a party related to the lessor.</i>	
17A	IAS 17.20	If it is not practicable to determine the interest rate implicit in the lease, has the lessee's incremental borrowing rate been used?	
	IAS 17.4	<i>Note: The lessee's incremental borrowing rate of interest is the rate of interest the lessee would have to pay on a similar lease of, if that is not determinable, the rate that, at inception of the lease, the lessee would incur to borrow over a similar term, and with similar security, the funds necessary to purchase the asset.</i>	
17A	IAS 17.4	Do the minimum lease payments used for the purpose of measuring finance lease assets and liabilities comprise the payments over the lease term that the lessee is or can be required to make: a) excluding; i) contingent rent; and ii) costs for services and taxes to be paid by and reimbursed to the lessor? b) but including; i) any amounts guaranteed by the lessee or by a party related to the lessee; and ii) the payment required to exercise an option to purchase the asset, if the option is at a price that is expected to be sufficiently lower than fair value at the date the option becomes exercisable for it to be reasonably certain, at the inception of the lease, that the option will be exercised?	
17A	IAS 17.20	Are any initial direct costs of the lessee added to the amount recognised as an asset?	
	IAS 17.24	<i>Notes:</i> 1) <i>Initial direct costs are often incurred in connection with specific leasing activities, such as negotiating and securing leasing arrangements. Initial direct costs which are identified as directly attributable to activities performed by the lessee for a finance lease are added to the amount recognised as an asset.</i>	
	IAS 17.22	2) <i>Under the requirements of paragraph 20 of IAS 17 (see above), the lease asset and the liability for future lease payments are recognised in the statement of financial position at the commencement of the lease term at the same amounts, except for any initial direct costs of the lessee that are added to the amount recognised as an asset.</i>	

TQ	Reference	Recognition/measurement requirement	Yes / No / N/A
17A	IAS 39.11	Have embedded derivatives been separated from the host lease contract and accounted for under IAS 39 <i>Financial Instruments: Recognition and Measurement</i> if all of the following conditions have been met: a) the economic characteristics and risks of the embedded derivative are not closely related to the economic characteristics and risks of the host contract; b) a separate instrument with the same terms as the embedded derivative would meet the definition of a derivative; and c) the hybrid (combined) instrument is not measured at fair value with changes in fair value recognised in profit or loss? <i>Note: Embedded derivatives may need to be bifurcated if (a) the lease payments are linked to an underlying variable such as an interest rate, index or other price that is not closely related to the lease contract, (b) there are terms or conditions in the lease agreement that change the economic characteristics of the lease, or (c) the lease contains escalation clauses that are not market-related. Refer to the example in AG33(f) of IAS 39.</i> <u>Subsequent measurement</u>	
17A	IAS 17.25	Are minimum lease payments under finance leases apportioned between the finance charge and the reduction of the outstanding liability?	
17A	IAS 17.25	Is the finance charge allocated to each period during the lease term so as to produce a constant periodic rate of interest on the remaining balance of the liability?	
17A	IAS 17.25	Are contingent rents charged as expenses in the periods in which they are incurred?	
	IAS 17.4	<i>Note: Contingent rent is that portion of the lease payments that is not fixed in amount but is based on the future amount of a factor that changes other than with the passage of time (e.g. percentage of future sales, amount of future use, future price indices, future market rates of interest).</i>	
17A	IAS 17.27	Is the depreciation policy for depreciable leased assets consistent with that for depreciable assets that are owned?	
17A	IAS 17.27	Is the depreciation charged in respect of leased assets calculated in accordance with IAS 16 <i>Property, Plant and Equipment</i> and IAS 38 <i>Intangible Assets</i> ?	
17A	IAS 17.27	If there is no reasonable certainty that the lessee will obtain ownership by the end of the lease term, is the asset fully depreciated over the shorter of the lease term and its useful life?	
17A	IAS 17.28	If there is reasonable certainty that the lessee will obtain ownership by the end of the lease term, is the asset fully depreciated over its useful life?	
17A	IAS 17.30	Has the entity applied IAS 36 <i>Impairment of Assets</i> to determine whether a leased asset has become impaired?	
		<i>Operating leases</i>	
17A	IAS 17.33	Are lease payments under operating leases (excluding costs for services such as insurance and maintenance) recognised as an expense on a straight-line basis over the lease term, unless another systematic basis is more representative of the time pattern of the user's benefit?	
17A	IAS 37.66	If a lease contract is onerous, has the present obligation under the contract been recognised and measured as a provision in accordance with IAS 37 <i>Provisions, Contingent Liabilities and Contingent Assets</i> ?	

TQ	Reference	Recognition/measurement requirement	Yes / No / N/A
		<i>Note: An onerous lease is one in which the unavoidable costs of meeting the obligations under the contract exceed the economic benefits expected to be received under it. The unavoidable costs under a lease reflect the least net cost of exiting from the lease, which is the lower of the cost of fulfilling it and any compensation or penalties arising from failure to fulfil it.</i> <u>Operating leases – incentives</u>	
17A	SIC 15.5	Has the lessee recognised the aggregate benefit of incentives as a reduction of rental expense over the lease term, on a straight-line basis unless another systematic basis is representative of the time pattern of the lessee's benefit from the use of the leased asset? Leases in the financial statements of lessors <i>Finance leases</i> <u>Initial recognition</u>	
17B	IAS 17.36	Are assets held under finance leases recognised in the statement of financial position and presented as receivables at an amount equal to the net investment in the lease?	
17B	IAS 17.4	Is the net investment in the lease measured as the gross investment in the lease (see below) discounted at the interest rate implicit in the lease?	
	IAS 17.4	<i>Notes:</i> 1) <i>The interest rate implicit in the lease is the discount rate that, at the inception of the lease, causes the aggregate present value of (a) the minimum lease payments and (b) the unguaranteed residual value to be equal to the sum of (i) the fair value of the leased asset and (ii) any initial direct costs of the lessor.</i> 2) <i>Unguaranteed residual value is that portion of the residual value of the leased asset, the realisation of which by the lessor is not assured or is guaranteed solely by a party related to the lessor.</i>	
17B	IAS 17.4	Is the gross investment in the lease measured at the aggregate of: a) the minimum lease payments receivable by the lessor (see below) under a finance lease; and b) any unguaranteed residual value accruing to the lessor?	
17B	IAS 17.4	For the purposes of calculating the net investment in a lease, do the minimum lease payments comprise the payments over the lease term that the lessee is or can be required to make: a) excluding: i) contingent rent; and ii) costs for services and taxes to be paid by and reimbursed to the lessor? b) but including: i) any residual value guaranteed to the lessor by: • the lessee; • a party related to the lessee; or • a third party unrelated to the lessor that is financially capable of discharging the obligations under the guarantee; and	

TQ	Reference	Recognition/measurement requirement	Yes / No / N/A
		ii) the payment required to exercise an option to purchase the asset, if the option is at a price that is expected to be sufficiently lower than fair value at the date the option becomes exercisable for it to be reasonably certain, at the inception of the lease, that the option will be exercised?	
17F	IAS 17.38	If the entity is a manufacturer or dealer lessor, has the entity recognised initial direct costs incurred in negotiating and arranging a lease as an expense when the selling profit is recognised?	
17B	IAS 17.38	For finance leases other than those involving manufacturer or dealer lessors, are initial direct costs included in the initial measurement of the finance lease receivable? <u>Subsequent measurement</u>	
17B	IAS 17.39	Is finance income recognised based on a pattern reflecting a constant periodic rate of return on the lessor's net investment in the finance lease?	
17B	IAS 17.41	Are the estimated unguaranteed residual values used in computing the lessor's gross investment in the lease reviewed regularly?	
17B	IAS 17.41	If there has been a reduction in the estimated unguaranteed residual, has the income allocation over the lease term been revised and any reduction in respect of amounts accrued recognised immediately?	
17B	IAS 17.41A	Has any asset under a finance lease that is classified as held for sale (or included in a disposal group that is classified as held for sale) in accordance with IFRS 5 <i>Non-current Assets Held for Sale and Discontinued Operations</i> been accounted for in accordance with that Standard? <u>Manufacturer or dealer lessors</u>	
17F	IAS 17.42	Has a manufacturer or dealer lessor: a) recognised selling profit or loss in the period in accordance with the entity's policy for outright sales; b) where artificially low interest rates are quoted, restricted the selling profit to that which would apply if market rate interest was charged; and c) recognised any costs incurred in connection with negotiating and arranging a lease as an expense when the selling profit is recognised?	
17F	IAS 17.44	Has revenue been recognised at the commencement of the lease term by a manufacturer or dealer lessor equal to the fair value of the asset, or if lower, the present value of the minimum lease payments computed at a market rate of interest?	
17F	IAS 17.44	Has the cost of sales been recognised at the commencement of the lease term by a manufacturer or dealer lessor equal to the cost, or carrying amount if different, of the leased asset less the present value of the unguaranteed residual value? <u>Operating leases</u>	
17B	IAS 17.50	Is lease income from operating leases recognised on a straight-line basis over the lease term, unless another systematic basis is more representative of the time pattern in which use benefit derived from the leased asset is diminished, in which case that other basis should be used?	
17B	IAS 17.51	Are those costs incurred in earning lease income recognised as an expense?	
17B	IAS 17.52	Have initial direct costs incurred by lessors in negotiating and arranging the operating lease been added to the carrying amount of the leased asset and recognised as an expense over the lease term on the same basis as the lease income?	

TQ	Reference	Recognition/measurement requirement	Yes / No / N/A
		<u>Operating Leases – incentives</u>	
17B	SIC15.5	Has the aggregate cost of incentives paid been recognised as a reduction of rental income over the lease term on a straight-line basis, unless another systematic basis is representative of the time pattern over which the benefit of the leased asset is diminished, in which case that other basis should be used?	
		<u>Depreciation and impairment</u>	
17B	IAS 17.53	Is the depreciation policy for leased assets consistent with that for depreciable assets that are owned?	
17B	IAS 17.53	Is the depreciation calculated in accordance with IAS 16 and IAS 38?	
17B	IAS 17.54	Has the entity applied IAS 36 to determine whether a leased asset has become impaired?	
		<u>Manufacturer or dealer lessors</u>	
17F	IAS 17.55	If the entity is manufacturer or dealer lessor, has the entity <u>not</u> recognised any selling profit on entering into an operating lease?	
		Sale and leaseback transactions	
	IAS 17.58	<i>Note: A sale and leaseback transaction involves the sale of an asset and the leasing back of the same asset. The lease payment and the sale price are usually interdependent because they are negotiated as a package. The accounting treatment of a sale and leaseback transaction depends upon the type of lease involved.</i>	
17C	IAS 17.59	If a sale and leaseback transaction results in a finance lease, is any excess of sales proceeds over the carrying amount deferred and amortised over the lease term?	
17C	IAS 17.61	If a sale and leaseback transaction results in an operating lease, has the profit or loss on the transaction been accounted for as follows: a) if it is clear that the transaction is established at fair value, is any profit or loss recognised immediately? b) if the sale price is below fair value, is any profit or loss recognised immediately, unless the circumstances specified in (c) below apply? c) if the sale price is below fair value, and a loss arises which is compensated by future payments at below market price, is the loss deferred and amortised in proportion to the lease payments over the period for which the asset is expected to be used? d) if the sale price is above fair value, is the excess over fair value deferred and amortised over the period for which the asset is expected to be used?	
17C	IAS 17.63	For operating leases, if the fair value at the time of a sale and operating leaseback transaction is less than the carrying amount of the asset, is a loss equal to the amount of the difference between the carrying amount and fair value recognised immediately? <i>Note: For finance leases, no such adjustment is necessary unless there has been an impairment in value, in which case the carrying amount is reduced to recoverable amount in accordance with IAS 36.</i>	

IAS 18 Revenue

TQ	Reference	Recognition/measurement requirement	Yes / No / N/A
		<i>This section of the questionnaire addresses the requirements of IAS 18 regarding accounting for revenue. Revenue is income that arises in the course of ordinary activities of an entity and is referred to by a variety of different names including sales, fees, interest, dividends and royalties. The primary issue in accounting for revenue is when to recognise revenue.</i> <i>The text below is based on the requirements of the IAS 18. Users should also be familiar with the Appendix accompanying IAS 18, which provides a number of illustrative examples of the application of IAS 18.</i> <i>IFRIC 13, Customer Loyalty Programmes, addresses the accounting by entities that provide their customers with incentives to buy goods or services by providing award credits as part of a sales transaction.</i> <i>IFRIC 15, Agreements for the Construction of Real Estate, clarifies the application of IAS 18 and IAS 11 to agreements for the construction of Real Estate.</i> SCOPE NOTE <i>IAS 18 applies in accounting for revenue arising from the sale of goods, the rendering of services, and use by others of entity assets yielding interest, royalties and dividends.</i> <i>It does not deal with revenue arising from:</i> <i>• lease agreements (see IAS 17, Leases);</i> <i>• dividends arising from investments that are accounted for using the equity method (see IAS 28, Investments in Associates);</i> <i>• insurance contracts within the scope of IFRS 4, Insurance Contracts;</i> <i>• changes in the fair value of financial assets and financial liabilities or their disposal (see IAS 39, Financial Instruments: Recognition and Measurement);</i> <i>• changes in the value of other current assets;</i> <i>• initial recognition and from changes in the fair value of biological assets related to agricultural activity (see IAS 41, Agriculture);</i> <i>• initial recognition of agricultural produce (see IAS 41, Agriculture); and</i> <i>• the extraction of mineral ores.</i> TAILORING QUESTIONS <i>If you answer "yes" to any of the tailoring questions below, please answer the compliance questions relating to it.</i>	
18A		Does the entity sell goods to its customers (this may include both goods that were manufactured or produced by the entity for the purpose of sale, or goods that were specifically purchased for resale)?	
18B		Does the entity render a service to its customers (the rendering of a service normally involves the performance of a contractually agreed task over a period of time)?	
18C		Does the entity generate income by allowing customers the use of its assets?	

TQ	Reference	Recognition/measurement requirement	Yes / No / N/A
		<i>Note: This could take the form of :</i> <i>interest – charges for the use of cash and cash equivalents or amounts due to the entity;</i> <i>royalties – charges for the use of long term assets of the entity (e.g. patents, trademarks, copyrights and computer software); and</i> <i>dividends – distributions of profits to holders of equity investments in proportion to their holdings of a particular class of shares.</i>	
18D		Does the entity provide finance in conjunction with the sale of goods?	
18E		Does the entity enter into transactions that comprise more than one component (e.g. delivery of both goods and services, delivery of a number of different goods or services)?	
18F		Does the entity enter into buy-back / repurchase agreements?	
18G		Has the entity accepted goods or other services in exchange for the delivery of goods or services (i.e. has it entered into any exchange or barter transactions)?	
18H		Does the entity provide its customers with incentives to buy goods or services by providing award credits as part of sales transactions?	
18I		Does the entity enter into agreements for the construction of real estate?	
		DETAILED COMPLIANCE QUESTIONS	
		Definition of revenue	
18A, B, C	IAS 18.7	Does revenue include the gross inflows of economic benefits received or receivable by an entity on its own account in the ordinary course of its activities, when those inflows result in increases in equity (excluding contributions from equity participants)?	
18A, B, C	IAS 18.8	Does revenue exclude amounts collected on behalf of third parties, for example, sales taxes, value-added taxes, and goods and service taxes?	
18A, B, C	IAS 18.8	Does revenue exclude amounts collected by the entity as an agent on behalf of a principal?	
	Appendix to IAS 18	<i>Note: The full amount collected from a sales transaction may not represent revenues of the entity when the entity is considered an agent in the transaction. Determining whether the entity is a principal or an agent requires careful judgement and consideration of all relevant facts and circumstances.</i> <i>An entity is acting as a principal when it has exposure to the significant risks and rewards associated with the sale of goods or the rendering of services. Features that indicate that an entity is acting as a principal include:</i> <i>a) the entity has the primary responsibility for providing the goods or services to the customer or for fulfilling the order, for example by being responsible for the acceptability of the products or services ordered or purchased by the customer;</i> <i>b) the entity has inventory risk before or after the customer order, during shipping or in return;</i> <i>c) the entity has latitude in establishing prices, either directly or indirectly, for example by providing additional goods or services; and</i> <i>d) the entity bears the customer's credit risk for the amount receivable from the customer.</i>	

TQ	Reference	Recognition/measurement requirement	Yes / No / N/A
		<i>An entity is acting as an agent when it does not have exposure to the significant risks and rewards associated with the sale of goods or the rendering of services. One feature indicating that an entity is acting as an agent is that the amount the entity earns is predetermined, being either a fixed fee per transaction or a stated percentage of the amount billed to the customer.</i>	
		Measurement of revenue	
18A, B, C	IAS 18.9	Is revenue measured at the fair value of the consideration received or receivable?	
	IAS 18.7	<i>Note: Fair value is the amount for which an asset could be exchanged, or a liability settled, between knowledgeable, willing parties in an arm's length transaction.</i>	
18A, B, C	IAS 18.10	Has the measurement of the fair value of the consideration received or receivable taken into account the amount of any trade discounts and volume rebates allowed by the entity?	
		<i>Note: Revenue should exclude volume or trade discounts and settlement discounts that are an incentive for early payment.</i>	
18A, B, C, D	IAS 18.11	Where payment by the customer/client has been deferred, and the arrangement effectively constitutes a financing transaction, has the fair value been determined by discounting all future receipts using an imputed rate of interest?	
	IAS 18.11	<i>Note: The imputed interest rate should be the more clearly determinable of either:</i> <i>the prevailing rate for a similar instrument of an issuer with a similar credit rating; or</i> <i>a rate of interest that discounts the nominal amount of the instrument to the current cash sales price of the goods or services.</i>	
18A, B, C, D	IAS 18.11	Where the entity has accounted for the transaction in accordance with paragraph 11 of IAS 18 (see above), is the difference between the fair value and the nominal amount of the consideration recognised as interest revenue in accordance with paragraphs 29 and 30 of IAS 18 and in accordance with IAS 39?	
		Exchanges of goods or services	
18G	IAS 18.12	Where goods or services have been exchanged or swapped for goods or services which are of a <u>similar</u> nature and value, has the exchange been accounted for as a transaction that does not generate revenue?	
18G	IAS 18.12	Where goods are sold or services are rendered in exchange for <u>dissimilar</u> goods or services, has the exchange been accounted for as a transaction that does generate revenue?	
18G	IAS 18.12	Where the exchange has been for dissimilar goods or services, has the revenue been measured either :	
		a) at the <u>fair value of the goods or services received</u>, adjusted by the amount of any cash or cash equivalents transferred; or b) where the fair value of the goods or services received cannot be reliably measured, at the <u>fair value of the goods or services given up</u>, adjusted by the amount of any cash or cash equivalents transferred?	

TQ	Reference	Recognition/measurement requirement	Yes / No / N/A
		Identification of the transaction	
18E	IAS 18.13	If a single transaction includes different separately identifiable components, have the revenue recognition criteria described below been applied to each of the separately identifiable components /revenue streams to reflect the substance of the transaction?	
18E, F	IAS 18.13	If multiple transactions are linked in such a way that the commercial effect cannot be understood without reference to the series of transactions as a whole, have the revenue recognition criteria been applied to the series of transactions as a whole?	
	IAS 18.13	<i>Note: For example, an entity may sell goods and, at the same time, enter into a separate agreement to repurchase the goods at a later date, thus negating the substantive effect of the transaction. In such a case, the two transactions are dealt with together.</i>	
		Sale of goods	
18A	IAS 18.14	Is revenue from the sale of goods recognised when all of the following conditions have been satisfied: a) the entity has transferred to the buyer the significant risks and rewards of ownership of the goods; b) the entity retains neither continuing managerial involvement to the degree usually associated with ownership nor effective control over the goods sold; c) the amount of revenue can be measured reliably; d) it is probable that the economic benefits associated with the transaction will flow to the entity; and e) the costs incurred or to be incurred in respect of the transaction can be measured reliably?	
		<i>Note: The application of these criteria for revenue recognition is explored in more detail in the questions below. Further guidance is also provided in the Appendix to IAS 18.</i>	
18A	IAS 18.16	If the entity has retained significant risks and rewards of ownership of the goods, has the transaction <u>not</u> been accounted for as a sale and has revenue <u>not</u> been recognised until the significant risks and rewards of ownership are transferred? <i>Note: Examples of situations in which the entity may retain the significant risks and rewards of ownership are:</i> • when the entity retains an obligation for unsatisfactory performance not covered by normal warranty provisions; • when the receipt of the revenue from a particular sale is contingent on the derivation of revenue by the buyer from its sale of goods; • when the goods are shipped subject to installation and the installation is a significant part of the contract which has not yet been completed by the entity; and • when the buyer has the right to cancel the purchase for a reason specified in the sales contract and the entity is uncertain about the probability of return.	

TQ	Reference	Recognition/measurement requirement	Yes / No / N/A
18A	IAS 18.17	Where the entity has retained only an insignificant risk of ownership, has the transaction been accounted for as a sale and revenue recognised? <i>Note: For example, the seller may retain legal title to the goods solely as security for collection of the amount due.</i>	
18A	IAS 18.17	Has revenue in case a right of return exists been recognised only if the entity can reliably estimate future returns and in such a case, has the entity recognised a liability for returns based on previous experience and other relevant factors?	
18A	IAS 18.18	Has revenue been recognised only when receipt of the economic benefits associated with the transaction is probable?	
	IAS 18.18	<i>Note: For example, it may be uncertain that a foreign governmental authority will grant permission to remit the consideration from a sale in a foreign country. When the permission is granted, the uncertainty is removed and revenue is recognised.</i>	
18A	IAS 18.18	If uncertainty arises regarding the collectability of an amount already included in revenue, has the potentially uncollectible amount been recognised as an expense, rather than as an adjustment of the amount of revenue originally recognised?	
18A	IAS 18.19	If expenses that relate to the revenue transaction cannot be measured reliably, has revenue not been recognised and has any consideration already received for the sale of goods been recognised as a liability? <i>Note: If the entity is unable to reliably measure a provision that is directly related to the sale of goods, (for example a warranty provision, or provision for returns) this may be an indicator that it is unable to measure the expenses that relate to the revenue transaction reliably and should therefore not recognise the revenue on the sale until it can reliably measure the related expenses.</i>	
18F	IAS 18.14	If the entity has entered into a repurchase agreement, call option to repurchase or the buyer has a put option, in respect of the goods sold, have the terms of the agreement been analysed to assess whether in substance the seller has transferred the risk and rewards of ownership to the buyer? Rendering of services	
18B	IAS 18.20	Is revenue involving the rendering of services recognised only when the outcome of the transaction can be estimated reliably? <i>Note: The outcome of the transaction can only be estimated reliably when all the following conditions have been satisfied:</i> • the amount of revenue can be measured reliably; • it is probable that the economic benefits associated with the transaction will flow to the entity; • the stage of completion of the transaction at the end of the reporting period can be measured reliably; and • the costs incurred for the transaction and the costs to complete the transaction can be measured reliably.	
18B	IAS 18.20	Is revenue associated with the service transaction recognised by reference to the stage of completion of the transaction at the end of the reporting period (often referred to as the percentage of completion method)?	
18B	IAS 18.24	Is the percentage of completion of the service transactions determined by using a method that reliably measures the proportion of service actually performed?	

TQ	Reference	Recognition/measurement requirement	Yes / No / N/A
	IAS 18.24	<i>Note: Depending on the nature of the transaction, methods may include:</i> • surveys of work performed, • services performed to date as a percentage of total services to be performed, or • the proportion that costs incurred to date bear to the estimated total costs of the transaction. Only costs that reflect services performed to date are included in costs incurred to date. Only costs that reflect services performed or to be performed are included in the estimated total costs of the transaction. <i>Payments from customers, or passage of time are not necessarily an indicator of the percentage of completion.</i>	
18B	IAS 18.22	If uncertainty arises regarding the collectability of an amount already included in revenue, has the potentially uncollectible amount (or the amount in respect of which recovery has ceased to be probable) been recognised as an expense, rather than as an adjustment of the amount of revenue originally recognised?	
18B	IAS 18.25	When services to be performed comprise an indeterminate number of acts over a specific period of time, has revenue been recognised on a straight line basis over the specified period (unless some other method better represents the stage of completion)?	
18B	IAS 18.25	When a specific act is much more significant than any other acts, has recognition of revenue been postponed until a significant act is executed?	
18B	IAS 18.26	When the outcome of a transaction involving the rendering of services cannot be estimated reliably, is revenue recognised only to the extent of the expenses recognised that are recoverable, i.e. no profit should be recognised?	
		<i>Note: Refer to paragraph 20 of IAS 18 (see above), for guidance regarding when the outcome of a transaction can be estimated reliably.</i>	
18B	IAS 18.28	When the uncertainties that prevented the outcome of a contract being estimated reliably no longer exists, has revenue been recognised based on the stage of completion of the transaction in accordance with the requirements of paragraph 20 of IAS 18 (see above)?	
		Barter transactions involving advertising services	
		<i>Note: While the requirements of SIC 31 Revenue – Barter Transactions Involving Advertising Services (see below) applies specifically to advertising services, its guidance applies to other exchanges not specifically addressed in another IFRS or Interpretation.</i>	
18G	IAS 18.12 IAS 18.20(a)	Where the seller has entered into a barter transaction involving advertising services, has revenue been recognised only when the following conditions apply: a) the services exchanged are dissimilar; and b) the amount of revenue can be reliably measured?	
		<i>Note: The criteria set out in SIC 31 should only be addressed provided that the basic conditions for recognition of revenue from a service transaction have been met. Therefore, for example, an exchange of similar advertising services is never a transaction that generates revenue under IAS 18.</i>	
18G	SIC 31.5	Where the entity has engaged in barter transactions involving advertising services, has any revenue recognised been measured at the fair value of the services provided by the entity (in accordance with the conditions set out below) and not by reference to the fair value of the advertising services received?	

TQ	Reference	Recognition/measurement requirement	Yes / No / N/A
18G	SIC 31.5	Where the entity has engaged in barter transactions involving advertising services, has the fair value of the services provided been measured by reference only to <u>non-barter</u> transactions that meet <u>all</u> of the following conditions: a) they involve advertising similar to the advertising in the barter transaction; b) they occur frequently; c) they represent a predominant number of transactions and amount, when compared to all transactions to provide advertising that is similar to the advertising in the barter transaction; d) they involve cash and/or another form of consideration (e.g. marketable securities, non-monetary assets and other services) that has a reliably measurable fair value; and e) they do not involve the same counter-party as in the barter transaction? Interest, royalties and dividends	
18C	IAS 18.29	Is revenue in the form of interest, royalties or dividends, recognised only when both of the following conditions are satisfied: a) it is probable that the economic benefits associated with the transaction will flow to the entity; and b) the amount of the revenue can be measured reliably?	
18C	IAS 18.30	Is revenue recognised on the following bases: a) <u>interest</u>: using the effective interest rate method as set out in IAS 39, paragraphs 9 and AG5-AG8? b) <u>royalties</u>: on an accrual basis in accordance with the substance of the relevant agreement? c) <u>dividends</u>: when the shareholder's right to receive payment is established?	
18C	IAS 18.32	When unpaid interest has accrued before acquisition of an interest-bearing investment, has the subsequent receipt of interest been allocated between pre-acquisition and post-acquisition periods – with only the post-acquisition portion recognised as revenue?	
18C	IAS 18.33	Are royalties recognised on the basis of the terms of the relevant agreement unless, having regard to the substance of the agreement, it is more appropriate to recognise revenue on some other systematic and rational basis?	
18C	IAS 18.34	If uncertainty arises about the collectability of an amount already included in revenue, has the uncollectible amount (or the amount in respect of which recovery has ceased to be probable) been recognised as an expense, rather than as an adjustment of the amount of revenue originally recognised? IFRIC 13 Customer Loyalty Programmes <i>Note: IFRIC 13 addresses the accounting by entities that provide their customers with incentives to buy goods or services by providing award credits as part of a sales transaction. IFRIC 13 applies to customer loyalty award credits that an entity grants to its customers as part of a sales transaction, i.e. a sale of goods, rendering of services or use by a customer of entity assets, and subject to meeting any further qualifying conditions, the customers can redeem in the future for free or discounted goods or services.</i>	

TQ	Reference	Recognition/measurement requirement	Yes / No / N/A
18H	IFRIC 13.5	Has the entity applied paragraph 13 of IAS 18 and accounted for award credits as a separately identifiable component of the sales transaction(s) in which they were granted (the 'initial sale')?	
18H	IFRIC 13.5	Has the entity allocated the fair value of the consideration received or receivable in respect of the initial sale between the award credits and the other components of the sale?	
18H	IFRIC 13.6	Has the consideration allocated to the award credits been measured by reference to their fair value, i.e. the amount for which the award credits could be sold separately?	
		<i>The entity supplies the awards itself</i>	
18H	IFRIC 13.7	If the entity supplies the awards itself, has the entity recognised the consideration allocated to award credits as revenue when award credits are redeemed and the entity fulfils its obligations to supply awards?	
18H	IFRIC 13.7	Is the amount of revenue recognised based on the number of award credits that have been redeemed in exchange for awards, relative to the total number expected to be redeemed?	
		<i>A third party supplies the awards</i>	
18H	IFRIC 13.8	If a third party supplies the awards, has the entity assessed whether it is collecting the consideration allocated to the award credits on its own account (i.e. as the principal in the transaction) or on behalf of the third party (i.e. as an agent for the third party)?	
18H	IFRIC 13.8	If the entity is collecting the consideration on behalf of the third party, has the entity: a) measured its revenue as the net amount retained on its own account (i.e. the difference between the consideration allocated to the award credits and the amount payable to the third party for supplying the awards); and b) recognised this net amount as revenue when the third party becomes obliged to supply the awards and entitled to receive consideration for doing so?	
		<i>Note: These events may occur as soon as the award credits are granted. Alternatively, if the customer can choose to claim awards from either the entity or a third party, these events may occur only when the customer chooses to claim awards from the third party.</i>	
18H	IFRIC 13.8	If the entity is collecting the consideration on its own account, has the entity measured its revenue as the gross consideration allocated to the award credits and recognised the revenue when it has fulfilled its obligations in respect of the awards?	
		<i>Costs exceed the consideration received and receivable</i>	
18H	IFRIC 13.9	Has the entity recognised a liability in accordance with IAS 37 if at any time the unavoidable costs of meeting the obligations to supply the awards are expected to exceed the consideration received and receivable for them (i.e. the consideration allocated to the award credits at the time of the initial sale that has not yet been recognised as revenue plus any further consideration receivable when the customer redeems the award credits)?	
18H	IFRIC 13.9	<i>Note: The need to recognise such a liability could arise if the expected costs of supplying awards increase, for example if the entity revises its expectations about the number of award credits that will be redeemed.</i>	

TQ	Reference	Recognition/measurement requirement	Yes / No / N/A
		Application of IFRIC 13	
18H	IFRIC 13.10	Where the entity has applied IFRIC 13 in the period (annual periods beginning on or after 1 July 2008, with earlier application permitted), has any resulting change in accounting policy been accounted for in accordance with IAS 8 <i>Accounting Policies, Changes in Accounting Estimates and Errors</i> ?	
18I		IFRIC 15 Agreements for the Construction of Real Estate	
		<i>IFRIC 15 gives guidance on the accounting for revenue and associated expenses by entities that undertake the construction of real estate directly or through subcontractors. The primary issues are whether the agreement is within scope of IAS 11 or IAS 18, and when revenue from the construction of real estate should be recognised.</i>	
		SCOPE NOTE	
18I	IFRIC 15.7	Notes: 1) <i>It is assumed that the entity has previously analysed the agreement for the construction of real estate and any related agreements and concluded that it will retain neither continuing managerial involvement to the degree usually associated with ownership nor effective control over the constructed real estate to an extent that would preclude recognition of some or all of the consideration as revenue. If recognition of some of the consideration as revenue is precluded, the following applies only to the part of the agreement for which revenue will be recognised.</i>	
18I	IFRIC 15.8	2) <i>Within a single agreement, an entity may contract to deliver goods or services in addition to the construction of real estate (e.g. a sale of land or provision of property management services). In accordance with paragraph 13 of IAS 18, such an agreement may need to be split into separately identifiable components including one for the construction of real estate. The fair value of the total consideration received or receivable for the agreement shall be allocated to each component. If separate components are identified, the entity applies paragraphs 10–12 of IFRIC 15 to the component for the construction of real estate in order to determine whether that component is within the scope of IAS 11 or IAS 18. The segmenting criteria of IAS 11 then apply to any component of the agreement that is determined to be a construction contract.</i>	
		Determining whether the agreement is within the scope of IAS 11 or IAS 18	
18I	IFRIC 15.11	Has the entity applied IAS 11, when the agreement meets the definition of a construction contract set out in paragraph 3 of IAS 11?	
		<i>Note: An agreement for the construction of real estate meets the definition of a construction contract when the buyer is able to specify the major structural elements of the design of the real estate before construction begins and/or specify major structural changes once construction is in progress (whether or not it exercises that ability).</i>	
18I	IFRIC 15.12	Has the entity treated the agreement as an agreement for the sale of goods within the scope of IAS 18, when the buyers have only limited ability to influence the design of the real estate, e.g. to select a design from a range of options specified by the entity, or to specify only minor variations to the basic design?	
18I	IFRIC 15.10	<i>Note: Determining whether an agreement for the construction of real estate is within the scope of IAS 11 or IAS 18 depends on the terms of the agreement and all the surrounding facts and circumstances. Such a determination requires judgement with respect to each agreement.</i>	

TQ	Reference	Recognition/measurement requirement	Yes / No / N/A
18I	IFRIC 15.13	The agreement is within the scope of IAS 11 Has the entity recognised revenue by reference to the stage of completion of the contract activity in accordance with IAS 11, when the agreement is within the scope of IAS 11 and its outcome can be estimated reliably?	
18I	IFRIC 15.15	The agreement is within the scope of IAS 18 The agreement is an agreement for the rendering of services If the criteria in paragraph 20 of IAS 18 are met, is revenue recognised by reference to the stage of completion of the transaction using the percentage of completion method?	
18I	IFRIC 15.15	<i>Notes:</i> 1) <i>If the entity is not required to acquire and supply construction materials, the agreement may be only an agreement for the rendering of services in accordance with IAS 18.</i>	
18I	IFRIC 15.15	2) <i>The requirements of IAS 11 are generally applicable to the recognition of revenue and the associated expenses for such a transaction (IAS 18 paragraph 21).</i>	
18I	IFRIC 15.16	The Agreement is an agreement for the sale of goods <i>Note: If the entity is required to provide services together with construction materials in order to perform its contractual obligation to deliver the real estate to the buyer, the agreement is an agreement for the sale of goods and the criteria for recognition of revenue set out in paragraph 14 of IAS 18 apply.</i>	
18I	IFRIC 15.17	Has the entity recognised revenue by reference to the stage of completion using the percentage of completion method, when the entity transfers to the buyer control and the significant risks and rewards of ownership of the work in progress in its current state as construction progresses (i.e. all the criteria in paragraph 14 of IAS 18 are met continuously as construction progresses)? <i>Note: The requirements of IAS 11 are generally applicable to the recognition of revenue and the associated expenses for such a transaction.</i>	
18I	IFRIC 15.18	Has the entity recognised revenue only when all the criteria in paragraph 14 of IAS 18 are satisfied, when control and the significant risks and rewards of ownership of the real estate in its entirety has been transferred to the buyer at a single time (e.g. at completion, upon or after delivery)?	
18I	IFRIC 15.19	When the entity is required to perform further work on real estate already delivered to the buyer, has it recognised a liability and an expense in accordance with paragraph 19 of IAS 18, and measured the liability in accordance with IAS 37? <i>Note: When the entity is required to deliver further goods or services that are separately identifiable from the real estate already delivered to the buyer, it would have identified the remaining goods or services as a separate component of the sale, in accordance with paragraph 8 of IFRIC 15.</i>	
18I	IFRIC 15.24-25	Application of IFRIC 15 Where the entity has applied IFRIC 15 in the period (annual periods beginning on or after 1 January 2009, with earlier application permitted), has any resulting change in accounting policy been accounted for retrospectively in accordance with IAS 8 <i>Accounting Policies, Changes in Accounting Estimates and Errors</i>?	

IAS 19 Employee Benefits

TQ	Reference	Recognition/measurement requirement	Yes / No / N/A
		<i>This section of the questionnaire addresses IAS 19, which prescribes the accounting for employee benefits. The principal issues relate to the determination of employee benefit liabilities, assets and expenses for short term and long term employee benefits.</i> <i>In July 2007, the IASB issued IFRIC 14, IAS 19 – The Limit of a Defined Benefit Asset, Minimum Funding Requirements and their Interaction. The Interpretation addresses the application of paragraph 58 of IAS 19 which limits the measurement of a defined benefit asset to "the present value of economic benefits available in the form of refunds from the plan or reductions in future contributions to the plan" plus unrecognised gains and losses. Further, minimum funding requirements exist in many countries and such requirements may limit the ability of the entity to reduce future contributions and also give rise to a liability. IFRIC 14 addresses:</i> <i>when refunds or reductions in future contributions should be regarded as available in accordance with paragraph 58 of IAS 19,</i> <i>how a minimum funding requirement might affect the availability of reductions in future contributions; and</i> <i>when a minimum funding requirement might give rise to a liability.</i> <i>The requirements of IFRIC 14 are set out in this section following the requirements of paragraph 58 of IAS 19.</i> SCOPE NOTE <i>This Standard should be applied by an employer in accounting for all employee benefits other than those to which IFRS 2, Share-based Payment applies.</i> TAILORING QUESTIONS <i>If you answer "yes" to any of the tailoring questions below, please answer the compliance questions relating to it.</i>	
19A		Does the entity have expenses arising from short term employee benefits (other than those to which IFRS 2 <i>Share-based Payment</i> applies) such as: a) wages, salaries and social security contributions; b) short-term compensated absences (e.g. absences due to vacation, sickness and short-term disability, maternity or paternity, jury service and military service); c) profit-sharing and bonuses payable within twelve months after the end of the period in which the employees render the related service; and d) non-monetary benefits (such as medical care, housing, cars and free or subsidised goods or services) for current employees? <i>Note: Short term employee benefits are employee benefits (other than termination benefits) that are due to be settled within twelve months after the end of the period in which the employees render the related service.</i>	
19B		Does the entity provide post-employment benefits such as: a) retirement benefits, such as pensions; and b) other post-employment benefits, such as post-employment life insurance and post-employment medical care?	

TQ	Reference	Recognition/measurement requirement	Yes / No / N/A
19C		<i>Note: Post-employment benefits are employee benefits (other than termination benefits) which are payable after the completion of employment.</i> Does the entity participate in any multi-employer post-employment benefit plans? <i>Note: Multi employer plans are post-employment benefit plans (other than state plans and plans that share risks between entities under common control) where entities pool the assets contributed by various entities and use those assets to provide benefits to employees of more than one entity, on the basis that contribution and benefit levels are determined without regard to the entity that employs the employee concerned. This differs from a group administration plan, which is an aggregation of single employer plans combined to allow participating employers to pool their assets for investment purposes and reduce investment management and administration costs.</i>	
19D		Does the entity participate in a state post-employment benefit plan? <i>Note: State plans are established by legislation to cover all entities and are operated by national or local government or by another body, which is not subject to control, or influence by the reporting entity.</i>	
19E		Does the entity pay insurance premiums to fund a post employment benefit plan?	
19F		Has a curtailment or settlement occurred in the current financial year?	
19G		Does the entity have any other long-term employee benefit liabilities (other than those to which IFRS 2 <i>Share-based Payment</i> applies) such as: a) long-term compensated absences (e.g. long-service or sabbatical leave); b) jubilee or other long-service benefits; c) long-term disability benefits; d) profit-sharing and bonuses payable twelve months or more after the end of the period in which the employees render the related service; and e) deferred compensation paid twelve months or more after the end of the period in which it is earned? <i>Note: Other long-term employee benefits are employee benefits (other than post-employment benefits and termination benefits) that are not due to be settled within twelve months after the end of the period in which the employees render the related service.</i>	
19H		Is the entity due to pay any employee benefits as a result of either: a) its decision to terminate an employee's employment before the normal retirement date; or b) an employee's decision to accept voluntary redundancy in exchange for those benefits?	
19I		Has the entity been involved in a business combination or acquisition in the current reporting period, which has brought together separate entities into one economic entity as a result of obtaining control over the net assets and operations of another entity?	
19J		Does the entity participate in a plan that share risks between various entities under common control? <i>Note: Defined benefit plans that share risks between various entities under common control, for example, a parent and its subsidiaries, are not multi-employer plans.</i>	

TQ	Reference	Recognition/measurement requirement	Yes / No / N/A
		DETAILED COMPLIANCE QUESTIONS	
		Short-term employee benefits	
		<i>General</i>	
19A	IAS 19.10	Has the entity recognised a liability (accrued expense) in respect of any unpaid short-term employee benefits due in respect of services rendered by employees during the period?	
		<i>Note: The obligation for short-term employee benefits is measured on an undiscounted basis, and after deducting any amounts already paid.</i>	
19A	IAS 19.10	If payments made for short-term employee benefits rendered in the period exceed the undiscounted amount of the benefits, has the entity recognised an asset (prepaid expense) to the extent that the prepayment will lead to, for example, a reduction in future payments or a cash refund?	
19A	IAS 19.10	Has the entity expensed the undiscounted amount of short-term employee benefits due in respect of services rendered by employees during the period, unless they have been capitalised as part of the cost of an asset as permitted or required by another Standard?	
		Short-term compensated absences	
19A	IAS 19.11	Has the entity recognised the expected cost of accumulating compensated absences when the employees render service that increases their entitlement to future compensated absences?	
		<i>Note: Accumulating compensated absences are those that are carried forward and can be used in future periods if the current period's entitlement is not used in full.</i>	
19A	IAS 19.11	Has the entity recognised the expected cost of non-accumulating compensated absences when the absence occurs?	
		<i>Note: Non-accumulating compensated absences do not carry forward. They lapse if the current period's entitlement is not used in full.</i>	
19A	IAS 19.14	Has the entity measured the expected cost of accumulating compensated absences as the additional amount that the entity expects to pay as a result of the unused entitlement that has accumulated at the end of the reporting period?	
	IAS 19.13	<i>Note: Accumulating compensated absences may be either vesting (employees are entitled to a cash payment for unused entitlement on leaving the entity) or non-vesting (employees are not entitled to such cash settlement on leaving the entity). The entity's obligation for compensated absences arises as employees render service, and exists, and is recognised, even if the compensated absences are non-vesting. The possibility that employees may leave before they use an accumulated non-vesting entitlement may, however, affect the measurement of the obligation.</i>	
		Profit-sharing and bonus plans	
19A	IAS 19.17	Has the entity recognised the expected cost of profit-sharing and bonus payments when, and only when, the following criteria have been met: a) the entity has a present legal or constructive obligation to make such payments as a result of past events; and b) a reliable estimate of the obligation can be made?	

TQ	Reference	Recognition/measurement requirement	Yes / No / N/A
		<i>Notes:</i> 1) <i>A present obligation exists when, and only when, the entity has no realistic alternative but to make payments.</i> 2) <i>Where employees receive a share of profit only if they remain with the entity for a specified period, the entity's obligation arises as the employees render service that increases the amount to be paid if they remain in service until the end of the specified period. Therefore, the obligation exists, and is recognised, before the end of the specified period – although the measurement of the obligation will reflect the possibility that some employees may leave without receiving profit-sharing payments.</i> 3) <i>An entity can make a reliable estimate of its legal or constructive obligation under a profit-sharing or bonus plan when, and only when, one of the following conditions is met:</i> <i>the formal terms of the plan contain a formula for determining the amount of the benefit; or</i> <i>the entity determines the amounts to be paid before the financial statements are authorised for issue; or</i> <i>past practice gives clear evidence of the amount of the entity's constructive obligation.</i>	
19A	IAS 19.21	Has the entity recognised the cost of profit-sharing and bonus plans as an expense and not as a distribution of profit?	
19A	IAS 19.22	If profit-sharing and bonus payments are not due wholly within twelve months after the end of the period in which the employees render the related service, has the entity treated those payments as other long term employee benefits?	
		Post-employment benefits	
19B	IAS 19.25	Has the entity classified its post-employment benefit plans as either defined contribution plans or defined benefit plans, depending on the economic substance of the plan as derived from its principal terms and conditions?	
	IAS 19.7	<i>Note: Defined contribution plans are post-employment benefit plans under which an entity pays fixed contributions into a separate entity (a fund) and will have no legal or constructive obligation to pay further contributions if the fund does not hold sufficient assets to pay all employee benefits relating to employee service in the current and prior periods.</i> <i>Defined benefit plans are post-employment benefit plans other than defined contribution plans.</i> Defined contribution plans	
19B	IAS 19.44	Has the entity recognised the contribution payable to a defined contribution plan in exchange for employee service rendered during the period: a) as an expense (unless capitalised as part of the cost of an asset as permitted or required by another Standard); and b) as a liability (accrued expense), after deducting any contribution already paid?	
19B	IAS 19.44	If the contribution already paid to the defined contribution scheme exceeds the contribution due for service before the end of the reporting period, has the entity recognised that excess as an asset (prepaid expense) to the extent that the prepayment will lead to, for example, a reduction in future payments or a cash refund?	

TQ	Reference	Recognition/measurement requirement	Yes / No / N/A
19B	IAS 19.45	Where contributions to a defined contribution plan do not fall due wholly within twelve months after the end of the period in which the employees render the related service, has the obligation in respect of those contributions been measured on a discounted basis, using the discount rate specified in paragraph 78 of IAS 19 (see below)? Defined benefit plans <u>Recognition and measurement: general</u>	
19B	IAS 19.52	In accounting for its defined benefit plans (see below for detailed requirements), has the entity included the impact of any constructive obligations that arise from the entity's informal practices? <i>Note: An example of an informal practice is the payment of retired employees' medical fund contributions without any requirement to do so in the formal terms of the employees' contracts. Informal practices give rise to a constructive obligation when the entity has no realistic alternative but to continue the benefit. An example of a constructive obligation is where a change in the entity's informal practice would cause unacceptable damage to its relationship with employees.</i> Statement of financial position	
19B	IAS 19.54	Has the entity recognised a defined benefit liability (or asset) as the net total of the following amounts: a) the present value of the defined benefit obligation at the end of the reporting period (paragraph 64 of IAS 19, see below); b) plus any actuarial gains (less any actuarial losses) not recognised (paragraphs 92 and 93 of IAS 19, see below); c) minus any past service cost not yet recognised (paragraph 96 of IAS 19, see below); d) minus the fair value at the end of the reporting period of plan assets (if any) out of which the obligations are to be settled directly (paragraphs 102 to 104 of IAS 19, see below)?	
19B	IAS 19.56	Does the entity determine the present value of the defined benefit obligations and the fair value of any plan assets with sufficient regularity so that the amounts recognised in the financial statements do not differ materially from the amounts that would be determined at the end of the reporting period?	
19B	IAS 19.58-58A	Where the amount determined under paragraph 54 of IAS 19 (see above) is negative (i.e. an asset), has the entity measured the resulting asset at the lower of: a) the amount determined under paragraph 54 of IAS 19; and b) the total of i) any cumulative unrecognised net actuarial losses and past service cost; and ii) the present value of any economic benefits available in the form of refunds from the plan or reductions in future contributions to the plan? <i>Note: The application of the limit imposed by paragraph 58 (see above) should not result in a gain being recognised solely as a result of an actuarial loss or past service cost in the current period, or in a loss being recognised solely as a result of an actuarial gain in the current period. See paragraphs 58A to 60 of IAS 19 for further guidance.</i>	

TQ	Reference	Recognition/measurement requirement	Yes / No / N/A
19B		IFRIC 14 IAS 19 – The Limit of a Defined Benefit Asset, Minimum Funding Requirements and their Interaction	
		Availability of a refund or reduction in future contributions	
	IFRIC 14.7	Has the entity determined the availability of a refund or a reduction in future contributions in accordance with the terms and conditions of the plan and any statutory requirements in the jurisdiction of the plan?	
		<i>Notes:</i>	
	IFRIC 14.8	1) <i>An economic benefit, in the form of a refund or a reduction in future contributions, is available if the entity can realise it at some point during the life of the plan or when the plan liabilities are settled. In particular, such an economic benefit may be available even if it is not realisable immediately at the end of the reporting period.</i>	
	IFRIC 14.11	2) <i>A refund is available to an entity only if the entity has an unconditional right to a refund:</i> <i>a) during the life of the plan, without assuming that the plan liabilities must be settled in order to obtain the refund (e.g. in some jurisdictions, the entity may have a right to a refund during the life of the plan, irrespective of whether the plan liabilities are settled); or</i> <i>b) assuming the gradual settlement of the plan liabilities over time until all members have left the plan; or</i> <i>c) assuming the full settlement of the plan liabilities in a single event (i.e. as a plan wind-up).</i> <i>An unconditional right to a refund can exist whatever the funding level of a plan at the end of the reporting period.</i>	
	IFRIC 14.12	<i>If the entity's right to a refund of a surplus depends on the occurrence or non-occurrence of one or more uncertain future events not wholly within its control, the entity does <u>not</u> have an unconditional right and shall not recognise an asset.</i>	
	IFRIC 14.9	Has the entity determined the maximum economic benefit that is available from refunds, reductions in future contributions or a combination of both?	
	IFRIC 14.9	Has the entity <u>not</u> recognised economic benefits from a combination of refunds and reductions in future contributions based on assumptions that are mutually exclusive?	
	IFRIC 14.13	Has the entity measured the economic benefit available as a refund as the amount of the surplus at the end of the reporting period (being the fair value of the plan assets less the present value of the defined benefit obligation) that the entity has a right to receive as a refund, less any associated costs?	
	IFRIC 14.14	In measuring the amount of a refund available when the plan is wound up, has the entity included the costs to the plan of settling the plan liabilities and making the refund?	
	IFRIC 14.15	If the amount of a refund is determined as the full amount or a proportion of the surplus, rather than a fixed amount, has the entity <u>not</u> made adjustments for the time value of money, even if the refund is realisable only at a future date?	
	IFRIC 14.16	If there is no minimum funding requirement, has the entity determined the economic benefit available as a reduction in future contributions as the lower of (a) the surplus in the plan and (b) the present value of the future service cost to the entity (i.e. excluding any part of the future cost that will be borne by employees) for each year over the shorter of the expected life of the plan and the expected life of the entity?	

TQ	Reference	Recognition/measurement requirement	Yes / No / N/A
	IFRIC 14.17	Has the entity determined the future service costs using assumptions consistent with those used to determine the defined benefit obligation and with the situation that exists at the end of the reporting period as determined by IAS 19?	
	IFRIC 14.17	<i>Note: An entity shall assume no change to the benefits to be provided by a plan in the future until the plan is amended and shall assume a stable workforce in the future unless the entity is demonstrably committed at the end of the reporting period to make a reduction in the number of employees covered by the plan. In the latter case, the assumption about the future workforce shall include the reduction. An entity shall determine the present value of the future service cost using the same discount rate as that used in the calculation of the defined benefit obligation at the end of the reporting period.</i>	
		The effect of a minimum funding requirement on the economic benefit available as a reduction in future contributions	
	IFRIC 14.18	Has the entity analysed any minimum funding requirement at a given date into contributions that are required to cover (a) any existing shortfall for past service on the minimum funding basis and (b) the future accrual of benefits?	
	IFRIC 14.20	If there is a minimum funding requirement for contributions relating to the future accrual of benefits, has the entity determined the economic benefit available as a reduction in future contributions as the present value of the estimated future service cost in each year in accordance with paragraphs 16 and 17 of IFRIC 14 less the estimated minimum funding contributions required in respect of the future accrual of benefits in that year?	
	IFRIC 14.21	Has the entity calculated the future minimum funding contributions required in respect of the future accrual of benefits taking into account the effect of any existing surplus on the minimum funding requirement basis?	
	IFRIC 14.22	<i>Note: If the future minimum funding contribution required in respect of the future accrual of benefits exceeds the future IAS 19 service cost in any given year, the present value of that excess reduces the amount of the asset available as a reduction in future contributions at the end of the reporting period. However, the amount of the asset available as a reduction in future contributions can never be less than zero.</i>	
		When a minimum funding requirement may give rise to a liability	
	IFRIC 14.23	If an entity has an obligation under a minimum funding requirement to pay contributions to cover an existing shortfall on the minimum funding basis in respect of services already received, has the entity determined whether the contributions payable will be available as a refund or reduction in future contributions after they are paid into the plan?	
	IFRIC 14.24	Has the entity recognised a liability to the extent that the contributions payable will not be available after they are paid into the plan, when the obligation arises?	
		<i>Notes:</i>	
	IFRIC 14.24	1) <i>The liability shall reduce the defined benefit asset or increase the defined benefit liability so that no gain or loss is expected to result from applying paragraph 58 of IAS 19 when the contributions are paid.</i>	
	IFRIC 14.25	2) <i>An entity shall apply paragraph 58A of IAS 19 (see above) before determining the liability in accordance with paragraph 24 of IFRIC 14.</i>	
	IFRIC 14.26	Has the entity recognised the liability in respect of the minimum funding requirement and any subsequent remeasurement of that liability immediately in accordance with the entity's adopted policy for recognising the effect of the limit in paragraph 58 in IAS 19 on the measurement of the defined benefit asset?	

TQ	Reference	Recognition/measurement requirement	Yes / No / N/A
19B	IFRIC 14.26	<i>Note: In particular:</i> a) <i>an entity that recognises the effect of the limit in paragraph 58 in profit or loss, in accordance with paragraph 61(g) of IAS 19, shall recognise the adjustment immediately in profit or loss.</i> b) <i>an entity that recognises the effect of the limit in paragraph 58 in other comprehensive income, in accordance with paragraph 93C of IAS 19, shall recognise the adjustment immediately in other comprehensive income and expense.</i>	
	IFRIC 14.27 - 28	Where the entity has applied IFRIC 14 in the period (periods beginning on or after 1 January 2008, with earlier application permitted), has the entity: a) applied the Interpretation from the beginning of the first period presented in the first financial statements to which the Interpretation applies; and b) recognised any initial adjustment arising from the application of the Interpretation in retained earnings at the beginning of that period? <i>Profit or loss</i>	
	IAS 19.61	Has the entity recognised the net total of the following amounts in profit or loss, except to the extent that they have been capitalised as part of the cost of an asset as permitted or required by another Standard: a) current service cost (paragraphs 63 to 91 of IAS 19, see below); b) interest cost (paragraph 82 of IAS 19, see below); c) the expected return on any plan assets (paragraphs 105 to 107 of IAS 19) and on any reimbursement rights (paragraph 104A of IAS 19, see below); d) actuarial gains and losses, in accordance with the entity's accounting policy (paragraphs 92 to 93D of IAS 19, see below); e) past service cost (paragraph 96 of IAS 19, see below); f) the effect of any curtailments or settlements (paragraphs 109 and 110 of IAS 19, see below); and g) the effect of the limit in paragraph 58(b) (see above), unless it is recognised outside profit or loss in accordance with paragraph 93C of IAS 19 (see below)? <u>Recognition and measurement: present value of defined benefit obligations and current service costs</u>	
	IAS 19.63	<i>Note: In order to measure the present value of the defined benefit obligations and the related current service cost, it is necessary to:</i> <i>• apply an actuarial valuation method;</i> <i>• attribute benefit to periods of service; and</i> <i>• make actuarial assumption.</i> <i>Each of these elements is dealt with in turn below.</i>	

TQ	Reference	Recognition/measurement requirement	Yes / No / N/A
19B	IAS 19.64	<i>Actuarial valuation method</i>	
		Has the entity used the Projected Unit Credit Method to determine the present value of its defined benefit obligations and the related current service cost and, where applicable, past service cost?	
		<i>Note: The present value of the defined benefit obligation is the present value without deducting any plan assets, of expected future payments required to settle the obligation resulting from employee service in the current and prior periods. Past service cost is the increase in the present value of the defined benefit obligation for employee service in prior periods, resulting in the current period from the introduction of, or changes to, post-employment benefits or other long-term employee benefits. Past service cost may be either positive (where benefits are introduced or improved) or negative (where existing benefits are reduced).</i>	
19B	IAS 19.67	<i>Attributing benefit to periods of service</i>	
		In determining the present value of its defined benefit obligation (and the related service cost and any past service cost) has the entity attributed benefits to periods of service under the plan's benefit formula?	
	IAS 19.68	<i>Note: An entity attributes benefit to periods in which the obligation to provide post-employment benefit arises. That obligation arises as employees render services in return for post-employment benefits which an entity expects to pay in future reporting periods. Actuarial techniques allow an entity to measure that obligation with sufficient reliability to justify recognition as a liability.</i>	
19B	IAS 19.67	If an employee's service in later years will lead to a materially higher level of benefit than in earlier years, has the entity attributed benefit on a straight-line basis from:	
		- the date when service by the employee first leads to benefits under the plan (whether or not the benefits are conditional on further service); until - the date when further service by the employee will lead to no material amount of further benefits under the plan, other than from further salary increases?	
		<i>Note: Paragraphs 68 to 71 of IAS 19 provide illustrative examples of attributing benefit to periods of service in various circumstances.</i>	
19B	IAS 19.72	<i>Actuarial assumptions</i>	
		In determining the present value of the defined benefit obligation, has the entity made actuarial assumptions that are unbiased (i.e. neither imprudent nor excessively conservative) and mutually compatible?	
	IAS 19.73	<i>Note: Actuarial assumptions comprise demographic assumptions (concerned with the future characteristics of current and former employees and their dependents who are eligible for benefits), and financial assumptions (e.g. discount rate, future salary and benefit levels, future medical costs, expected rate of return on plan assets).</i>	
19B	IAS 19.77	Have financial assumptions been based on market expectations, at the end of the reporting period, for the period over which the obligations are to be settled?	
19B	IAS 19.78	Has the rate used to discount post-employment benefit obligations (both funded and unfunded) been determined by reference to market yields at the end of the reporting period on high quality corporate bonds?	

TQ	Reference	Recognition/measurement requirement	Yes / No / N/A
		<i>Notes:</i> 1) Where there is no deep market in corporate bonds, the market yields (at the end of the reporting period) on government bonds should be used. 2) The currency and term of the corporate bonds or government bonds should be consistent with the currency and estimated term of the post-employment benefit obligations.	
19B	IAS 19.82	Has the interest cost been computed by multiplying the discount rate as determined at the start of the period by the present value of the defined benefit obligation throughout that period, taking account of any material changes in the obligation?	
		<i>Note: Appendix A to IAS 19 illustrates the computation of interest cost, among other things.</i>	
19B	IAS 19.83 - 84	Has the post-employment benefit obligation been measured on a basis that reflects: a) estimated future salary increases (taking account of inflation, seniority, promotion and other relevant factors, such as supply and demand in the employment market); b) the benefits set out in the terms of the plan (or resulting from any constructive obligation that goes beyond those terms) at the end of the reporting period; and c) estimated future changes in the level of any state benefits that affect the benefits payable under a defined benefit plan, if , and only if, either: i) those changes were enacted before the end of the reporting period; or ii) past history, or other reliable evidence, indicates that those state benefits will change in some predictable manner, for example, in line with future changes in general price levels or general salary levels.	
19B	IAS 19.88	Do assumptions about medical costs take account of estimated future changes in the cost of medical services, resulting from both inflation and specific changes in medical costs?	
		<i>Actuarial gains and losses</i>	
19B	IAS 19.92-93D	Has the entity determined whether actuarial gains and losses arising on its defined benefit post-employment benefit plans are to be recognised in other comprehensive income?	
19B	IAS 19.93A-93D	Where the entity has adopted a policy of recognising actuarial gains and losses in other comprehensive income, has it: a) recognised all such gains and losses in the period in which they occur; b) applied this policy consistently for all of its defined benefit plans and for all of its actuarial gains and losses, as well as any adjustments arising from the limit in paragraph 58(b) of IAS 19 (the asset ceiling); c) presented the gains and losses (and any adjustments under paragraph 58(b) in the statement of comprehensive income; and d) recognised the actuarial gains and losses (and any adjustments under paragraph 58(b)) immediately in retained earnings?	
		<i>Note: Items recognised immediately in retained earnings under paragraph 93A shall not be recognised in profit or loss in a subsequent period.</i>	

TQ	Reference	Recognition/measurement requirement	Yes / No / N/A
19B	IAS 19.92-93	Where the entity has adopted a policy of recognising actuarial gains and losses in profit or loss and, at the end of its previous reporting period, the net cumulative unrecognised actuarial gains and losses exceeded the greater of: a) 10% of the present value of the defined benefit obligation at that date (before deducting plan assets); and b) 10% of the fair value of any plan assets at that date, has the entity recognised in profit or loss in the current period, at a minimum, the portion of those actuarial gains and losses calculated as the excess referred to above divided by the expected average remaining working lives of the employees participating in the plan? <i>Notes:</i> 1) <i>Where the entity elects to recognise gains and losses in profit or loss, the minimum requirement under IAS 19 is that, to the extent that the unrecognised gains and losses exceed the 10% 'corridor' referred to above, then that excess is recognised in profit or loss over the specified time span. If the 10% limits are not breached, then there is no requirement to recognise any actuarial gains or losses in profit or loss.</i> 2) <i>The 'corridor' limits referred to in this section should be calculated and applied separately for each defined benefit plan.</i>	
19B	IAS 19.93	Where the entity has adopted a policy of recognising actuarial gains and losses in profit or loss, and the entity has determined that it does not wish to follow the 'corridor' approach described in paragraphs 92 and 93 of IAS 19 (see above), has it adopted another systematic method that results in faster recognition of actuarial gains and losses? <i>Note: Although IAS 19 allows this corridor approach, immediate recognition in profit or loss is permitted, as is any systematic method that results in faster recognition of actuarial gains and losses (including immediate recognition of the full amounts). The entity may apply such systematic methods to actuarial gains and losses even if they fall within the 10% corridor limits.</i>	
19B	IAS 19.93	Where the entity has elected to adopt a faster recognition policy, have the following conditions been met: a) the same basis is applied to both gains and losses; and b) the basis is applied consistently from period to period? <i>Past service cost</i>	
19B	IAS 19.96	In measuring its defined benefit liability under paragraph 54 of IAS 19 (see above), subject to the requirements of paragraph 58A of IAS 19, has the entity recognised past service cost as an expense on a straight-line basis over the average period until the benefits become vested?	
	IAS 19.99	<i>Note: The amortisation schedule established when the benefits are introduced or changed is amended only if there is a curtailment or settlement.</i>	
19B	IAS 19.96	To the extent that the benefits are already vested immediately following the introduction of, or changes to, a defined benefit plan, has past service cost been recognised immediately?	

TQ	Reference	Recognition/measurement requirement	Yes / No / N/A
19B	IAS 19.102	<u>Recognition and measurement: plan assets</u>	
		<i>Fair value of plan assets</i>	
		Has the entity determined the fair value of the plan assets at the end of the reporting period?	
		Notes:	
19B	IAS 19.7	1) <i>Fair value is the amount for which an asset could be exchanged between knowledgeable, willing parties in an arm's length transaction.</i>	
		2) <i>Plan assets comprise:</i>	
		a) <i>assets held by a long-term employee benefit fund (these are assets that are legally separate from the reporting entity and that are available only to pay or fund employee benefits, unless certain conditions are met – see IAS 19.7); and</i>	
		b) <i>qualifying insurance policies (these are policies that can only be used to pay or fund employee benefits and are not available to the reporting entity's own creditors, unless certain conditions are met – see IAS 19.7).</i>	
19B	IAS 19.103	3) <i>Plan assets exclude unpaid contributions due from the reporting entity to the fund, as well as any non-transferable financial instruments issued by the entity and held by the fund. Plan assets are reduced by any liabilities of the fund that do not relate to employee benefits, for example, trade and other payables and liabilities resulting from derivative financial instruments.</i>	
		<u>Reimbursement rights that are not qualifying insurance policies</u>	
		When, and only when, it is virtually certain that another party will reimburse some or all of the expenditure required to settle a defined obligation, has the entity:	
		a) recognised its right to reimbursement as an asset separate from plan assets;	
19B	IAS 19.104A	b) measured the asset at fair value; and	
		c) in all other respects, treated the asset in the same way as plan assets.	
		Note: <i>Paragraph 104A of IAS 19 (see above) does not apply to qualifying insurance policies as defined in that Standard, which policies are plan assets and are accounted for in the same way as other plan assets. Paragraph 104A applies to other insurance policies, which are accounted for as separate assets and which are not deducted from the defined benefit liability recognised under paragraph 54 of IAS 19 (see above). In all other respects, the entity treats that asset in the same way as plan assets – see paragraph 104C of IAS 19 for further discussion.</i>	
		In the statement of comprehensive income, has the entity considered the option of presenting the expense relating to a defined benefit plan net of the amount recognised for a reimbursement under paragraph 104A?	

TQ	Reference	Recognition/measurement requirement	Yes / No / N/A
		<u>Business combinations</u>	
19I	IAS 19.108	In respect of business combinations during the period, has the entity recognised asset and liabilities arising from post-employment benefits at the present value of the obligation less the fair value of any plan assets, as required by IFRS 3 <i>Business Combinations</i> ?	
19I	IAS 19.108	Have the following been included in the measurement of the fair value of the post-employment benefit obligation at the acquisition date: a) actuarial gains and losses that arose before the acquisition date (whether or not they fell inside the 10% corridor); b) past service cost that arose from benefit changes, or the introduction of a plan, before the acquisition date; and c) amounts that under the transitional provisions of paragraph 155(b) of IAS 19, the acquiree had not recognised?	
		<u>Curtailments and settlements</u>	
19F	IAS 19.109	Has the entity recognised gains or losses on the curtailment or settlement of a defined benefit plan when the curtailment or settlement occurs?	
	IAS 19.111	<i>Note: A curtailment occurs when an entity either:</i> • <i>is demonstrably committed to make a significant reduction in the number of employees covered by a plan; or</i> • <i>amends the terms of a defined benefit plan so that a significant element of future service by current employees will no longer qualify for benefits, or will qualify only for reduced benefits.</i>	
	IAS 19.112	<i>A settlement occurs when an entity enters into a transaction that eliminates all further legal or constructive obligation for part or all of the benefits provided under a defined benefit plan.</i>	
	IAS 19.114	<i>Note that the termination of a plan is not a curtailment or settlement if the plan is replaced by a new plan that offers benefits that are, in substance, identical.</i>	
	IAS 19.111A	When a plan amendment reduces benefits, only the effect of the reduction for future service is a curtailment. The effect of any reduction for past service is a negative past service cost.	
19F	IAS 19.109	Does the gain or loss arising on the curtailment or settlement include: a) any resulting change in the present value of the defined benefit obligation; b) any resulting change in the fair value of the plan assets; and c) any related actuarial gains and losses and past service cost that, under paragraph 92 and 96 of IAS 19 (see above), had not previously been recognised?	
19F	IAS 19.110	Before determining the effect of a curtailment or settlement, has the entity remeasured the obligation (and the related plan assets, if any) using current actuarial assumptions (including current market interest rates and other current market prices)?	
19F	IAS 19.115	Where the curtailment relates only to some of the employees covered by the plan, or only part of the obligation is settled, does the gain or loss include a proportionate share of the previously unrecognised past service cost and actuarial gains and losses (and of transitional amounts remaining unrecognised under paragraph 155(b) of IAS 19)?	

TQ	Reference	Recognition/measurement requirement	Yes / No / N/A
		Multi-employer plans	
19C	IAS 19.29	Has the entity classified the multi-employer plan as a defined contribution or defined benefit plan under the terms of the plan (including any constructive obligation that goes beyond the formal terms)?	
		<i>Note: The accounting treatment will follow from the classification.</i>	
19C	IAS 19.29	Where a multi-employer plan is a defined benefit plan, unless sufficient information is not available (see below) has the entity accounted for its proportionate share of the defined benefit obligation, plan assets and cost associated with the plan in the same way as for any other defined benefit plan?	
19C	IAS 19.30	Where sufficient information is not available to use defined benefit accounting, has the entity accounted for a multi-employer plan that is a defined benefit plan as a defined contribution plan?	
19C	IAS 19.32A	Where there is a contractual agreement between the multi-employer plan and its participants determining how the surplus in the plan will be distributed to the participants (or the deficit funded), and the entity is a participant in such a plan and accounts for the plan as a defined contribution plan in accordance with paragraph 30 (see above), has the entity recognised the asset or liability that arises from the contractual agreement and the resulting income or expense in profit or loss?	
		Defined benefit plans that share risks between various entities under common control	
	IAS 19.34	<i>Note: Defined benefit plans that share risks between various entities under common control (e.g. a parent and its subsidiaries) are not multi-employer plans.</i>	
19J	IAS 19.34A	If there is a contractual agreement or stated policy for charging the net defined benefit cost for the plan as a whole measured in accordance with IAS 19 to individual group entities, has the entity, in its separate or individual financial statements, recognised the net defined benefit cost so charged?	
		<i>Note: An entity participating in such a plan shall obtain information about the plan as a whole measured in accordance with IAS 19 on the basis of assumptions that apply to the plan as a whole.</i>	
19J	IAS 19.34A	If there is no such agreement or policy, has the net defined benefit cost been recognised in the separate or individual financial statements of the group entity that is legally the sponsoring employer for the plan, and have the other group entities, in their separate or individual financial statements, recognised a cost equal to their contribution payable for the period?	
		State plans	
19D	IAS 19.36	Has the entity accounted for a state plan in the same way as for a multi-employer plan?	
		<i>Note: See above for the appropriate accounting for multi-employer plans.</i>	

TQ	Reference	Recognition/measurement requirement	Yes / No / N/A
		<i>Insured benefits</i>	
19E	IAS 19.39, 42	If the entity pays insurance premiums to fund a post-employment plan, has it treated such a plan as a defined contribution plan, unless it retains a legal or constructive obligation to either: a) pay the employee benefits directly when they fall due, or b) pay further amounts if the insurer does not pay all future employee benefits relating to employee service in the current and prior periods? <i>Note: An entity should account for this as a defined contribution plan if it does not have any legal or constructive obligation to cover any loss on the policy, it has no obligation to pay benefits to the employees and the insurer has sole responsibility for paying the benefits. If the entity retains such a legal or constructive obligation, the entity should treat the plan as a defined benefit plan.</i>	
19E	IAS 19.41	If it is being treated as a defined benefit plan, has the entity: a) accounted for a qualifying insurance policy as a plan asset; and b) recognised other insurance policies as reimbursement rights? Other long-term employee benefits	
19G	IAS 19.128	Has the entity recognised a liability for other long-term employee benefits, being the net total of the following amounts: a) the present value of the defined benefit obligation at the end of the reporting period; b) minus the fair value at the end of the reporting period of plan assets (if any) out of which the obligations are to be settled directly?	
	IAS 19.126	Notes: 1) <i>Other long-term employee benefits are employee benefits (other than post-employment benefits and termination benefits) which do not fall due wholly within twelve months after the end of the period in which the employees render the related service. This includes such items as:</i> <i>compensated long-service or sabbatical leave;</i> <i>jubilee or other long-service benefits;</i> <i>long-term disability benefits;</i> <i>profit-sharing and bonus payments payable 12 months or more after the end of the period in which the employee renders the related service; and</i> <i>deferred compensation paid 12 months or more after the end of the period in which it is earned.</i>	
	IAS 19.128	2) <i>In measuring the liability, the entity applies paragraphs 49 to 91 of IAS 19 (excluding paragraphs 54 and 61) and applies paragraph 104A in recognising and measuring any reimbursement right. The requirements for other long-term employment benefits are therefore a simplified version of those applied to post-employment benefits. All past service costs and actuarial gains and losses are recognised immediately in profit or loss. There is neither the option to recognise gains and losses outside of profit or loss, nor to apply a 'corridor' approach.</i>	

TQ	Reference	Recognition/measurement requirement	Yes / No / N/A
19G	IAS 19.129	Has the entity recognised the net total of the following amounts as an expense (or, subject to the requirements of paragraph 58 of IAS 19, income), except to the extent that another IFRS requires or permits amounts to be included in the cost of an asset: a) current service cost; b) interest cost; c) the expected return on any plan assets and on any reimbursement right recognised as an asset; d) actuarial gains and losses, which shall be recognised immediately; e) past service cost, which shall be recognised immediately; and f) the effect of any curtailments or settlements? Termination benefits	
19H	IAS 19.133	Has the entity recognised a liability and expense in respect of termination benefits when, and only when, the entity is demonstrably committed to either: a) terminate the employment of an employee or group of employees before the normal retirement date; or b) provide termination benefits as a result of an offer made in order to encourage voluntary redundancy?	
19H	IAS 19.134	Is the entity considered to be demonstrably committed when, and only when, the entity has a detailed formal plan for the termination that is without realistic possibility of withdrawal and which includes, as a minimum: a) the location, function, and approximate number of employees whose services are to be terminated; b) the termination benefits for each job classification or function; and c) the time at which the plan will be implemented. Implementation should begin as soon as possible and the period of time to complete implementation should be such that material changes to the plan are not likely?	
19H	IAS 19.139	Where the termination benefits fall due more than twelve months after the reporting period have they been discounted using the discount rate specified in paragraph 78 of IAS 19?	
19H	IAS 19.140	In the case of a liability arising from an offer made to encourage voluntary redundancy, has the measurement of the termination benefits been based on the number of employees expected to accept the offer?	

IAS 20 Accounting for Government Grants and Disclosure of Government Assistance

TQ	Reference	Recognition/measurement requirement	Yes / No / N/A
		<i>This section of the questionnaire addresses IAS 20, Government Grants and Disclosure of Government Assistance. IAS 20 distinguishes between "Government Grants" – for which it prescribes the accounting treatment and "Government Assistance" – which cannot reasonably have a value placed on it, but may have a significant impact on the entity and therefore should be disclosed.</i> SCOPE NOTE <i>IAS 20 does not deal with:</i> <i>the special problems arising in accounting for government grants in financial statements reflecting the effects of changing prices or in supplementary information of a similar nature;</i> <i>government assistance that is provided in the form of tax benefits (for example tax holidays, accelerated depreciation or reduced income tax rates);</i> <i>government participation in the ownership of the entity; or</i> <i>government grants related to agricultural activity (covered by IAS 41, Agriculture).</i> Government grants are assistance by government, government agencies or similar bodies in the form of transfers of resources to an entity in return for past or future compliance with certain conditions relating to the operating activities of the entity. This excludes certain forms of government assistance which cannot reasonably have a value placed upon it (such as free technical or marketing advice and the provision of guarantees) and transactions with government which cannot be distinguished from the normal trading transactions of the entity. It does however include government assistance or grants which have no conditions attached specific to the operating activities of the entity other than the requirement to operate in certain regions or industry sectors. Government assistance is action by government designed to provide an economic benefit specific to an entity or range of entities qualifying under certain criteria. Government assistance for the purpose of IAS 20 does not include benefits provided only indirectly through action affecting general trading conditions, such as the provision of infrastructure in development areas or the imposition of trading constraints on competitors. TAILORING QUESTIONS <i>If you answer "yes" to any of the tailoring questions below, please answer the compliance questions relating to it.</i>	
20A		Did the entity receive any grants, subsidies, subventions or other transfer of resources from government, government bodies or similar agencies?	
20B		Have any government grants been repaid or become repayable?	

TQ	Reference	Recognition/measurement requirement	Yes / No / N/A
DETAILED COMPLIANCE QUESTIONS			
Government grants			
20A	IAS 20.7	Is the recognition of government grants, including non-monetary grants at fair value, deferred until there is reasonable assurance that both of the following conditions are met: a) the entity will comply with the conditions attaching to the grants; and b) the grants will be received?	
	IAS 20.9	<i>Note: The manner in which a grant is received (cash, non-monetary asset or reduction of a liability) should not affect the accounting treatment thereof.</i>	
20A	IAS 20.10	Where the entity has received a forgivable loan from government, has the loan been treated as a government grant when there is reasonable assurance that the entity will meet the terms for forgiveness of the loan?	
20A	IAS 20.10A	Where the entity has received a government loan at a below-market rate of interest, has the benefit of the below-market rate been treated as a government grant, i.e.	
20A	IAS 20.10A	a) has the loan been recognised and measured in accordance with IAS 39, <i>Financial Instruments: Recognition and Measurement</i>? b) has the benefit of the below-market rate of interest been measured as the difference between the initial carrying value of the loan determined in accordance with IAS 39 and the proceeds received? c) has the benefit been accounted for in accordance with IAS 20? d) has the entity considered the conditions and obligations that have been, or must be, met when identifying the costs for which the benefit of the loan is intended to compensate?	
20A	IAS 20.11	Once the government grant has been recognised, have any related contingent liabilities or contingent assets been treated in accordance with IAS 37, <i>Provisions, Contingent Liabilities and Contingent Assets</i> ?	
20A	IAS 20.12	Are government grants recognised in profit or loss on a systematic basis over the periods in which the entity recognises as expenses the related costs for which the grants are intended to compensate?	
	IAS 20.19	<i>Notes:</i> 1) Grants are sometimes received as part of a financial aid package to which a number of conditions are attached. In such cases, care is needed in identifying the conditions giving rise to costs and expenses which determine the periods over which the grant will be earned. It may be appropriate to allocate part of a grant on one basis and part on another.	
	SIC 10.3	2) Even if there are no conditions specifically relating to the operating activities of the entity (other than the requirement to operate in certain regions or industry sectors) such grants should not be credited directly to shareholders' interests.	

TQ	Reference	Recognition/measurement requirement	Yes / No / N/A
20A	IAS 20.18	Are government grants related to non-depreciable assets that also require the fulfilment of certain obligations recognised in profit or loss over the periods that bear the cost of meeting those obligations?	
20A	IAS 20.17	Are other government grants related to depreciable assets recognised in profit or loss over the periods and in the proportions in which depreciation expense on those assets is recognised?	
20A	IAS 20.16	Where income from a government grant has been recognised on a receipts basis, is this only because there was no basis for allocating the grant to periods other than the one in which it was received?	
20A	IAS 20.20	Where a government grant has become receivable as compensation for expenses or losses already incurred, or for the purpose of giving immediate financial support to the entity with no future related costs, has the grant been recognised in profit or loss for the period in which it becomes receivable?	
20A	IAS 20.23	Where a government grant has been received in the form of non-monetary assets (to be used by the entity): a) has the grant been recognised at fair value? b) has the asset been recognised at fair value? <i>Note: As an alternative, both the asset and the grant may be recorded at a nominal amount.</i> <i>Repayment of government grants</i>	
20B	IAS 20.32	Where a government grant becomes repayable, is that event accounted for as a change in accounting estimate under IAS 8 <i>Accounting Policies, Changes in Accounting Estimates and Errors</i> ?	
20B	IAS 20.32	Where the grant that has become repayable was related to income: a) is it first applied against any unamortised deferred credit recognised in respect of the grant? b) to the extent that the repayment exceeds the deferred credit or when no deferred credit exists, is it recognised immediately in profit or loss?	
20B	IAS 20.32	Where the grant that has become repayable was related to an asset and the grant was recognised as deferred income, is the repayment recorded by reducing the deferred income balance by the amount repayable and expensing any excess amount?	
20B	IAS 20.32	Where the grant that has become repayable was related to an asset and the grant was deducted from the carrying amount of the asset, is the repayment recognised by increasing the carrying amount of the asset and recording the cumulative additional depreciation that would have been recognised in profit or loss to date in the absence of the grant, immediately in profit or loss?	
20B	IAS 20.33	Where the grant that has become repayable was related to an asset, has the new carrying amount of the asset been assessed for impairment in accordance with IAS 36, <i>Impairment of Assets</i> ?	

IAS 21 The Effects of Changes in Foreign Exchange Rates

TQ	Reference	Recognition/measurement requirement	Yes / No / N/A
		<i>This section of the questionnaire addresses IAS 21 which prescribes the accounting treatment for transactions in foreign currencies and foreign operations as well as the presentation of an entity's financial statements in a foreign currency. The principal issues are: how to include foreign currency transactions and foreign operations in the financial statements of an entity, how to translate the financial statements into a presentation currency and the selection of an appropriate exchange rate, and how to report the effects of changes in exchange rates in the financial statements.</i> SCOPE NOTE <i>IAS 21 should be applied:</i> <i>in accounting for transactions and balances in foreign currencies;</i> <i>in translating the results and financial position of foreign operations that are included in the financial statements of the entity by consolidation, proportionate consolidation or by the equity method; and</i> <i>in translating an entity's results and financial position into a presentation currency.</i> <i>IAS 21 should not be applied to those foreign currency derivative transactions and balances, including the hedging of a net investment in a foreign operation, within the scope of IAS 39, Financial Instruments: Recognition and Measurement. However, those foreign currency derivatives that are not within the scope of IAS 39 (e.g. some foreign currency derivatives that are embedded in other contracts) are within the scope of IAS 21. In addition, IAS 21 applies when an entity translates amounts relating to derivatives from its functional currency into a different presentation currency.</i> <i>IAS 21 does not apply to hedge accounting for foreign currency items.</i> <i>Neither does IAS 21 apply to the presentation of cash flows arising from transactions in a foreign currency in a statement of cash flows, nor to the translation of cash flows of a foreign operation (see Deloitte's Presentation and Disclosure Checklist for the requirements of IAS 7, Statement of Cash Flows, in this regard).</i> SIC 7 <i>SIC 7, Introduction of the Euro, was issued in 1998 to explain how to apply IAS 21 to the changeover from the national currencies to the Euro. The consensus was that the requirements of IAS 21 regarding the translation of foreign currency transactions and financial statements of foreign operations should be strictly applied to the changeover. The same rationale applies to the fixing of exchange rates when countries join the Economic and Monetary Union at later stages. This means that, in particular:</i> <i>foreign currency monetary assets and liabilities resulting from transactions shall continue to be translated into the functional currency at the closing rate. Any resultant exchange differences shall be recognised as income or expense immediately, except that an entity shall continue to apply its existing accounting policy for exchange gains and losses related to hedges of the currency risk of a forecast transaction;</i> <i>cumulative exchange differences relating to the translation of financial statements of foreign operations shall continue to be classified as equity and shall be recognised as income or expense only on the disposal of the net investment in the foreign operation; and</i> <i>exchange differences resulting from the translation of liabilities denominated in participating currencies shall not be included in the carrying amount of related assets.</i> <i>Note, however, that where the entity accounting for the changeover to the Euro is also a first-time adopter of IFRSs, the specific requirements of IFRS 1, First-time Adoption of International Financial Reporting Standards, apply. Please refer to the IFRS 1 section of this questionnaire.</i>	

TQ	Reference	Recognition/measurement requirement	Yes / No / N/A
		DEFINITIONS	
	IAS 21.8	A foreign currency is a currency other than the functional currency of the entity. Functional currency is the currency of the primary economic environment in which the entity operates. Although an entity normally presents its financial statements in its functional currency, it may choose to present its financial statements in a different currency. The currency in which the financial statements are presented is called the presentation currency. A foreign operation is an entity that is a subsidiary, associate, joint venture or branch of a reporting entity, the activities of which are based or conducted in a country of currency other than those of the reporting entity. Monetary items are units of currency and assets and liabilities to be received or paid in a fixed or determinable number of units of currency.	
		TAILORING QUESTIONS	
		If you answer "yes" to any of the tailoring questions below, please answer the compliance questions relating to it.	
21A		Does the entity have transactions in foreign currencies?	
21B		Does the entity:	
		a) buy or sell goods or provide services at a price is denominated in a foreign currency;	
		b) borrow or lend funds where the amounts payable or receivable are denominated in a foreign currency;	
		c) acquire or dispose of assets, or incur or settle liabilities, denominated in a foreign currency?	
21C		Does the entity have any assets or liabilities that are denominated in a foreign currency?	
21D		Does the entity hold any foreign currency denominated assets or liabilities that are used for hedging purposes?	
21E		Does the entity have any foreign operations?	
21F		Has the entity disposed of a foreign operation during the current period?	
21G		Is the entity using a currency other than its functional currency for presenting its financial statements (the "presentation currency")?	
21H		Is the functional currency of the entity the currency of a hyperinflationary economy in accordance with IAS 29 <i>Financial Reporting in Hyperinflationary Economies</i> ?	
		DETAILED COMPLIANCE QUESTIONS	
		Functional currency	
21A,E	IAS 21.9-13	Has the entity's functional currency been appropriately determined based on the primary economic environment in which the entity operates?	

TQ	Reference	Recognition/measurement requirement	Yes / No / N/A
21E	IAS 21.9, 10	<i>Note: Consider the following questions that assist in answering the functional currency question above:</i> • which is the currency that mainly influences sales prices for goods and services (this will often be the currency in which the sales price for its goods and services are denominated and settled)? (primary) • which is the currency of the country whose competitive forces and regulations mainly determine the sales prices of its goods and services? (primary) • which is the currency that mainly influences labour, material and other costs of providing goods or services (this will often be the currency in which such costs are denominated and settled)? (primary) • in which currency are funds from financing activities generated? (secondary) • in which currency are receipts from operating activities retained? (secondary)	
	IAS 21.11	Has the functional currency of each of the entity's foreign operations been appropriately determined? <i>Note: The following additional factors should be considered in determining the functional currency of a foreign operation, and whether its functional currency is the same as that of the reporting entity:</i> • whether the activities of the foreign operation are carried out as an extension of the reporting entity or with a significant degree of autonomy; • whether transactions with the reporting entity are a high or a low proportion of the foreign operation's activities; • whether cash flows from the activities of the foreign operation directly affect the cash flows of the reporting entity and are readily available for remittance to it; and • whether cash flows from the activities of the foreign operation are sufficient to fund the existing operations and normally expected debt obligations without funds being made available from the reporting entity.	
	IAS 21.12	When the indicators referred to in paragraphs 9 to 11 of IAS 21 (see above) are mixed, and the functional currency is not obvious, has management: a) used its judgement to determine the functional currency that most faithfully represents the economic effects of the underlying transactions, events and conditions; and b) given priority to the primary indicators in paragraph 9 of IAS 21 (see above) before considering the indicators in paragraphs 10 and 11 of IAS 21 (see above), which are designed to provide additional supporting evidence to determine an entity's functional currency?	
	IAS 21.13	Does the entity's functional currency reflect the underlying transactions, events and conditions that are relevant to it?	
21A, E, H	IAS 21.14	If the functional currency is the currency of a hyperinflationary economy, have the entity's financial statements been restated in accordance with IAS 29 <i>Financial Reporting in Hyperinflationary Economies</i>? <i>Note: An entity cannot avoid restatement in accordance with IAS 29 by, for example, adopting as its functional currency a currency other than the functional currency determined in accordance with IAS 21 (such as the functional currency of its parent).</i>	

TQ	Reference	Recognition/measurement requirement	Yes / No / N/A
		<i>Change in functional currency</i>	
21A, E	IAS 21.13	Once determined, has the functional currency not been changed unless there is a change in the underlying transactions, events and conditions that are relevant to it?	
	IAS 21.36	<i>Note: For example, a change in the currency that mainly influences the sales price of goods and services may lead to a change in an entity's functional currency.</i>	
21A, E	IAS 21.35	If there has been a change in the entity's functional currency, has the entity applied the translation procedures applicable to the new functional currency <u>prospectively</u> from the date of the change?	
21A, E	IAS 21.37	In accounting for the new functional currency prospectively:	
		a) has the entity translated all items into the new functional currency using the exchange rate at the date of the change?	
		b) is the resulting translated amounts for non-monetary items treated as their historical cost?	
		c) are exchange differences arising from the translation of the foreign operation previously recognised in other comprehensive income in accordance with paragraph 32 and 39(c) of IAS 21 (see below) <u>not</u> recognised in profit or loss until the disposal of the operation?	
21D	IAS 39.88	If the entity is using any other foreign currency assets or liabilities for hedging purposes, and deferring exchange differences in other comprehensive income, have all the hedging criteria set out in paragraph 88 of IAS 39 been complied with?	
		<i>Note: Refer to the IAS 39 section of this questionnaire for guidance.</i>	
		Reporting foreign currency transactions in the functional currency	
21A, B, C	IAS 21.21	Have foreign currency transactions been recorded, on initial recognition in the functional currency, by applying to the foreign currency amount the exchange rate between the functional currency and the foreign currency at the date of the transaction (referred to as the spot rate)?	
	IAS 21.22	<i>Note: Foreign currency transactions may be recorded at a rate that approximates the actual spot rate at the date of the transaction (e.g. an average rate for a week or a month). However, if exchange rates fluctuate significantly, the use of an average rate is inappropriate.</i>	
21A, B, C	IAS 21.23	At the end of each reporting period, has the entity applied the following principles for reporting foreign currency items:	
		a) foreign currency monetary items shall be translated using the closing rate (<i>exchange rate at the end of the reporting period</i>)?	
		b) non-monetary items that are measured in terms of historical cost in a foreign currency shall be translated using the exchange rate at the date of the transaction?	
		c) non-monetary items that are measured at fair value in a foreign currency shall be translated using the exchange rates at the date when the fair value was determined?	
	IAS 21.26	<i>Note: When several foreign currency exchange rates are available, the rate used should be the rate at which the future cash flows represented by the transaction or balance could have been settled if those cash flows had occurred at the measurement date.</i>	

TQ	Reference	Recognition/measurement requirement	Yes / No / N/A
21A, B, C	IAS 21.25	If the net realisable value or recoverable amount of a non-monetary asset measured in a foreign currency is being assessed, is the carrying amount determined by comparing:	
		a) the cost or carrying amount, as appropriate, translated at the exchange rate at the date when that amount was determined (i.e. for an amount measured on a historical cost basis, the rate at the date of the transaction)?	
		b) the net realisable value or recoverable amount, as appropriate, translated at the exchange rate at the date when that value was determined (e.g. the closing rate at the end of the reporting period)?	
		<i>Note: The effect of the comparison requirements of IAS 21.25 (see above) may be that an impairment loss is recognised in the functional currency but would not be recognised in the foreign currency, or vice versa.</i>	
21A, B, C	IAS 21.28	With the exception of exchange differences dealt with in accordance with paragraph 32 of IAS 21 (see below), has the entity recognised in profit or loss in the period in which they arise, all exchange differences arising:	
		a) on the settlement of monetary items?	
		b) on translating monetary items at rates different from those at which they were translated on initial recognition during the period, or in previous financial statements?	
	IAS 21.27	<i>Note: As referred to in the scope section above, IAS 39 applies to hedge accounting for foreign currency items. The application of hedge accounting requires an entity to account for some exchange differences differently from the treatment of exchange differences required by IAS 21. Please refer to the IAS 39 section of this questionnaire.</i>	
21A, B, C	IAS 21.30	When a gain or loss on a non-monetary item is recognised in other comprehensive income, has any exchange component of that gain or loss also been recognised in other comprehensive income?	
	IAS 21.31	<i>Note: For example, IAS 16 requires some gains and losses arising on a revaluation of property, plant and equipment to be recognised in other comprehensive income. When such an asset is measured in a foreign currency, paragraph 23(c) of IAS 21 requires the revalued amount to be translated using the rate at the date the value is determined, resulting in an exchange difference that is also recognised in other comprehensive income.</i>	
21A, B, C	IAS 21.30	Conversely, when a gain or loss on a non-monetary item is recognised in profit or loss, has any exchange component of that gain or loss been recognised in profit or loss?	
		Net investment in a foreign operation	
21E	IAS 21.32	If the reporting entity (or any of its subsidiaries) has a monetary item that forms part of its net investment in a foreign operation, has the entity:	
		a) in its separate financial statements or, as appropriate, in the individual financial statements of the foreign operation, recognised exchange differences arising on the monetary item in profit or loss?	
		b) in the financial statements that include the foreign operation and the reporting entity (e.g. consolidated financial statements when the foreign operation is a subsidiary), recognised any exchange differences arising on the monetary item in other comprehensive income until the disposal of the net investment in accordance with paragraph 48 of IAS 21 (see below)?	

TQ	Reference	Recognition/measurement requirement	Yes / No / N/A
21G	IAS 21.15	Notes: 1) A monetary item receivable from or payable to a foreign operation for which settlement is neither planned nor likely to occur in the foreseeable future, is in substance, part of the entity's net investment in a foreign operation, and is accounted for in accordance with paragraph 32 of IAS 21 (see above). Such monetary items exclude trade receivables and trade payables, but may include long term receivables and loans.	
	IAS 21.15A	2) Note that the entity that has a monetary item receivable or payable to a foreign operation described in paragraph 15 of IAS 21 (see above) may be any subsidiary of the group. For example, an entity that has two subsidiaries, A and B. Subsidiary A's loan receivable from Subsidiary B would be part of the entity's net investment in Subsidiary B if settlement of the loan is neither planned nor likely to occur in the foreseeable future. This would also be true if Subsidiary A were itself a foreign operation.	
		Use of a presentation currency other than the functional currency	
	IAS 21.38	Note: An entity may present its financial statements in any currency (or currencies). If the presentation currency differs from the entity's functional currency, it translates its results and financial position into the presentation currency. For example, when a group contains individual entities with different functional currencies, the results and financial position of each entity are expressed in a common currency so that consolidated financial statements may be presented.	
		Translation to the presentation currency	
	IAS 21.39	For entities whose functional currency is not the currency of a hyperinflationary economy, have the results and financial position of the entity been translated into a different presentation currency using the following procedures: a) assets and liabilities for each statement of financial position presented (i.e. including comparatives) have been translated into the presentation currency at the closing rate at the date of that statement of financial position? b) income and expenses for each statement of comprehensive income or separate income statement presented (i.e. including comparatives) have been translated into the presentation currency at the exchange rates at the dates of the transactions? c) all exchange differences resulting from the translation of the entity's financial statements into a different presentation currency have been recognised in other comprehensive income?	
21G	IAS 21.40	Note: For practical reasons, amounts may be translated to the functional currency at a rate that approximates the exchange rates at the dates of the transactions (e.g. using an average rate for the period for income and expenses). However, if exchange rates fluctuate significantly, the use of an average rate for a period is inappropriate.	
	IAS 21.41	When the exchange differences resulting from the translation into a different presentation currency relate to a foreign operation that is consolidated but not wholly-owned, have accumulated exchange differences arising from translation and attributable to minority interests been allocated to, and recognised as part of, minority interests in the consolidated statement of financial position?	

TQ	Reference	Recognition/measurement requirement	Yes / No / N/A
21G, H	IAS 21.42	For entities whose functional currency is the currency of a hyperinflationary economy, have the following procedures been followed where the entity's results and financial position are presented in a currency other than its functional currency: a) all amounts (i.e. assets, liabilities, equity items, income and expenses, including comparatives) have been translated into the presentation currency at the closing rate at the date of the most recent statement of financial position, except that b) when amounts are translated into the currency of a non-hyperinflationary economy, represent the comparative amounts those that were presented as current year amounts in the relevant prior year financial statements (i.e. not adjusted for subsequent changes in the price level or subsequent changes in exchange rates)?	
21G, H	IAS 21.43	When the entity's functional currency is the currency of a hyperinflationary economy, has the entity restated its financial statements in accordance with IAS 29 before applying the translation method set out in paragraph 42 of IAS 21 (see above), except for comparative amounts that are translated into a currency of non-hyperinflationary economy (see (b) under the previous question)?	
21G, H	IAS 21.43	When the economy in which the entity operates ceases to be hyperinflationary, and the entity no longer restates its financial statements in accordance with IAS 29, has the entity used as the historical costs for translation into the presentation currency the amounts restated to the price level at the date the entity ceased restating its financial statements in accordance with IAS 29?	
		Translation of a foreign operation	
	IAS 21.44	<i>Note: Paragraphs 45 to 47 of IAS 21 (see below), in addition to paragraphs 38 to 43 of IAS 21 (see above), apply when the results and financial position of a foreign operation are translated into a presentation currency so that the foreign operation can be included in the financial statements of the reporting entity by consolidation, proportionate consolidation, or the equity method.</i>	
21E	IAS 21.45	In the consolidated financial statements of the reporting entity, where exchange differences arise on intra-group monetary items (whether long-term or short-term): a) unless the exchange differences arise from the circumstances described in paragraph 32 of IAS 21 (see above), have the exchange differences been recognised in profit or loss? b) if the exchange differences arise from the circumstances described in paragraph 32, have they been recognised in other comprehensive income and accumulated in a separate component of equity until the disposal of the foreign operation? <i>Note: These differences should not be eliminated in preparing the consolidated financial statements, because the monetary item represents a commitment to convert one currency into another and exposes the reporting entity to a gain or loss through currency fluctuations.</i>	

TQ	Reference	Recognition/measurement requirement	Yes / No / N/A
21E, G	IAS 21.46	If the financial statements of a foreign operation are as of a date different from that of the reporting entity, and no additional statements are prepared by the foreign operation for the same date as the reporting entity's financial statements: a) is the difference in the end of the reporting periods no greater than three months? b) have adjustments been made for the effects of any significant transactions or other events that occurred between the different dates? c) have the foreign operation's assets and liabilities been translated at the exchange rate at the end of the reporting period of the foreign operation? d) have adjustments been made for any significant changes in exchange rates up to the end of the reporting period of the reporting entity in accordance with IAS 27, <i>Consolidated and Separate Financial Statements</i>, IAS 28, <i>Investments in Associates</i> and IAS 31 <i>Interests in Joint Ventures</i>?	
21E	IAS 21.47	Has any goodwill arising on the acquisition of a foreign operation, and any fair value adjustments to the carrying amounts of assets and liabilities arising on the acquisition of that foreign operation, been treated as assets and liabilities of the foreign operation, i.e. have they been expressed in the functional currency of the foreign operation and translated at the closing rate in accordance with paragraphs 39 and 42 of IAS 21 (see above)? <i>Disposal of a foreign operation</i>	
21F	IAS 21.48	On the disposal of a foreign operation, has the entity reclassified from equity to profit or loss the cumulative amount of the exchange differences recognised in other comprehensive income and accumulated in the separate component of equity relating to that foreign operation when the gain or loss on disposal is recognised?	
21F	IAS 21.48A	In addition to the disposal of an entity's entire interest in a foreign operation, has the following been accounted for as disposals even if the entity retains an interest in the former subsidiary, associate or jointly controlled entity: a) the loss of control of a subsidiary that includes a foreign operation? b) the loss of significant influence over an associate that includes a foreign operation? c) the loss of joint control over a jointly controlled entity that includes a foreign operation?	
21F	IAS 21.48B	On disposal of a subsidiary that includes a foreign operation, has the cumulative amount of the exchange differences relating to that foreign operation that have been attributed to the non-controlling interests been derecognised, but not be reclassified to profit or loss?	
21F	IAS 21.48C	On the partial disposal of a subsidiary that includes a foreign operation, has the entity re-attributed the proportionate share of the cumulative amount of the exchange differences recognised in other comprehensive income to the non-controlling interests in that foreign operation?	

TQ	Reference	Recognition/measurement requirement	Yes / No / N/A
21F	SIC 7.4b	Notes: 1) <i>In any other partial disposal of a foreign operation the entity shall reclassify to profit or loss only the proportionate share of the cumulative amount of the exchange differences recognised in other comprehensive income.</i> 2) <i>A partial disposal of an entity's interest in a foreign operation is any reduction in an entity's ownership interest in a foreign operation, except those reductions in paragraph 48A that are accounted for as disposals.</i>	
		Cumulative exchange differences relating to the translation of financial statements of foreign operations recognised in other comprehensive income shall be accumulated in equity and shall be reclassified from equity to profit or loss only on the disposal or partial disposal of the net investment in the foreign operation.	
		Note: <i>Paragraphs 48A, 48B and 48C of IAS 21 were added and paragraph 4(b) of SIC 7 was amended as a result of IAS 27(2008) issued in January 2008. An entity should apply the amendments for annual periods beginning on or after 1 July 2009. If an entity applies IAS 27 (2008) for an earlier period, the amendments should be applied for that earlier period. IAS 27(2008) is effective for periods beginning on or after 1 July 2009, with limited earlier application permitted (see relevant section of this questionnaire for details).</i>	
21F	IAS 21.49	If the reporting entity has partially disposed of its interest in a foreign operation, has the proportionate share of the related accumulated exchange differences been recognised in profit or loss?	
	IAS 21.49	Note: <i>A write down of the carrying amount of a foreign operation does not constitute a partial disposal. Accordingly, no part of the deferred foreign exchange gain or loss is recognised in profit or loss at the time of the write-down.</i>	
	IAS 21.49	An entity may dispose or partially dispose of its interest in a foreign operation through sale, liquidation, repayment of share capital or abandonment of all, or part of, that entity. The payment of a dividend is part of a disposal only when it constitutes a return of the investment, for example when the dividend is paid out of pre-acquisition profits. A write-down of the carrying amount of a foreign operation, either because of its own losses or because of an impairment recognised by the investor, does not constitute a partial disposal. Accordingly, no part of the foreign exchange gain or loss recognised in other comprehensive income is reclassified to profit or loss at the time of a write-down.	
		Note: <i>Paragraph 49 of IAS 21 was amended as a result of IAS 27(2008) issued in January 2008. An entity should apply the amendments for annual periods beginning on or after 1 July 2009. If an entity applies IAS 27 (2008) for an earlier period, the amendments should be applied for that earlier period. IAS 27(2008) is effective for periods beginning on or after 1 July 2009, with limited earlier application permitted (see relevant section of this questionnaire for details).</i>	
21B, C, E	IAS 21.50	Tax effects of all exchange differences	
		Has the entity accounted for any tax effects of exchange differences in accordance with IAS 12 <i>Income Taxes</i> ? Note: <i>Please refer to the IAS 12 section of this questionnaire for guidance.</i>	

IAS 23 Borrowing Costs

TQ	Reference	Recognition/measurement requirement	Yes / No / N/A
		IAS 23 requires that borrowing costs that are directly attributable to the acquisition, construction or production of a qualifying asset form part of the cost of that asset. Other borrowing costs are recognised as an expense. When application constitutes a change in accounting policy, an entity shall apply the Standard to borrowing costs relating to qualifying assets for which the commencement date for capitalisation is on or after the effective date. However, an entity may designate any date before the effective date and apply the Standard to borrowing costs relating to all qualifying assets for which the commencement date for capitalisation is on or after that date. SCOPE NOTE IAS 23 does not deal with the actual or imputed cost of equity, including preferred capital not classified as a liability. An entity is not required to apply the standard to borrowing costs directly attributable to the acquisition, construction or production of: a) a qualifying asset measured at fair value, e.g. a biological asset; or b) inventories that are manufactured, or otherwise produced, in large quantities on a repetitive basis. DEFINITIONS IAS 23.5, 6 Borrowing costs are interest and other costs that an entity incurs in connection with the borrowing of funds. Borrowing costs may include: a) interest expense calculated using the effective interest rate method as described in IAS 39; b) finance charges in respect of finance leases recognised in accordance with IAS 17 Leases; and c) exchange differences arising from foreign currency borrowings to the extent that they are regarded as an adjustment to interest costs. IAS 23.5,7 A qualifying asset is an asset that necessarily takes a substantial period of time to get ready for its intended use or sale. Assets that are ready for their intended use or sale when acquired are not qualifying assets. IAS 23.7 Depending on the circumstances, any of the following may be qualifying assets: a) inventories b) manufacturing plants c) power generation facilities d) intangible assets e) investment properties Financial assets, and inventories that are manufactured, or otherwise produced, over a short period of time, are not qualifying assets. TAILORING QUESTIONS If you answer "yes" to any of the tailoring questions below, please answer the compliance questions relating to it.	
23A		Has the entity incurred borrowing costs that are not directly attributable to the acquisition, construction or production of a qualifying asset?	
23B		Has the entity incurred borrowing costs that are directly attributable to the acquisition, construction or production of a qualifying asset?	

TQ	Reference	Recognition/measurement requirement	Yes / No / N/A
		DETAILED COMPLIANCE QUESTIONS	
23A	IAS 23.8	Has the entity recognised all borrowing costs that are not directly attributable to the acquisition, construction or production of a qualifying asset as an expense in the period in they are incurred?	
23B	IAS 23.8	Has the entity capitalised all borrowing costs that are directly attributable to the acquisition, construction or production of a qualifying asset as part of the cost of that asset?	
	IAS 23.10	<i>Note: The borrowing costs that are directly attributable to the acquisition, construction or production of a qualifying asset are those borrowing costs that would have been avoided if the expenditure on the qualifying asset had not been made.</i>	
	IAS 23.11	<i>It may be difficult to identify a direct relationship between particular borrowings and a qualifying asset and to determine the borrowings that could otherwise have been avoided. As a result, the determination of the amount of borrowing costs that are directly attributable to the acquisition of a qualifying asset in some situations requires exercise of judgement.</i> <i>Paragraphs 10 to 15 of IAS 23 provides further guidance on determining borrowing costs eligible for capitalisation.</i>	
23B	IAS 23.8	Has the amount of borrowing costs eligible for capitalisation been determined in accordance with IAS 23 (see the questions below)?	
23B	IAS 23.9	Have borrowing costs been included in the cost of a qualifying asset, only when it is probable that these costs will result in future economic benefits to the entity, and the costs can be measured reliably?	
23B	IAS 23.9	<i>Note: When an entity applies IAS 29 Financial Reporting In Hyperinflationary Economies, it recognises as an expense the part of the borrowing costs that compensate for inflation during the same period in accordance with paragraph 21 of that Standard.</i>	
23B	IAS 23.12	To the extent that funds are borrowed specifically for the purpose of obtaining a qualifying asset, has the amount of borrowing costs eligible for capitalisation been determined as the actual borrowing costs incurred on that borrowing during the period reduced by the amount of any investment income that was earned on the temporary investment of those borrowings?	
23B	IAS 23.14	To the extent that funds are borrowed generally and used for the purpose of obtaining a qualifying asset, has the amount of borrowing costs eligible for capitalisation been determined by applying a capitalisation rate to the expenditure on that asset?	
		Notes:	
	IAS 23.14	1) <i>The capitalisation rate to be used is the weighted average of the borrowing costs applicable to the borrowings of the entity that are outstanding during the period, other than borrowings made specifically for the purpose of obtaining a qualifying asset.</i>	
	IAS 23.15	2) <i>In some circumstances, it is appropriate to include all borrowings of the parent and its subsidiaries when computing a weighted average of the borrowing costs; in other circumstances, it is appropriate for each subsidiary to use a weighted average of the borrowing costs applicable to its own borrowings.</i>	
	IAS 23.18	3) <i>Expenditures on a qualifying asset include only those expenditures that have resulted in payments of cash, transfers of other assets or the assumption of interest-bearing liabilities.</i>	
	IAS 23.18	4) <i>The average carrying amount of an asset during a period, including borrowing costs previously capitalised, is normally a reasonable approximation of the expenditures to which the capitalisation rate is applied in that period.</i>	

TQ	Reference	Recognition/measurement requirement	Yes / No / N/A
23B	IAS 23.14	Does the amount of borrowing costs capitalised during a period not exceed the amount of borrowing costs incurred during that period?	
23B	IAS 23.16	When the carrying amount or the expected ultimate cost of the qualifying asset exceeds its recoverable amount or net realisable value, has the carrying amount been written down or written off in accordance with the requirements of other Standards? <i>Note: In certain circumstances, the amount of the write-down or the write-off is written back in accordance with those other Standards.</i>	
23B	IAS 23.17	Does the capitalisation of borrowing costs as part of the cost of the qualifying asset commence when the entity first meets all of the following conditions: a) it incurs expenditures for the asset; b) it incurs borrowing costs; and c) it undertakes activities that are necessary to prepare the asset for its intended use or sale?	
	IAS 23.19	<i>Note: The activities necessary to prepare the asset for its intended use or sale usually include technical and administrative work prior to the commencement of physical construction, such as the activities associated with obtaining permits prior to the commencement of the physical construction. However, such activities exclude the holding of an asset when no production or development that changes the asset's condition is taking place.</i>	
23B	IAS 23.20	Has the capitalisation of borrowing costs been suspended during any extended period in which the entity suspends active development of a qualifying asset?	
	IAS 23.21	<i>Note: Capitalisation of borrowing costs is not normally suspended during a period when substantial technical or administrative work is being carried out, nor when a temporary delay is a necessary part of getting the asset ready for its intended use or sale.</i>	
23B	IAS 23.22	Does capitalisation of borrowing costs cease when substantially all of the activities necessary to prepare the qualifying asset for its intended use or sale are complete?	
	IAS 23.23	<i>Note: An asset is normally ready for its intended use when the physical construction is complete, or the asset is ready for use, although minor modifications may still be required.</i>	
23B	IAS 23.24	When the construction of a qualifying asset is complete in parts and each part is capable of being used on its own while construction continues on other parts, does capitalisation of borrowing costs cease for each completed part when substantially all of the activities necessary to prepare that part for its intended use or sale are completed?	

IAS 24 Related Party Disclosures

TQ	Reference	Recognition/measurement requirement	Yes / No / N/A
		Please refer to Deloitte's Presentation and Disclosure Checklist for the requirements of IAS 24, which includes guidance on the identification of related parties and transactions with related parties, as well as the disclosure requirements in that regard.	

IAS 26 Accounting and Reporting by Retirement Benefit Plans

TQ	Reference	Recognition/measurement requirement	Yes / No / N/A
		Please refer to Deloitte's Presentation and Disclosure Checklist for the requirements of IAS 26, which includes guidance on the items required to be disclosed in the financial statements of retirement benefit plans, where such plans are prepared.	

IAS 27 Consolidated and Separate Financial Statements

TQ	Reference	Recognition/measurement requirement	Yes / No / N/A
27A		<i>This section of the questionnaire addresses IAS 27, which prescribes the accounting principles for the preparation of consolidated financial statements for a group of entities under the control of a parent. This Standard also applies to the accounting for investments in subsidiaries, jointly controlled entities and associates when an entity elects, or is required by local regulations, to present separate financial statements. The primary issues are identifying whether an investment is a subsidiary and how to apply consolidation procedures.</i> <i>As revised version of IAS 27 was issued in January 2008 and is effective for annual periods beginning on or after 1 July 2009. Earlier application is permitted provided that IFRS 3(2008) is applied at the same time. The requirements of IAS 27(2008) are set out in the next section of this questionnaire, which should be completed for entities that have adopted IAS 27(2008) in advance of its effective date.</i> SCOPE NOTE <i>This Standard does not address methods of accounting for business combinations and their effects on consolidation, including goodwill arising on a business combination. These matters are covered by IFRS 3, Business Combinations.</i> TAILORING QUESTIONS <i>If you answer "yes" to any of the tailoring questions below, please answer the compliance questions relating to it.</i>	
		Has the reporting entity controlled one or more entities during or at the end of the reporting period?	
	IAS 27.4	<i>Note: Control is the power to govern the financial and operating policies of an entity so as to obtain benefits from its activities.</i>	
	IAS 27.13	<i>Control is presumed to exist when the parent owns, directly or indirectly through subsidiaries, more than half of the voting power of an entity unless, in exceptional circumstances, it can be clearly demonstrated that such ownership does not constitute control. Control also exists when the parent owns half or less of the voting power of an entity when there is:</i> <i>power over more than half of the voting rights by virtue of an agreement with other investors;</i> <i>power to govern the financial and operating policies of the entity under a statute or an agreement;</i> <i>power to appoint or remove the majority of the members of the board of directors or equivalent governing body and control of the entity is by that board or body; or</i> <i>power to cast the majority of votes at meetings of the board of directors or equivalent governing body and control of the entity is by that board or body.</i>	
	27B	During the reporting period, has the reporting entity created, sponsored or engaged in transactions with an entity that was established to accomplish a narrow and well-defined objective of the reporting entity (so-called Special Purpose Entity – SPE)?	
27C		Did the reporting entity lose control of an existing subsidiary during the reporting period (e.g. as a result of the disposal of portion of the ownership interest)?	

TQ	Reference	Recognition/measurement requirement	Yes / No / N/A
	IAS 27.21	<i>Note: A parent loses control when it loses the power to govern the financial and operating policies of an investee so as to obtain benefit from its activities. The loss of control can occur with or without a change in absolute or relative ownership levels. It could occur, for example, when a subsidiary becomes subject to the control of a government, court, administrator or regulator. It could also occur as a result of a contractual agreement.</i>	
27D		Has there been a minority interest in any subsidiary in the reporting entity during or at the end of the reporting period, i.e. because the reporting entity's ownership interest in the subsidiary was or is less than 100%?	
27E		Does the entity prepare separate financial statements?	
	IAS 27.4	<i>Note: Separate financial statements are those presented by a parent, an investor in an associate or a venturer in jointly controlled entity, in which the investments are accounted for on the basis of direct equity interest rather than on the basis of the reported results and net assets of the investees.</i>	
	IAS 27.3, 38	<i>IAS 27 does not mandate which entities should prepare separate financial statements for public use – they may be required by local laws or regulations, or they may be prepared voluntarily by the reporting entity. The requirements of paragraphs 37 to 39 of IAS 27 (see below) apply when such separate financial statements are prepared.</i>	
	IAS 28.3	<i>Particularly when dealing with associates and joint ventures, it is important to understand that the term 'separate financial statements' does not simply mean 'financial statements other than consolidated financial statements'. For example, where an entity has no subsidiaries, and therefore does not produce consolidated financial statements, it may nevertheless be required to use equity accounting for associates in its 'main' financial statements.</i>	
DETAILED COMPLIANCE QUESTIONS			
Requirement to present consolidated financial statements			
27A	IAS 27.9	Has the parent prepared and presented consolidated financial statements in which it consolidates its investments in subsidiaries in accordance with IAS 27?	
	IAS 27.4	<i>Note: Consolidated financial statements are the financial statements of a group (parent and all its subsidiaries) presented as those of a single economic entity.</i>	
27A	IAS 27.10	Where a parent has not presented consolidated financial statements, is this justified on the basis that <u>all</u> of the following conditions have been met: a) the parent is itself a wholly-owned subsidiary, or is a partially-owned subsidiary of another entity and its other owners, including those not otherwise entitled to vote, have been informed about, and do not object to, the parent not presenting consolidated financial statements; b) the parent's debt or equity instruments are not traded in a public market (a domestic or foreign stock exchange or an over-the-counter market, including local and regional markets); c) the parent did not file, nor is it in the process of filing, its financial statements with a securities commission or other regulatory organisation for the purpose of issuing any class of instruments in a public market; and d) the ultimate or any intermediate parent of the parent produces consolidated financial statements available for public use that comply with International Financial Reporting Standards?	

TQ	Reference	Recognition/measurement requirement	Yes / No / N/A
		Scope of consolidated financial statements	
27A	IAS 27.12	Do the consolidated financial statements of the entity include all subsidiaries of the parent (see below)? <i>Note: If, on acquisition, a subsidiary meets the criteria to be classified as held for sale in accordance with IFRS 5, Non-current Assets Held for Sale and Discontinued Operations, it shall be accounted for in accordance with that Standard.</i>	
27A	IAS 27.13	Has the entity consolidated all entities in which it owns more than half of the voting power, unless, in exceptional circumstances, it can be clearly demonstrated that this ownership does not constitute control?	
27A	IAS 27.13	When assessing whether the reporting entity controls another entity (even if the parent owns half or less than half of the voting power of an entity), have the following factors been considered: a) power over more than half of the voting rights by virtue of an agreement with other investors? b) power to govern the financial and operating policies of the entity under a statute or an agreement? c) power to appoint or remove the majority of the members of the board of directors or equivalent governing body; and control of the entity is by that board or body? d) power to cast the majority of votes at meetings of the board of directors or equivalent governing body and control of the entity is by that board or body? <i>Note: The presence of any of the above factors may indicate control over the entity.</i>	
27A	IAS 27.14	When assessing whether the reporting entity controls another entity, have all potential voting rights that are currently exercisable or convertible been considered, including those held by other entities?	
	IAS 27.14	<i>Notes:</i> 1) <i>Potential voting rights may include share warrants, share call options, debt or equity instruments that are convertible into ordinary shares, or other similar instruments that have the potential, if exercised or converted, to give the entity voting power or reduce another party's voting power over the financial and operating policies of another entity. Potential voting rights are not currently exercisable or convertible when, for example, they cannot be exercised or converted until a future date or until the occurrence of a future event.</i>	
	IAS 27.15	2) <i>In assessing whether potential voting rights contribute to control, the entity examines all facts and circumstances (including the terms of exercise of the potential voting rights and any other contractual arrangements whether considered individually or in combination) that affect potential voting rights, except the intention of management and the financial ability to exercise or convert.</i>	
27A	IAS 27.19	Have all subsidiaries been consolidated regardless of whether the investor is a venture capital organisation, mutual fund, unit trust or similar entity?	
27A	IAS 27.20	Have all subsidiaries been consolidated even though the business activities of certain subsidiaries are dissimilar from those of other entities within the group?	
27B	SIC 12.8-10	Has a Special Purpose Entity (SPE) been consolidated when the substance of the relationship between the entity and the SPE indicates that the SPE is controlled by that entity?	

TQ	Reference	Recognition/measurement requirement	Yes / No / N/A
	SIC 12.9	<i>Note: Control may exist even in cases where an entity owns little or none of the SPE's equity.</i>	
	SIC 12.10	<i>The following circumstances, for example, may indicate a relationship in which an entity controls an SPE and consequently should consolidate that SPE:</i> <i>in substance, the activities of the SPE are being conducted on behalf of the entity according to its specific business needs so that the entity obtains benefits from the SPE's operation;</i> <i>in substance, the entity has the decision-making powers to obtain the majority of the benefits of the activities of the SPE or, by setting up an 'autopilot' mechanism, the entity has delegated these decision-making powers;</i> <i>in substance the entity has rights to obtain the majority of the benefits of the SPE and therefore may be exposed to risks incident to the activities of the SPE; or</i> <i>in substance the entity retains the majority of the residual or ownership risks related to the SPE or its assets in order to obtain benefits from its activities.</i>	
		Consolidation procedures	
27A, B	IAS 27.22	Have the financial statements of the parent and its subsidiaries been combined on a line-by-line basis by adding together like items of assets, liabilities, equity, income and expenses?	
27A, B	IAS 27.22(a)	Has the carrying amount of the parent's investment in each subsidiary and the parent's portion of equity of each subsidiary been eliminated?	
27A, B	IAS 27.22(a)	Has any resultant goodwill been accounted for in accordance with IFRS 3 <i>Business Combinations</i> ?	
27D	IAS 27.22(b)	Have the minority interests in the profit or loss of consolidated subsidiaries for the reporting period been identified?	
27D	IAS 27.22(c)	Have the minority interests in the net assets of consolidated subsidiaries been identified separately from the parent shareholders' equity in them?	
		<i>Note: Minority interests in the net assets consist of the amount of those minority interests at the date of the original combination calculated in accordance with IFRS 3, and the minority's share of changes in equity since the date of the combination.</i>	
27D	IAS 27.23	Have the proportions of profit or loss and changes in equity allocated to the parent and minority interests been determined on the basis of present ownership interests and without reflecting the possible exercise or conversion of potential voting rights?	
		Intragroup transactions and balances	
27A, B	IAS 27.24	Have intragroup balances, transactions, including income, expenses and dividends been eliminated in full?	
27A, B	IAS 27.25	Have profits and losses resulting from intragroup transactions that are recognised in assets, such as inventory and fixed assets, been eliminated in full?	
		Notes: <i>Intragroup losses may indicate an impairment that requires recognition in the consolidated financial statements.</i> <i>IAS 12, Income Taxes, applies to temporary differences that arise from the elimination of profits and losses resulting from intragroup transactions.</i>	

TQ	Reference	Recognition/measurement requirement	Yes / No / N/A
		<i>Accounting periods and reporting dates</i>	
27A, B	IAS 27.26	Have the financial statements of the parent and its subsidiaries used in the preparation of the consolidated financial statements been prepared as of the same date?	
27A, B	IAS 27.26	If the end of the reporting periods of the parent and a subsidiary are different, has the subsidiary prepared, for consolidation purposes, additional financial statements as of the same date as the financial statements of the parent, unless it is impracticable to do so?	
27A, B	IAS 27.27	If the financial statements of a subsidiary used in the preparation of consolidated financial statements are prepared as of a date different from that of the parent: a) is the difference between the end of the reporting period of the subsidiary and that of the parent no more than three months? b) have adjustments been made for the effects of significant transactions or other events that occurred between that date and the date of the parent's financial statements? c) are the lengths of the reporting periods and any difference between the ends of the reporting periods the same as in previous periods?	
		<i>Uniform accounting policies</i>	
27A, B	IAS 27.28	Have the consolidated financial statements been prepared using uniform accounting policies for like transactions and other events in similar circumstances?	
27A, B	IAS 27.29	If a member of the group uses accounting policies other than those adopted in the consolidated financial statements for like transactions and events in similar circumstances, have appropriate adjustments been made to its financial statements in preparing the consolidated financial statements?	
		<i>Acquisitions</i>	
27A, B	IAS 27.30	For subsidiaries acquired during the reporting period, have the results of their operations been included in the consolidated financial statements as from the acquisition date, as defined in IFRS 3?	
		<i>Disposals</i>	
27C	IAS 27.30	Have the income and expenses of a subsidiary been included in the consolidated financial statements until the date on which the parent ceased to control of the subsidiary?	
27C	IAS 27.30	Has the difference between the proceeds from the disposal of the subsidiary and its carrying amount as of the date of disposal, including the cumulative amount of any exchange differences that relate to the subsidiary recognised in other comprehensive income in accordance with IAS 21 <i>The Effects of Changes in Foreign Exchange Rates</i> , been reclassified to consolidated profit or loss as a reclassification adjustment as the gain or loss on the disposal of the subsidiary?	
27C	IAS 27.31	If an investment in an entity ceases to be a subsidiary and does not become an associate as defined in IAS 28 <i>Investments in Associates</i> or a jointly controlled entity as described in IAS 31 <i>Interest in Joint Ventures</i> :	
		a) has the investment been accounted for in accordance with IAS 39?	
	IAS 27.32	b) has the carrying amount of the investment at the date that the entity ceases to be a subsidiary been regarded as cost on the initial measurement of the financial asset for the purposes of accounting in accordance with IAS 39?	

TQ	Reference	Recognition/measurement requirement	Yes / No / N/A
		Minority interests	
27D	IAS 27.34	Has the amount attributed to minority interests been treated as an equity item and <u>not</u> treated as an income or expense?	
27D	IAS 27.35	If the subsidiary incurred a net loss for the period, has the minority's share of losses been charged to the minority interest to the extent that it does not exceed the minority interest in the equity of the subsidiary?	
27D	IAS 27.35	To the extent that the losses applicable to the minority exceed the minority's interest in the subsidiary's equity: a) has the excess of those losses been attributed to the minority only to the extent that the minority has a binding obligation and is able to make an additional investment to cover the losses? b) if the subsidiary subsequently reports profits, have such profits been allocated to the majority interest until the minority's share of losses previously absorbed by the majority has been recovered?	
27D	IAS 27.36	If a subsidiary has outstanding cumulative preference shares that are held by minority interests and classified as equity, has the parent computed its share of profits or losses after adjusting for the subsidiary's preference dividends, whether or not dividends have been declared?	
		Accounting for investments in separate financial statements	
27E	IAS 27.37	When separate financial statements are prepared, have investments in subsidiaries, jointly controlled entities and associates that are not classified as held for sale (or included in a disposal group that is classified as held for sale) in accordance with IFRS 5 been accounted for either: a) at cost; or b) in accordance with IAS 39?	
		<i>Note: The same accounting shall be applied for each category of investments. Investments in subsidiaries, jointly controlled entities and associates that are classified as held for sale (or included in a disposal group that is classified as held for sale) in accordance with IFRS 5 are accounted for in accordance with that Standard.</i>	
27E	IAS 27.39	Have investments in jointly controlled entities, and associates that were accounted for in accordance with IAS 39 in the consolidated financial statements been accounted for in the same way in the investor's separate financial statements?	

IAS 27 (revised 2008) Consolidated and Separate Financial Statements

TQ	Reference	Recognition/measurement requirement	Yes / No / N/A
27A		<i>This section of the questionnaire addresses IAS 27, as amended in 2008 (IAS 27(2008)), which prescribes the accounting principles for the preparation of consolidated financial statements for a group of entities under the control of a parent. IAS 27(2008) also applies to the accounting for investments in subsidiaries, jointly controlled entities and associates when an entity elects, or is required by local regulations, to present separate financial statements. The primary issues are identifying the circumstances in which an entity must consolidate the financial statements of another entity, how to apply consolidation procedures, non-controlling interests and changes in the ownership interests.</i> <i>IAS 27(2008) was issued in January 2008 as part of the second phase of IASB's business combination project. The amendments to IAS 27 are effective for annual reporting periods beginning on or after 1 July 2009. Earlier application is permitted, provided that IFRS 3(2008) is applied at the same time. If an entity applies the amendments before 1 July 2009, it shall disclose that fact.</i>	
		SCOPE NOTE	
		<i>This Standard does not address methods of accounting for business combinations and their effects on consolidation, including goodwill arising on a business combination. These matters are covered by IFRS 3 Business Combinations.</i>	
		TAILORING QUESTIONS <i>If you answer "yes" to any of the tailoring questions below, please answer the compliance questions relating to it.</i>	
		Has the reporting entity controlled one or more entities during or at the end of the reporting period?	
	IAS 27 (2008).4	<i>Note: Control is the power to govern the financial and operating policies of an entity so as to obtain benefits from its activities.</i>	
	IAS 27 (2008).13	<i>Control is presumed to exist when the parent owns, directly or indirectly through subsidiaries, more than half of the voting power of an entity unless, in exceptional circumstances, it can be clearly demonstrated that such ownership does not constitute control. Control also exists when the parent owns half or less of the voting power of an entity when there is:</i> <i>• power over more than half of the voting rights by virtue of an agreement with other investors;</i> <i>• power to govern the financial and operating policies of the entity under a statute or an agreement;</i> <i>• power to appoint or remove the majority of the members of the board of directors or equivalent governing body and control of the entity is by that board or body; or</i> <i>• power to cast the majority of votes at meetings of the board of directors or equivalent governing body and control of the entity is by that board or body.</i>	
27B		During the reporting period, has the reporting entity created, sponsored or engaged in transactions with an entity that was established to accomplish a narrow and well-defined objective of the reporting entity (so-called Special Purpose Entity – SPE)?	

TQ	Reference	Recognition/measurement requirement	Yes / No / N/A
27C	IAS 27 (2008).32	Did the reporting entity lose control of an existing subsidiary during the reporting period (e.g. as a result of the disposal of portion of the ownership interest)? <i>Note: A parent loses control when it loses the power to govern the financial and operating policies of an investee so as to obtain benefit from its activities. The loss of control can occur with or without a change in absolute or relative ownership levels. It could occur, for example, when a subsidiary becomes subject to the control of a government, court, administrator or regulator. It could also occur as a result of a contractual agreement.</i>	
27D		Has there been a non-controlling interest in any subsidiary in the reporting entity during or at the end of the reporting period?	
27E		Does the entity prepare separate financial statements?	
	IAS 27 (2008).4	<i>Note: Separate financial statements are those presented by a parent, an investor in an associate or a venturer in jointly controlled entity, in which the investments are accounted for on the basis of direct equity interest rather than on the basis of the reported results and net assets of the investees.</i>	
	IAS 27 (2008).39	IAS 27(2008) does not mandate which entities should prepare separate financial statements for public use – they may be required by local laws or regulations, or they may be prepared voluntarily by the reporting entity. The requirements of paragraphs 38-40 of IAS 27(2008) (see below) apply when such separate financial statements are prepared.	
	IAS 28.3	Financial statements in which the equity method is applied are not separate financial statements, nor are the financial statements of an entity that does not have a subsidiary, associate or venturer's interest in a joint venture.	
		DETAILED COMPLIANCE QUESTIONS	
		Requirement to present consolidated financial statements	
27A	IAS 27 (2008).9	Has the parent prepared and presented consolidated financial statements in which it consolidates its investments in subsidiaries in accordance with IAS 27(2008)?	
	IAS 27 (2008).4	<i>Note: Consolidated financial statements are the financial statements of a group (parent and all its subsidiaries) presented as those of a single economic entity.</i>	
27A	IAS 27 (2008).10	Where a parent has not presented consolidated financial statements, is this justified on the basis that <u>all</u> of the following conditions have been met: a) the parent is itself a wholly-owned subsidiary, or is a partially-owned subsidiary of another entity and its other owners, including those not otherwise entitled to vote, have been informed about, and do not object to, the parent not presenting consolidated financial statements; b) the parent's debt or equity instruments are not traded in a public market (a domestic or foreign stock exchange or an over-the-counter market, including local and regional markets); c) the parent did not file, nor is it in the process of filing, its financial statements with a securities commission or other regulatory organisation for the purpose of issuing any class of instruments in a public market; and d) the ultimate or any intermediate parent of the parent produces consolidated financial statements available for public use that comply with International Financial Reporting Standards?	

TQ	Reference	Recognition/measurement requirement	Yes / No / N/A
		Scope of consolidated financial statements	
27A	IAS 27 (2008).12	Do the consolidated financial statements of the entity include <u>all</u> subsidiaries of the parent (see below)?	
27A	IAS 27 (2008).13	Has the entity consolidated all entities in which it owns more than half of the voting power, unless, in exceptional circumstances, it can be clearly demonstrated that this ownership does not constitute control?	
27A	IAS 27 (2008).13	When assessing whether the reporting entity controls another entity (even if the parent owns half or less than half of the voting power of an entity), have the following factors been considered: a) power over more than half of the voting rights by virtue of an agreement with other investors? b) power to govern the financial and operating policies of the entity under a statute or an agreement? c) power to appoint or remove the majority of the members of the board of directors or equivalent governing body; and control of the entity is by that board or body? d) power to cast the majority of votes at meetings of the board of directors or equivalent governing body and control of the entity is by that board or body? <i>Note: The presence of any of the above factors may indicate control over the entity.</i>	
27A	IAS 27 (2008).14	When assessing whether the reporting entity controls another entity, have all potential voting rights that are currently exercisable or convertible been considered, including those held by other entities?	
	IAS 27 (2008).14	<i>Note: Potential voting rights may include share warrants, share call options, debt or equity instruments that are convertible into ordinary shares, or other similar instruments that have the potential, if exercised or converted, to give the entity voting power or reduce another party's voting power over the financial and operating policies of another entity. Potential voting rights are not currently exercisable or convertible when, for example, they cannot be exercised or converted until a future date or until the occurrence of a future event.</i>	
	IAS 27 (2008).15	<i>In assessing whether potential voting rights contribute to control, the entity examines all facts and circumstances (including the terms of exercise of the potential voting rights and any other contractual arrangements whether considered individually or in combination) that affect potential voting rights, except the intention of management and the financial ability to exercise or convert.</i>	
27A	IAS 27 (2008).16	Have all subsidiaries been consolidated even though the investor is a venture capital organisation, mutual fund, unit trust or similar entity?	
27A	IAS 27 (2008).17	Have all subsidiaries been consolidated even though the business activities of certain subsidiaries are dissimilar from those of other entities within the group?	
27B	SIC 12.8-10	Has a Special Purpose Entity (SPE) been consolidated when the substance of the relationship between the entity and the SPE indicates that the SPE is controlled by that entity?	

TQ	Reference	Recognition/measurement requirement	Yes / No / N/A
	SIC 12.9	<i>Note: Control may exist even in cases where an entity owns little or none of the SPE's equity.</i>	
	SIC 12.10	<i>The following circumstances, for example, may indicate a relationship in which an entity controls an SPE and consequently should consolidate that SPE:</i> <i>in substance, the activities of the SPE are being conducted on behalf of the entity according to its specific business needs so that the entity obtains benefits from the SPE's operation;</i> <i>in substance, the entity has the decision-making powers to obtain the majority of the benefits of the activities of the SPE or, by setting up an 'autopilot' mechanism, the entity has delegated these decision-making powers;</i> <i>in substance the entity has rights to obtain the majority of the benefits of the SPE and therefore may be exposed to risks incident to the activities of the SPE; or</i> <i>in substance the entity retains the majority of the residual or ownership risks related to the SPE or its assets in order to obtain benefits from its activities.</i> Consolidation procedures	
27A, B	IAS 27 (2008).18	Have the financial statements of the parent and its subsidiaries been combined on a line-by-line basis by adding together like items of assets, liabilities, equity, income and expenses?	
27A, B	IAS 27 (2008).18(a)	Has the carrying amount of the parent's investment in each subsidiary and the parent's portion of equity of each subsidiary been eliminated?	
27A, B	IAS 27 (2008).18(a)	Has any resultant goodwill been accounted for in accordance with IFRS 3 <i>Business Combinations</i> ?	
27D	IAS 27 (2008).18(b)	Have the non-controlling interests in the profit or loss of consolidated subsidiaries for the reporting period been identified?	
27D	IAS 27 (2008).18(c)	Have the non-controlling interests in the net assets of consolidated subsidiaries been identified separately from the parent's ownership interest in them?	
		<i>Note: Non-controlling interests in the net assets consist of the amount of those non-controlling interests at the date of the original combination calculated in accordance with IFRS 3, and the non-controlling interests' share of changes in equity since the date of the combination.</i>	
27D	IAS 27 (2008).19	Have the proportions of profit or loss and changes in equity allocated to the parent and non-controlling interests been determined on the basis of present ownership interests and without reflecting the possible exercise or conversion of potential voting rights?	

TQ	Reference	Recognition/measurement requirement	Yes / No / N/A
		<i>Intragroup transactions and balances</i>	
27A, B	IAS 27 (2008).20	Have intragroup balances, transactions, including income, expenses and dividends been eliminated in full?	
27A, B	IAS 27 (2008).21	Have profits and losses resulting from intragroup transactions that are recognised in assets, such as inventory and fixed assets, been eliminated in full?	
		Notes:	
		1) <i>Intragroup losses may indicate an impairment that requires recognition in the consolidated financial statements.</i>	
		2) <i>IAS 12 Income Taxes applies to temporary differences that arise from the elimination of profits and losses resulting from intragroup transactions.</i>	
		<i>Accounting periods and reporting dates</i>	
27A, B	IAS 27 (2008).22	Have the financial statements of the parent and its subsidiaries used in the preparation of the consolidated financial statements been prepared as of the same date?	
27A, B	IAS 27 (2008).22	If the end of the reporting period of the parent is different from that of a subsidiary, has the subsidiary prepared, for consolidation purposes, additional financial statements as of the same date as the financial statements of the parent, unless it is impracticable to do so?	
27A, B	IAS 27 (2008).23	If the financial statements of a subsidiary used in the preparation of consolidated financial statements are prepared as of a date different from that of the parent:	
		a) is the difference between the end of the reporting periods no more than three months?	
		b) have adjustments been made for the effects of significant transactions or other events that occurred between that date and the date of the parent's financial statements?	
		c) are the lengths of the reporting periods and any difference between the ends of the reporting periods the same as in previous periods?	
		<i>Uniform accounting policies</i>	
27A, B	IAS 27 (2008).24	Have the consolidated financial statements been prepared using uniform accounting policies for like transactions and other events in similar circumstances?	
27A, B	IAS 27 (2008).25	If a member of the group uses accounting policies other than those adopted in the consolidated financial statements for like transactions and events in similar circumstances, have appropriate adjustments been made to its financial statements in preparing the consolidated financial statements?	
		<i>Acquisitions</i>	
27A, B	IAS 27 (2008).26	For subsidiaries acquired during the reporting period, have the results of their operations been included in the consolidated financial statements as from the acquisition date, as defined in IFRS 3?	
	IAS 27 (2008).26	Note: <i>Income and expenses of the subsidiary shall be based on the values of the assets and liabilities recognised in the parent's consolidated financial statements at the acquisition date. For example, depreciation expense recognised in the consolidated statement of comprehensive income after the acquisition date shall be based on the fair values of the related depreciable assets recognised in the consolidated financial statements at the acquisition date.</i>	

TQ	Reference	Recognition/measurement requirement	Yes / No / N/A
		Disposals	
27C	IAS 27 (2008).26	Have the income and expenses of a subsidiary been included in the consolidated financial statements until the date on which the parent ceases to control the subsidiary?	
27C	IAS 27 (2008).30	Have changes in a parent's ownership interest in a subsidiary that <u>do not result in a loss of control</u> been accounted for as equity transactions (i.e. transactions with owners in their capacity as owners)?	
	IAS 27 (2008).31	Notes: 1) <i>In such circumstances the carrying amounts of the controlling and non-controlling interests shall be adjusted to reflect the changes in their relative interests in the subsidiary. Any difference between the amount by which the non-controlling interests are adjusted and the fair value of the consideration paid or received shall be recognised directly in equity and attributed to the owners of the parent.</i>	
	IAS 27 (2008).33	2) <i>A parent might lose control of a subsidiary in two or more arrangements (transactions). However, sometimes circumstances indicate that the multiple arrangements should be accounted for as a single transaction. In determining whether to account for the arrangements as a single transaction, a parent shall consider all of the terms and conditions of the arrangements and their economic effects. One or more of the following may indicate that the parent should account for the multiple arrangements as a single transaction:</i> <i>a) they are entered into at the same time or in contemplation of each other.</i> <i>b) they form a single transaction designed to achieve an overall commercial effect.</i> <i>c) the occurrence of one arrangement is dependent on the occurrence of at least one other arrangement.</i> <i>d) one arrangement considered on its own is not economically justified, but it is economically justified when considered together with other arrangements. An example is when one disposal of shares is priced below market and is compensated for by a subsequent disposal priced above market.</i>	
27C	IAS 27 (2008).34	If a parent loses control of a subsidiary: a) has the parent derecognised the assets (including any goodwill) and liabilities of the subsidiary at their carrying amounts at the date when control is lost? b) has the parent derecognised the carrying amount of any non-controlling interests in the former subsidiary at the date when control is lost (including any components of other comprehensive income attributable to them)? c) has the parent recognised: i) the fair value of the consideration received, if any, from the transaction, event or circumstances that resulted in the loss of control; and ii) if the transaction that resulted in the loss of control involves a distribution of shares of the subsidiary to owners in their capacity as owners, that distribution;	

TQ	Reference	Recognition/measurement requirement	Yes / No / N/A
27C	IAS 27 (2008).35	d) has the parent recognised any investment retained in the former subsidiary at its fair value at the date when control is lost? e) has the parent reclassified to profit or loss, or transferred directly to retained earnings if required in accordance with other IFRSs, the amounts identified in paragraph 35? and f) has the parent recognised any resulting difference as a gain or loss in profit or loss attributable to the parent? Has the parent, if it loses control of a subsidiary, accounted for all amounts recognised in other comprehensive income in relation to that subsidiary on the same basis as would be required if the parent had directly disposed of the related assets or liabilities?	
	IAS 27 (2008).35	<i>Note: Therefore, if a gain or loss previously recognised in other comprehensive income would be reclassified to profit or loss on the disposal of the related assets or liabilities, the parent reclassifies the gain or loss from equity to profit or loss (as a reclassification adjustment) when it loses control of the subsidiary.</i> <i>For example, if a subsidiary has available-for-sale financial assets and the parent loses control of the subsidiary, the parent shall reclassify to profit or loss the gain or loss previously recognised in other comprehensive income in relation to those assets.</i> <i>Similarly, if a revaluation surplus previously recognised in other comprehensive income would be transferred directly to retained earnings on the disposal of the asset, the parent transfers the revaluation surplus directly to retained earnings when it loses control of the subsidiary.</i>	
27C	IAS 27 (2008).36	On the loss of control of a subsidiary, has any investment retained in the former subsidiary and any amounts owed by or to the former subsidiary been accounted for in accordance with other IFRSs from the date when control is lost?	
27C	IAS 27 (2008).37	Has the fair value of any investment retained in the former subsidiary at the date when control is lost been regarded as the fair value on initial recognition of a financial asset in accordance with IAS 39 or, when appropriate, the cost on initial recognition of an investment in an associate or jointly controlled entity?	
		Non-controlling interests	
27D	IAS 27 (2008).27	Has the amount attributed to non-controlling interests been presented in the consolidated statement of financial position within equity, separately from the equity of the owners of the parent?	
27D	IAS 27 (2008).28	If the subsidiary incurred a net loss for the period, has the minority's share of losses been charged to the non-controlling interest even if this results in the non-controlling interests having a deficit balance?	
27D	IAS 27 (2008).29	If a subsidiary has outstanding cumulative preference shares that are held by non-controlling interests and classified as equity, has the parent computed its share of profits or losses after adjusting for the subsidiary's preference dividends, whether or not dividends have been declared?	

TQ	Reference	Recognition/measurement requirement	Yes / No / N/A
		Accounting for investments in separate financial statements	
27E	IAS 27 (2008).38	When an entity prepares separate financial statements, have investments in subsidiaries, jointly controlled entities and associates been accounted for either: a) at cost; or b) in accordance with IAS 39? <i>Note: The same accounting shall be applied for each category of investments.</i>	
27E	IAS 27 (2008).38	Have investments been accounted for at cost been accounted for in accordance with IFRS 5 when they are classified as held for sale (or included in a disposal group that is classified as held for sale) in accordance with IFRS 5?	
27E	IAS 27 (2008).38	Has the measurement of investments been accounted for in accordance with IAS 39 not changed even if the investments are classified as held for sale (or included in a disposal group that is classified as held for sale) in accordance with IFRS 5?	
27E	IAS 27 (2008).38A	Has the parent recognised a dividend from a subsidiary, jointly controlled entity or associate in profit or loss in its separate financial statements when its right to receive the dividend is established?	
	IAS 27 (2008).38B	When a parent reorganises the structure of its group by establishing a new entity as its parent in a manner that satisfies the following criteria, and the new parent accounts for its investment in the original parent in accordance with paragraph 38(a) in its separate financial statements, has the new parent measured cost at the carrying amount of its share of the equity items shown in the separate financial statements of the original parent at the date of the reorganisation? a) the new parent obtains control of the original parent by issuing equity instruments in exchange for existing equity instruments of the original parent; b) the assets and liabilities of the new group and the original group are the same immediately before and after the reorganisation; and c) the owners of the original parent before the reorganisation have the same absolute and relative interests in the net assets of the original group and the new group immediately before and after the reorganisation. <i>Note: Similarly, an entity that is not a parent might establish a new entity as its parent in a manner that satisfies the criteria in paragraph 38B. The requirements in paragraph 38B apply equally to such reorganisations. In such cases, references to 'original parent' and 'original group' are to the 'original entity'.</i>	
	IAS 27 (2008).38C		
27E	IAS 27 (2008).40	Have investments in jointly controlled entities, and associates that were accounted for in accordance with IAS 39 in the consolidated financial statements been accounted for in the same way in the investor's separate financial statements?	

IAS 28 Investments in Associates

TQ	Reference	Recognition/measurement requirement	Yes / No / N/A
		<i>This section of the questionnaire addresses IAS 28, which prescribes the accounting by an investor for investments in associates. The primary issues are identifying whether significant influence exists and the application of the equity method.</i> SCOPE NOTE <i>IAS 28 addresses the accounting for an investment in an associate, i.e. an entity over which the investor has significant influence and that is neither a subsidiary nor an interest in a joint venture. To the extent that the investor has made loans to an associate, these fall within the scope of IAS 39, Financial Instruments: Recognition and Measurement. However, any such loans that are considered long term must be considered for the purposes of paragraphs 29 and 30 of IAS 28 (see below).</i> <i>IAS 28 does not address accounting for the initial acquisition of an associate which is covered by IFRS 3 Business Combinations.</i> <i>IAS 28 does not apply to investments in associates held by:</i> • <i>venture capital organisations, or</i> • <i>mutual funds, unit trusts and similar entities including investment-linked insurance funds</i> <i>that upon initial recognition are designated as at fair value through profit or loss or are classified as held for trading and accounted for in accordance with IAS 39. Such investments are measured at fair value in accordance with IAS 39, with changes in fair value recognised in profit or loss in the period of the change.</i> TAILORING QUESTIONS <i>If you answer "yes" to any of the tailoring questions below, please answer the compliance questions relating to it.</i>	
28A	IAS 28.2	Does the reporting entity exercise significant influence over one or more entities? <i>Note: Significant influence is defined as the power to participate in the financial and operating policy decisions of the investee but is not control or joint control over those policies. If an entity holds, directly or indirectly (e.g. through subsidiaries), 20% or more of the voting power of the investee, it is presumed that the investor has significant influence, unless it can be clearly demonstrated that this is not the case.</i>	
28B	IAS 28.10	Has the reporting entity ceased to exercise significant influence during the reporting period (e.g. as a result of the disposal of a portion of the ownership interest)? <i>Note: The loss of significant influence can occur with or without a change in absolute or relative ownership levels. It could occur, for example, when an associate becomes subject to the control of a government, court, administrator or regulator. It could also occur as a result of a contractual agreement.</i>	
28C		Does the reporting entity have investments in associates and prepare separate financial statements? <i>Note: See the IAS 27 section of this questionnaire for the definition of separate financial statements.</i>	

TQ	Reference	Recognition/measurement requirement	Yes / No / N/A
		DETAILED COMPLIANCE QUESTIONS	
		Requirement to account for associates using the equity method	
28A	IAS 28.13	Are all investments in associates accounted for using the equity method, except when: a) the investment is classified as held for sale in accordance with IFRS 5 <i>Non-current Assets Held for Sale and Discontinued Operations</i>? b) the reporting entity is a parent that is not required to present consolidated financial statements under the exception provided in paragraph 10 of IAS 27 <i>Consolidated and Separate Financial Statements</i>? c) all of the following apply: i) the investor is a wholly-owned subsidiary, or is a partially-owned subsidiary of another entity and its other owners, including those not otherwise entitled to vote, have been informed about, and do not object to, the investor not applying the equity method; ii) the investor's debt or equity instruments are not traded in a public market (a domestic or foreign stock exchange or an over-the-counter market, including local and regional markets); iii) the investor did not file, nor is it in the process of filing, its financial statements with a securities commission or other regulatory organisation, for the purpose of issuing any class of instruments in a public market; and iv) the ultimate or any intermediate parent of the investor produces consolidated financial statements available for public use that comply with IFRSs?	
28A	IAS 28.14	Have investments that are classified as held for sale in accordance with IFRS 5, and therefore not accounted for using the equity method, been accounted for in accordance with IFRS 5?	
28A	IAS 28.15	When an investment in an associate has previously been classified as held for sale in accordance with IFRS 5, but it no longer meets the criteria to be so classified, has the entity accounted for the investment using the equity method as from the date of its classification as held for sale and restated the financial statements for the periods since classification as held for sale?	
		Significant influence	
28A	IAS 28.6	If the reporting entity holds, directly or indirectly, 20% or more of the voting power of the investee, has it accounted for the investment as an associate unless it can clearly be demonstrated that it does not have significant influence? <i>Note: A substantial or majority ownership by another investor does not necessarily preclude an investor from having significant influence.</i>	
28A	IAS 28.6	If the reporting entity holds, directly or indirectly, less than 20% of the voting power of the investee, has it been presumed that the entity does not have significant influence (and, therefore, the investment has not been accounted for as an associate) except where such influence can be clearly demonstrated?	

TQ	Reference	Recognition/measurement requirement	Yes / No / N/A
	IAS 28.7	<i>Note: The existence of significant influence by an investor is usually evidenced in one or more of the following ways:</i> • <i>representation on the board of directors or equivalent governing body of the investee;</i> • <i>participation in policy-making processes, including participation in decisions about dividends or other distributions;</i> • <i>material transactions between the investor and the investee;</i> • <i>interchange of managerial personnel; or</i> • <i>provision of essential technical information.</i>	
28A	IAS 28.8	When assessing whether the reporting entity has significant influence over another entity, have the existence and effect of all potential voting rights that are currently exercisable or convertible been considered, including those held by other entities? <i>Note: Potential voting rights may include share warrants, share call options, debt or equity instruments that are convertible into ordinary shares, or other similar instruments that have the potential, if exercised or converted, to give the entity additional voting power or reduce another party's voting power over the financial and operating policies of another entity. Potential voting rights are not currently exercisable or convertible when, for example, they cannot be exercised or converted until a future date or until the occurrence of a future event.</i>	
28A	IAS 28.9	When assessing whether potential voting rights contribute to significant influence, has the entity examined all facts and circumstances (including the terms of exercise of the potential voting rights and any other contractual arrangements whether considered individually or in combination) that affect potential rights, other than the intentions of management, and the financial ability to exercise or convert? Equity method General	
28A	IAS 28.11	Is the investment in an associate initially recorded at cost and the carrying amount adjusted thereafter as follows: - increased or decreased to recognise the investor's share of the profit or loss of the associate after the date of acquisition? - decreased as a result of distributions received from the associate? - adjusted as appropriate for changes in the investor's proportionate interest in the associate arising from changes in the associate's other comprehensive income (e.g. changes arising from the revaluation of property, plant and equipment and foreign exchange translation differences)?	
28A	IAS 28.11	Is the investor's share of the profit or loss of the investee recognised in the investor's profit or loss?	
28A	IAS 28.11	Is the investors' share of changes in the associate's other comprehensive income also recognised in other comprehensive income by the investor?	
28A	IAS 28.21	Where the investor is a parent, is the group's share of profit or loss of the associate and changes in the associate's equity determined as the aggregate of holdings in that associate by the parent and its subsidiaries?	
28A	IAS 28.12	Where potential voting rights exist, is the investor's share of profit or loss of the associate and changes in the associate's equity determined on the basis present ownership interests, and without reflecting the possible exercise or conversion of potential voting rights?	

TQ	Reference	Recognition/measurement requirement	Yes / No / N/A
28A	IAS 28.21	When an associate has subsidiaries, associates, or joint ventures, in applying the equity method, has the investor taken into account the profits or losses and net assets that are recognised in the associate's financial statements (including the associate's share of the profits or losses and net assets of its associates and joint ventures), after any adjustments necessary to give effect to uniform accounting policies?	
28A	IAS 28.22	Have profits and losses resulting from 'upstream' and 'downstream' transactions between an investor (including its consolidated subsidiaries) and an associate been recognised in the investor's financial statements only to the extent of unrelated investors' interests in the associate? <i>Note: Upstream transactions are, for example, sales of assets from an associate to the investor. Downstream transactions are, for example, sales of assets from the investor to an associate. The investor's share in the associate's profit and losses arising from these transactions is eliminated.</i>	
28A, B	IAS 28.18	Does the reporting entity discontinue the use of the equity method from the date that it ceases to have significant influence over an associate and does it account for such investments in accordance with IAS 39 from that date, provided the associate does not become a subsidiary or a joint venture as defined in IAS 31?	
	IAS 28.19	<i>Note: When an investment ceases to be an associate and is accounted for in accordance with IAS 39, the fair value of the investment at the date it ceases to be an associate is regarded as its fair value on initial recognition as a financial asset in accordance with IAS 39.</i>	
28A, B	IAS 28.18	On the loss of significant influence, has the investor measured at fair value any investment the investor retains in the former associate. The investor shall recognise in profit or loss any difference between: a) the fair value of any retained investment and any proceeds from disposing of the part interest in the associate; and b) the carrying amount of the investment at the date when significant influence is lost.	
28A, B	IAS 28.19A	If an investor loses significant influence over an associate, has the investor accounted for all amounts recognised in other comprehensive income in relation to that associate on the same basis as would be required if the associate had directly disposed of the related assets or liabilities? <i>Note: If a gain or loss previously recognised in other comprehensive income by an associate would be reclassified to profit or loss on the disposal of the related assets or liabilities, the investor reclassifies the gain or loss from equity to profit or loss (as a reclassification adjustment) when it loses significant influence over the associate.</i>	
28A, B	IAS 28.19A	If an investor's ownership interest in an associate is reduced, but the investment continues to be an associate, the investor shall reclassify to profit or loss only a proportionate amount of the gain or loss previously recognised in other comprehensive income? <i>Note: Paragraph 18 of IAS 28 was amended and paragraph 19A of IAS 28 was added as a result of IAS 27(2008) issued in January 2008. An entity shall apply the amendments for annual periods beginning on or after 1 July 2009. If an entity applies IAS 27(2008) for an earlier period, the amendments shall be applied for that earlier period. IAS 27(2008) is effective for annual periods beginning on or after 1 July 2009, with limited earlier application permitted (see relevant section of this questionnaire for details).</i>	

TQ	Reference	Recognition/measurement requirement	Yes / No / N/A
		<i>Acquisition of an associate</i>	
28A	IAS 28.23	Have investments in associates been accounted for using the equity method from the date on which they become an associate?	
28A	IAS 28.23(a)	On acquisition, has the excess of the cost of the investment over the investor's share of the net fair value of the associate's identifiable assets, liabilities and contingent liabilities: a) been identified as goodwill and accounted for in accordance with IFRS 3? b) been included in the carrying amount of the investment?	
		<i>Note: Amortisation of goodwill arising on the acquisition of an associate is not permitted.</i>	
28A	IAS 28.23(b)	On acquisition, has any excess of the investor's share of the net fair value of the associate's identifiable assets, and liabilities over the cost of the investment been included as income in the determination of the investor's share of the associate's profit or loss in the period in which the investment is acquired?	
28A	IAS 28.23	Have appropriate adjustments been made to the investor's share of the profits or losses after acquisition to account for depreciation of the depreciable assets, based on their fair values at the acquisition date?	
28A	IAS 28.23	Have appropriate adjustments been made to the investor's share of the profits or losses after acquisition to account for impairment losses recognised by the associate, such as for goodwill or property, plant and equipment?	
		<i>Accounting periods and reporting dates</i>	
28A	IAS 28.24	Have the most recently available financial statements of the associate been used by the investor in applying the equity method?	
28A	IAS 28.24	When the end of the reporting period of the investor is different from that of the associate, has the associate prepared financial statements for the use of the investor as of the same date as the financial statements of the investor, unless it is impracticable to do so?	
28A	IAS 28.25	When financial statements of an associate used in applying the equity method are prepared as of a different date, are adjustments made for the effects of any significant events or transactions that occurred between the date of the associate's financial statements and the date of the investor's financial statements?	
28A	IAS 28.25	Is the difference between the end of the reporting periods no more than three months?	
28A	IAS 28.25	Are the lengths of the reporting periods and any difference between the ends of the reporting periods the same from period to period?	

TQ	Reference	Recognition/measurement requirement	Yes / No / N/A
		Uniform accounting policies	
28A	IAS 28.26	<i>Note: The investor's financial statements shall be prepared using uniform accounting policies for like transactions and events in similar circumstances.</i>	
28A	IAS 28.27	If the associate uses accounting policies other than those of the investor for like transactions and events in similar circumstances, in financial statements used by the investor in applying the equity method, have appropriate adjustments been made to conform the associate's accounting policies to those of the investor?	
		Associate has outstanding cumulative preferred shares	
28A	IAS 28.28	If an associate has outstanding cumulative preferred shares that are held by parties other than the investor and classified as equity, has the investor computed its share of profits or losses after adjusting for dividends on those shares, whether or not dividends have been declared?	
		Investor's share of losses exceeds the carrying amount of the investment	
28A	IAS 28.29-30	If the investor's share of losses exceeds the carrying amount of the investment, are both of the following conditions met: a) is the carrying amount of the investment reduced to nil and recognition of further losses discontinued, unless the investor has incurred legal or constructive obligations or made payments on behalf of the associate? b) if there are any losses recognised under the equity method in excess of the investor's investment in ordinary shares, are those losses applied to the other components of the investor's interest in the associate in the reverse order of their seniority (i.e. priority in liquidation)?	
28A	IAS 28.29	<i>Note: The interest in an associate is the carrying amount of the investment in the associate under the equity method together with any long-term interests that, in substance, form part of the investor's net investment in the associate. For example, an item for which settlement is neither planned nor likely to occur in the foreseeable future is, in substance, an extension of the entity's investment in that associate. Such items may include preference shares and long-term receivables or loans but do not include trade receivables, trade payables or any long-term receivables for which adequate collateral exists, such as secured loans.</i>	
28A	IAS 28.30	If the investor has incurred legal or constructive obligations or made payments on behalf of the associate, as referred to above, has the investor continued to recognise its share of losses of the associate to the extent of those obligations or payments?	
28A	IAS 28.30	If the investor has previously discontinued recognising its share of losses of the associate in terms of paragraph 29 of IAS 28 and the associate subsequently reported profits, does the investor resume recognising its share of those profits only after its share of the profits equalled the share of losses not recognised?	

TQ	Reference	Recognition/measurement requirement	Yes / No / N/A
		Impairment losses	
28A	IAS 28.31	After application of the equity method, including recognising the associate's losses, have the requirements of IAS 39 been applied to determine whether it is necessary to recognise any additional impairment loss with respect to the investor's net investment in the associate?	
28A	IAS 28.32	Have the requirements of IAS 39 also been applied to determine whether any additional impairment loss should be recognised with respect to the investor's interest in the associate that does not constitute part of the net investment, as well as the amount of any impairment loss?	
28A	IAS 28.33	If application of the requirements of IAS 39 indicated that the investment might be impaired, has the entity tested the entire carrying amount of the investment for impairment under IAS 36 <i>Impairment of Assets</i> ?	
		Notes:	
	IAS 28.33	1) <i>In testing the investment for impairment, the entire carrying amount of the investment (which includes goodwill) is compared to the recoverable amount (higher of value in use and fair value less costs to sell). The value in use is determined by estimating either:</i> a) <i>the investor's share of the present value of the estimated future cash flows expected to be generated by the associate, including the cash flows from the operations of the associate and the proceeds on the ultimate disposal of the investment; or</i> b) <i>the present value of the estimated future cash flows expected to arise from dividends to be received from the investment and from its ultimate disposal.</i>	
	IAS 28.33	2) <i>An impairment loss recognised in those circumstances is not allocated to any asset, including goodwill, that forms part of the carrying amount of the investment in the associate. Accordingly, any reversal of that impairment loss is recognised in accordance with IAS 36 to the extent that the recoverable amount of the investment subsequently increases.</i>	
	IAS 28.34	3) <i>The recoverable amount of an investment in an associate is assessed for each associate, unless the associate does not generate cash inflows from continuing use that are largely independent of those from other assets of the entity. See the IAS 36 section of this questionnaire.</i>	
		Separate financial statements	
28C	IAS 28.35	Note: <i>In the investor's separate financial statements, investments in associates are accounted for in accordance with paragraphs 38 to 40 of IAS 27. See the IAS 27 section of this questionnaire.</i>	

IAS 29 Financial Reporting in Hyperinflationary Economies

TQ	Reference	Recognition/measurement requirement	Yes / No / N/A
		<i>This section of the questionnaire addresses IAS 29, which deals with the restatement of financial statements that report in a currency of a hyperinflationary economy.</i> <i>In November 2005, IFRIC 7, Applying the Restatement Approach under IAS 29, was issued, which clarifies the requirements in the reporting period in which an entity starts to apply IAS 29 regarding:</i> <i>how comparative amounts in financial statements should be restated; and</i> <i>how deferred tax items in the opening statement of financial position should be restated.</i> SCOPE NOTE <i>IAS 29 is to be applied in the financial statements, including the consolidated financial statements, of any entity whose functional currency is the currency of a hyperinflationary economy. A hyperinflationary economy may have some of the following characteristics:</i> <i>the general population prefers to keep its wealth in non-monetary assets or in a relatively stable foreign currency, and amounts of local currency held are immediately invested to maintain purchasing power;</i> <i>the general population regards monetary amounts not in terms of the local currency but in terms of a relatively stable foreign currency, and prices may be quoted in that currency;</i> <i>sales and purchases on credit take place at prices that compensate for the expected loss of purchasing power during the credit period, even if the period is short;</i> <i>interest rates, wages and prices are linked to a price index; and</i> <i>the cumulative inflation rate over a period of 3 years is approaching or exceeds 100%.</i> <i>The determination of whether an economy and its currency are hyperinflationary requires judgement. Whether or not a country is experiencing hyperinflation for the purpose of IAS 29 will generally be determined by a consensus of the accounting profession, rather than by each entity individually.</i> TAILORING QUESTIONS <i>If you answer "yes" to any of the tailoring questions below, please answer the compliance questions relating to it.</i>	
29A		Does the entity or any of its subsidiaries prepare historical cost financial statements in the functional currency of a hyperinflationary economy?	
29B		Does the consolidated entity or any of its subsidiaries prepare current cost financial statements in a currency of a hyperinflationary economy?	
29C		Has the economy of the entity's or any of its subsidiaries' functional currency ceased to be hyperinflationary during the period?	
29D		During the current reporting period, has the economy of the entity or any of its subsidiaries' functional currencies been identified as hyperinflationary, when that economy was not hyperinflationary in the prior period?	

TQ	Reference	Recognition/measurement requirement	Yes / No / N/A
DETAILED COMPLIANCE QUESTIONS			
The restatement of financial statements			
29A, B	IAS 29.7	Have the primary financial statements of an entity whose functional currency is the currency of a hyperinflationary economy been presented after restatement?	
		<i>Note: Presentation of the information required by IAS 29 as a supplement to unrestated financial statements is not permitted. Furthermore, separate presentation of the financial statements before restatement is discouraged.</i>	
29A, B	IAS 29.8	Are the financial statements of an entity whose functional currency is the currency of a hyperinflationary economy (whether based on a historical cost approach or a current cost approach) stated in terms of the measuring unit current at the end of the reporting period?	
29A, B	IAS 29.8	Are the corresponding figures for the previous period, and any information in respect of earlier periods, stated in terms of the measuring unit current at the end of the reporting period?	
		<i>Note: For the purpose of presenting comparative amounts in a different presentation currency, paragraphs 42(b) and 43 of IAS 21, The Effects of Changes in Foreign Exchange Rates, apply. See the IAS 21 section of this questionnaire.</i>	
29A, B	IAS 29.9	Has the gain or loss on net monetary position been included in profit or loss and separately disclosed?	
	IAS 29.27	<i>Note: The gain or loss on net monetary position may be derived as the difference resulting from the restatement of non-monetary assets, owners' equity and items in the statement of comprehensive income and the adjustment of index linked assets and liabilities. The gain or loss may also be estimated by applying the change in a general price index to the weighted average for the period of the difference between monetary assets and liabilities.</i>	
Historical cost financial statements			
Statement of financial position			
29A	IAS 29.11	Have statement of financial position amounts that are not already expressed in terms of the measuring unit current at the end of the reporting period, been restated by applying a general price index?	
29A	IAS 29.12	Have all monetary items not been restated, as they are already expressed in the monetary unit current at year end?	
		<i>Note: Monetary items are money held and items to be received or paid in money.</i>	
29A	IAS 29.13	Have assets and liabilities that are linked by agreement to changes in prices (such as index linked bonds and loans), been adjusted in accordance with the agreement to ascertain the amount outstanding at the end of the reporting period?	
29A	IAS 29.14	Have non-monetary assets and liabilities which are carried at amounts current at the end of the reporting period (such as net realisable value and fair value) also <u>not</u> been restated?	

TQ	Reference	Recognition/measurement requirement	Yes / No / N/A
29A	IAS 29.15	Have non-monetary assets and liabilities that are carried at amounts current at their date of acquisition or incurrence (e.g. cost or cost less depreciation) been restated from the date of acquisition or incurrence? <i>Note: Non-monetary items include property, plant and equipment, inventories, goodwill, patents, and trademarks.</i>	
29A	IAS 29.15	Have inventories of partly finished (such as work in progress) and finished goods been restated from the dates which the costs of conversion and of purchase were incurred?	
29A	IAS 29.16	Where detailed records of acquisition dates of items of property, plant and equipment are not available or capable of estimation, has the entity considered whether it is necessary, in the first period of application of IAS 29, to use an independent professional assessment of the value of the items as the basis for restatement?	
29A	IAS 29.17	Where a general price index was not available for the periods for which the restatement of property, plant and equipment is required by IAS 29, has an estimate been made based, for example, on the movements in the exchange rate between the functional currency and a relatively stable foreign currency?	
29A	IAS 29.18	Where non-monetary items are carried at amounts current at dates other than that of acquisition or that of statement of financial position, have the carrying amounts been restated from that date (e.g. the date of the last revaluation)?	
29A	IAS 29.19	Has the restated amount of non-monetary items been reduced to the recoverable amount in accordance with the appropriate IFRSs? <i>Note: For example, restated amounts for property, plant and equipment, goodwill, patents and trademarks are reduced to recoverable amount, and restated amounts for inventories are reduced to net realisable value.</i>	
29A	IAS 29.20	Where an investee accounted for under the equity method reports in the currency of a hyperinflationary economy, have the statement of financial position and statement of comprehensive income of the investee been restated in accordance with IAS 29 in order to calculate the investor's share of its net assets and profit or loss? <i>Note: Where the restated financial statements of the investee are expressed in a foreign currency, they are translated at closing rates.</i>	
29A	IAS 29.21	Where borrowing costs incurred during the period include an element that compensates for the inflation during the same period, irrespective of the entity's general accounting policy for borrowing costs, has that element been recognised as an expense in the period in which it is incurred? <i>Note: The impact of inflation is usually recognised in borrowing costs. It is inappropriate both to restate the capital expenditure financed by borrowing and to capitalise that part of the borrowing costs that compensate for the inflation during the same period.</i>	
29A	IAS 29.22	Where the entity has acquired assets under an arrangement that permits it to defer payment without incurring an explicit interest charge, and it is impracticable to impute the amount of interest, have such assets been restated from the payment date?	

TQ	Reference	Recognition/measurement requirement	Yes / No / N/A
29D	IAS 29.24	At the beginning of the first period of application of IAS 29, have the components of owner's equity been accounted for in the following ways: a) has all owners' equity except retained earnings and revaluation surpluses, been restated by applying the general price index from the dates the components were contributed or otherwise? b) has any revaluation surplus arising from previous periods been eliminated? c) has restated retained earning been derived from all other amounts in the restated statement of financial position (i.e. the balancing figure)?	
29A	IAS 29.25	At the end of the first period and in subsequent periods, have all components of owners equity been restated by applying the general price index from the beginning of the period, or the date of contribution if later, to the end of the reporting period? <i>Statement of comprehensive income</i>	
29A	IAS 29.26	Have all items in the statement of comprehensive income been restated by applying the change in a general price index from the dates when the items of income and expenses were initially recorded in the financial statements, to the end of the reporting period? <i>Gain or loss on net monetary position</i>	
29A	IAS 29.28	In accordance with paragraph 9 of IAS 29 (see above), has the gain or loss on net monetary position been included in profit or loss?	
29A	IAS 29.28	Have adjustments to assets and liabilities linked by agreement to changes in prices calculated in accordance with paragraph 13 of IAS 29 (see above), been offset against the gain or loss on net monetary position? <i>Current cost financial statements</i> <i>Statement of financial position</i>	
29B	IAS 29.29	Have items stated at current cost <u>not</u> been restated because they are already expressed in terms of the measuring unit current at the end of the reporting period?	
29B	IAS 29.29	Have other items in the statement of financial position (i.e. those not stated at current cost) been restated in accordance with the requirements for historical cost financial statements (paragraphs 11-25 of IAS 29 – see above)? <i>Statement of comprehensive income</i>	
29B	IAS 29.30	Have statement of comprehensive income amounts that report costs current at the time at which the underlying transactions or events occurred been restated into the measuring unit current at the end of the reporting period by applying a general price index from the dates of the underlying transactions or events? <i>Gain or loss on net monetary position</i>	
29B	IAS 29.31	Is the gain or loss on net monetary position accounted for in accordance with paragraphs 27 and 28 of IAS 29(see above)?	

TQ	Reference	Recognition/measurement requirement	Yes / No / N/A
		Taxes	
29A, B	IAS 29.32	Have any differences between the carrying amount of individual assets and liabilities in the statement of financial position and their tax bases, which have arisen as a result of restatement, been accounted for in terms of IAS 12 <i>Income Taxes</i> ?	
		Statement of cash flows	
29A, B	IAS 29.33	Have all items in the statement of cash flows been expressed in terms of the measuring unit current at the end of the reporting period?	
		Corresponding figures	
29A, B	IAS 29.34	Have corresponding figures been restated by applying a general price index, so that comparative financial statements are presented in terms of the measuring unit current at the end of the reporting period and is information disclosed in respect of earlier periods also expressed in terms of the measuring unit current at the end of the reporting period?	
		<i>Note: For the purpose of presenting comparative amounts in a different presentation currency, paragraphs 42(b) and 43 of IAS 21 apply.</i>	
		Consolidated financial statements	
29A, B	IAS 29.35	Where a subsidiary and a parent both report in the currencies of hyperinflationary economies, have the financial statements of the subsidiary been restated by applying a general price index of the country in whose currency it reports, before they are included in the consolidated financial statements issued by the parent?	
		<i>Note: Where the subsidiary is a foreign subsidiary, its restated financial statements are translated at closing rates.</i>	
29A, B	IAS 29.35	Where a parent which reports in the currency of a hyperinflationary economy has subsidiaries which do not report in the currency of a hyperinflationary economy, have the financial statements of those subsidiaries been dealt with in accordance with IAS 21?	
29A, B	IAS 29.36	Where financial statements with different ends of the reporting periods are consolidated, have all items, whether monetary or non-monetary, been restated into the measuring unit current at the date of the consolidated financial statements?	
		Selection and use of the general price index	
29A, B	IAS 29.37	Has the restatement of financial statements been made with the use of a general price index that reflects changes in general purchasing power?	
		<i>Note: It is generally preferable that all entities that report in the currency of the same economy use the same index.</i>	
		Economies ceasing to be hyperinflationary	
29C	IAS 29.38	When the economy has ceased to be hyperinflationary, and the entity has discontinued the preparation and presentation of financial statements prepared in accordance with IAS 29, does the entity treat the amounts expressed in the measuring unit current at the end of the previous reporting period as the basis for the carrying amounts in its subsequent financial statements?	

TQ	Reference	Recognition/measurement requirement	Yes / No / N/A
		Restatement where the economy was not hyperinflationary in the previous period	
29D	IFRIC 7.3	When the entity in the reporting period identifies the existence of hyperinflation in the economy of its functional currency, not having been hyperinflationary in the prior period, has the entity applied the requirements of IAS 29 as if the economy had always been hyperinflationary (see following questions)?	
29D	IFRIC 7.3	In relation to non-monetary items measured at historical cost, has the entity's opening statement of financial position at the beginning of the earliest period presented in the financial statements been restated to reflect the effect of inflation from the date the assets were acquired and the liabilities were incurred or assumed until the end of the reporting period?	
29D	IFRIC 7.3	For non-monetary items carried in the opening statement of financial position at amounts current at dates other than those of acquisition or incurrence, does the restatement instead reflect the effect of inflation from the dates those carrying amounts were determined until the end of the reporting period?	
29D	IFRIC 7.4	At the end of the reporting period, has the entity recognised and measured deferred tax items in accordance with IAS 12?	
29D	IFRIC 7.4	Has the entity determined the deferred tax figures in the opening statement of financial position for the reporting period as follows: a) the deferred tax items are remeasured in accordance with IAS 12 after the entity has restated the nominal carrying amounts of its non-monetary items at the date of the opening statement of financial position of the reporting period by applying the measuring unit at that date? b) the deferred tax items remeasured in accordance with (a) are restated for the change in the measuring unit from the date of the opening statement of financial position of the reporting period to the end of the reporting period?	
29D	IFRIC 7.4	Has the entity applied the approach in paragraphs 4(a) and 4(b) of IFRIC 7 (see above) in restating the deferred tax items in the opening statement of financial position of any comparative periods presented in the restated financial statements for the reporting period in which the entity applies IAS 29?	
29A, B, C	IFRIC 7.5	After the entity has restated its financial statements, have all corresponding figures in the financial statements for a subsequent reporting period (including deferred tax items) been restated by applying the change in the measuring unit for that subsequent reporting period only to the restated financial statements for the previous reporting period?	

IAS 31 Interests in Joint Ventures

TQ	Reference	Recognition/measurement requirement	Yes / No / N/A
31A		<i>This section of the questionnaire addresses IAS 31, which prescribes the accounting for interests in joint ventures and the reporting of joint venture assets, liabilities, income and expenses in the financial statements of venturers and investors. Joint ventures can be structured in many different ways. The Standard identifies three broad types of joint ventures – jointly controlled operations, jointly controlled assets and jointly controlled entities. The primary issues are identifying whether joint control exists, identifying the type of joint venture and the application of the proportionate consolidation method or the equity method by a venturer with an interest in a jointly controlled entity.</i> SCOPE NOTE <i>IAS 31 should be applied in accounting for interests in joint ventures and the reporting of joint venture assets, liabilities, income and expenses in the financial statements of venturers and investors, regardless of the structures or forms under which the joint venture activities take place.</i> <i>IAS 31 does not deal with accounting for investments that the investor controls or where the investor has significant influence. Refer to the relevant section of this questionnaire in each case: subsidiaries (IAS 27) or associates (IAS 28). An investor in a joint venture that it does not have control, joint control or significant influence shall account for that investment in accordance with IAS 39.</i> <i>IAS 31 does not apply to venturers' interests in jointly controlled entities held by:</i> a) <i>venture capital organisations, or</i> b) <i>mutual funds, unit trusts and similar entities including investment-linked insurance funds</i> <i>that upon initial recognition are designated as at fair value through profit or loss or are classified as held for trading and accounted for in accordance with IAS 39 Financial Instruments: Recognition and Measurement. Such investments are measured at fair value in accordance with IAS 39, with changes in fair value recognised in profit or loss in the period of the change.</i> TAILORING QUESTIONS <i>If you answer "yes" to any of the tailoring questions below, please answer the compliance questions relating to it.</i> Does the entity participate in a contractual arrangement with one or more parties to undertake an economic activity, which is subject to joint control? (Is the entity a party to a joint venture?) Note: Control is defined as the power to govern the financial and operating policies of an economic activity so as to obtain benefits from it. Joint control is the contractually agreed sharing of control over an economic activity and exists only when the strategic financial and operating decisions relating to the activity require the unanimous consent of the parties sharing control (the venturers). A venture is a party to a joint venture and has joint control over that joint venture.	

TQ	Reference	Recognition/measurement requirement	Yes / No / N/A
31B		Does the entity have joint control over a joint venture that involves the use of the assets and other resources of the venturers rather than the establishment of a corporation, partnership or other entity, or a financial structure that is separate from the venturers themselves? (<i>Is the entity a venturer in a jointly controlled <u>operation</u>?</i>) <i>Note: An example of a jointly controlled operation is when two or more venturers combine their operations, resources and expertise in order to jointly manufacture, market and distribute a particular product. Different parts of the manufacturing process are carried out by each of the venturers, and each bears its own costs and takes a share of the revenue from the sale of the product, the amount of the share being determined in accordance with the contractual arrangement.</i>	
31C		Does the entity have joint control over a joint venture that involves joint control, and often the joint ownership, by the venturers of one or more assets contributed to, or acquired for the purpose of, the joint venture and dedicated to the purposes of the joint venture, with the objective that each venturer has control over its share of future economic benefits through its share of the jointly controlled asset? (<i>Is the entity a venturer in a jointly controlled <u>asset</u>?</i>) <i>Note: An example of a jointly controlled asset is an oil pipeline, which is jointly controlled and operated by a number of oil production companies. Each venturer uses the pipeline to transport its own product in return for which it bears an agreed proportion of the expenses of operating the pipeline.</i>	
31D		Does the entity have joint control over a joint venture established as a separate corporation, partnership or other entity in which each venturer has an interest? (<i>Is the entity a venturer in a jointly controlled <u>entity</u>?</i>)	
31E		Is the entity's accounting policy to account for jointly controlled entities in which it is a venturer using <u>proportionate</u> consolidation?	
31F		Is the entity's accounting policy to account for jointly controlled entities in which it is a venturer using the <u>equity</u> method?	
31G		Has the reporting entity contributed or sold non-monetary assets to a joint venture in which it is a venturer?	
31H		Has the reporting entity purchased assets from a joint venture in which it is a venturer?	
31I		Does the reporting entity have interests in jointly controlled entities and prepare separate financial statements?	
DETAILED COMPLIANCE QUESTIONS			
Joint control			
31A	IAS 31.8	Where the investee is in legal reorganisation or in bankruptcy, or operating under severe long-term restrictions on its ability to transfer funds to the venturer, does the entity continue to account for its interest in accordance with IAS 31 unless the circumstances have resulted in a loss of joint control? <i>Note: Such circumstances may preclude joint control, in which case the investee no longer meets the definition of a joint venture under IAS 31. However, if joint control is continuing, these events are not enough in themselves to justify not accounting for joint ventures in accordance with IAS 31.</i>	

TQ	Reference	Recognition/measurement requirement	Yes / No / N/A
		Contractual arrangement	
31A	IAS 31.11	For all interests accounted for under IAS 31, is there a contractual arrangement between the reporting entity and the other joint venture partners that establishes joint control, so that no venturer is in a position to control unilaterally the activities of the joint venture?	
	IAS 31.10	<i>Note: The existence of a contractual arrangement distinguishes interests that involve joint control from investments in associates in which the investor has significant influence. The contract may be evidenced in a number of ways – e.g. by a contract between the venturers or minutes of discussions between the venturers. When considering whether there is a contractual arrangement, the evidence, which will usually be in writing, will deal with such matters as:</i> • <i>the activity, duration and reporting obligations of the joint venture;</i> • <i>the appointment of the board or equivalent governing body and the voting rights of the venturers;</i> • <i>capital contributions by the venturers; and</i> • <i>the sharing by the venturers of the output, income, expenses or results of the joint venture.</i>	
31A	IAS 31.52	Where the entity acts as an operator or a manager of a joint venture, are any fees accounted for in accordance with IAS 18 <i>Revenue</i> ?	
		Jointly controlled operations	
31B	IAS 31.15	In respect of its interests in jointly controlled operations, does the venturer recognise in its financial statements: a) the assets that it controls and the liabilities that it incurs? b) the expenses that it incurs and its share of the income that it earns from the sale of goods or services by the joint venture?	
		Jointly controlled assets	
31C	IAS 31.21	In respect of its interests in jointly controlled assets, does the venturer recognise in its financial statements: a) its share of the jointly controlled assets, classified according to the nature of the assets? b) any liabilities that it has incurred? c) its share of any liabilities incurred jointly with the other venturers in relation to the joint venture? d) any income from the sale or use of its share of the output of the joint venture, together with its share of any expenses incurred by the joint venture? e) any expenses that it has incurred in respect of its interest in the joint venture?	

TQ	Reference	Recognition/measurement requirement	Yes / No / N/A
		Jointly controlled entities <i>Requirement to account for jointly controlled entities using either proportionate consolidation or the equity method</i> Are all interests in jointly controlled entities accounted for using either proportionate consolidation or the equity method, except when one or more of the following conditions exists: a) the interest is classified as held for sale in accordance with IFRS 5 <i>Non-current Assets Held for Sale and Discontinued Operations</i>? b) the reporting entity is a parent that is not required to present consolidated financial statements under the exception provided in paragraph 10 of IAS 27 <i>Consolidated and Separate Financial Statements</i>? c) all of the following apply: i) the venturer is a wholly-owned subsidiary, or is a partially-owned subsidiary of another entity and its other owners, including those not otherwise entitled to vote, have been informed about, and do not object to, the venturer not applying proportionate consolidation or the equity method; ii) the venturer's debt or equity instruments are not traded in a public market (a domestic or foreign stock exchange or an over-the-counter market, including local and regional markets); iii) the venturer did not file, nor is it in the process of filing, its financial statements with a securities commission or other regulatory organisation, for the purpose of issuing any class of instruments in a public market; and iv) the ultimate or any intermediate parent of the venturer produces consolidated financial statements available for public use that comply with IFRSs?	
31D	IAS 31.2, 30, 38		
		<i>Proportionate consolidation</i> Has the venturer accounted for its interests in jointly controlled entities using proportionate consolidation, such that: a) the statement of financial position of the venturer includes its share of the assets that it controls jointly and its share of the liabilities for which it is jointly responsible; and b) the statement of comprehensive income of the venturer includes its share of the income and expenses of the jointly controlled entity?	
31E	IAS 31.33		
31E	IAS 31.33	Has the venturer applied proportionate consolidation procedures that are similar to the procedures for the consolidation of investments in subsidiaries, which are set out in IAS 27 <i>Consolidated and Separate Financial Statements</i> ?	
31E	IAS 31.34	Does the venturer report its interests in jointly controlled entities in its consolidated financial statements using one of following reporting formats: a) the venturer combines its share of each of the assets, liabilities, income and expenses of the jointly controlled entities with the similar items in its financial statements on a line-by-line basis; or b) the venturer includes separate line items for its share of each of the assets, liabilities, income and expenses of jointly controlled entities in its financial statements?	

TQ	Reference	Recognition/measurement requirement	Yes / No / N/A
31E	IAS 31.35	Whichever format is used for proportionate consolidation, have assets and liabilities or income and expenses been offset only where there is a legal right of set-off and the offsetting represents the expectation as to the realisation of the asset or the settlement of the liability?	
31E	IAS 31.36	Has the venturer discontinued the use of proportionate consolidation from the date on which it ceased to have joint control over a jointly controlled entity?	
	IAS 31.37	<i>Note: A joint venturer may cease to share in the control of a jointly controlled entity when, for example, the venturer disposes of its interest or when such external restrictions are placed on the jointly controlled entity that the venturer no longer has joint control.</i>	
		Equity method	
31F	IAS 31.38	Does the venturer report its interests in all its jointly controlled entities in its financial statements using the equity method?	
31F	IAS 31.40	Has the venturer applied the equity accounting as described in IAS 28?	
31F	IAS 31.41	Has the venturer discontinued the use of the equity method from the date on which it ceased to have joint control over, or significant influence in, a jointly controlled entity?	
		Exceptions to proportionate consolidation and equity method	
31E, F	IAS 31.42	Have interests in jointly controlled entities not accounted for using proportionate consolidation or the equity method because they have been classified as held for sale in accordance with IFRS 5 been accounted for in accordance with IFRS 5?	
31E, F	IAS 31.43	When interest in a jointly controlled entity has previously been accounted for in accordance with IFRS 5, but it no longer meets the criteria to be classified as held for sale, has the entity accounted for the interest using proportionate consolidation or the equity method from the date of classification as held for sale and restated the financial statements for the periods since classification as held for sale?	
31E, F	IAS 31.45	Has the entity accounted for any remaining interest in accordance with IAS 39 from the date it ceases to have joint control over an entity, provided that the former jointly controlled entity does not become a subsidiary or associate?	
		<i>Note: Paragraph 45 of IAS 31 was amended as a result of IAS 27(2008) issued in January 2008. An entity shall apply the amendment for annual periods beginning on or after 1 July 2009. If an entity applies IAS 27(2008) for an earlier period, the amendment shall be applied for that earlier period. IAS 27(2008) is effective for periods beginning on or after 1 July 2009, with limited earlier application permitted (see relevant section of this questionnaire for details).</i>	
31E, F	IAS 31.45	Has the entity accounted for its interest in accordance with IAS 27 and IFRS 3 from the date when a jointly controlled entity becomes a subsidiary of the investor?	
31E, F	IAS 31.45	Has the entity accounted for its interest in accordance with IAS 28 from the date when a jointly controlled entity becomes an associate of the investor?	

TQ	Reference	Recognition/measurement requirement	Yes / No / N/A
31E, F	IAS 31.45	On the loss of joint control, has the investor measured at fair value any investment the investor retains in the former jointly controlled entity, and recognised in profit or loss any difference between: a) the fair value of any retained investment and any proceeds from disposing of the part interest in the jointly controlled entity; and b) the carrying amount of the investment at the date when joint control is lost.	
	IAS 31.45A	Notes: 1) When an investment ceases to be a jointly controlled entity and is accounted for in accordance with IAS 39, the fair value of the investment when it ceases to be a jointly controlled entity shall be regarded as its fair value on initial recognition as a financial asset in accordance with IAS 39. 2) Paragraph 45 of IAS 31 was amended and paragraph 45A of IAS 31 was added as a result of IAS 27(2008) issued in January 2008. An entity shall apply the amendment for annual periods beginning on or after 1 July 2009. If an entity applies IAS 27(2008) for an earlier period, the amendment shall be applied for that earlier period. IAS 27(2008) is effective for periods beginning on or after 1 July 2009, with limited earlier application permitted (see relevant section of this questionnaire for details).	
	IAS 31.45B	If an investor loses joint control of an entity, has the investor accounted for all amounts recognised in other comprehensive income in relation to that entity on the same basis as would be required if the jointly controlled entity had directly disposed of the related assets or liabilities? Note: If a gain or loss previously recognised in other comprehensive income would be reclassified to profit or loss on the disposal of the related assets or liabilities, the investor reclassifies the gain or loss from equity to profit or loss (as a reclassification adjustment) when the investor loses joint control of the entity. For example, if a jointly controlled entity has available-for-sale financial assets and the investor loses joint control of the entity, the investor shall reclassify to profit or loss the gain or loss previously recognised in other comprehensive income in relation to those assets.	
31E, F	IAS 31.45B	If an investor's ownership interest in a jointly controlled entity is reduced, but the investment continues to be a jointly controlled entity, has the investor reclassified to profit or loss only a proportionate amount of the gain or loss previously recognised in other comprehensive income? Note: Paragraph 45B of IAS 31 was added as a result of IAS 27(2008) issued in January 2008. An entity shall apply the amendment for annual periods beginning on or after 1 July 2009. If an entity applies IAS 27(2008) for an earlier period, the amendment shall be applied for that earlier period. IAS 27(2008) is effective for periods beginning on or after 1 July 2009, with limited earlier application permitted (see relevant section of this questionnaire for details).	
Separate financial statements of a venturer			
31I	IAS 31.46	Note: In the venturer's separate financial statements, interests in jointly controlled entities are accounted for in accordance with paragraphs 38 to 40 of IAS 27. See the IAS 27 section of this questionnaire.	

TQ	Reference	Recognition/measurement requirement	Yes / No / N/A
		Transactions between a venturer and a joint venture	
31G	IAS 31.48	When a venturer has contributed or sold assets to a joint venture and the asset has been retained by the joint venturer, provided that the venturer has transferred the significant risks and rewards of ownership: a) has the portion of any gain or loss recognised been restricted to that portion of the gain or loss from the transaction that is attributable to the interests of the other venturers? b) has a loss been recognised immediately where the contribution or sale provides evidence of a reduction in the net realisable value of current assets or an impairment loss?	
31G	SIC 13.5	Where non-monetary contributions have been made to a jointly controlled entity in exchange for an equity interest in the jointly controlled entity, has the venturer recognised in profit or loss for the period the portion of the gain or loss attributable to the equity interests of the other venturers, except when one or more of the following conditions are met: a) the significant risks and rewards of ownership of the contributed non-monetary asset(s) have not been transferred to the jointly controlled entity; or b) the gain or loss on the non-monetary contribution cannot be measured reliably; or c) the contribution transaction lacks commercial substance as that term is described in IAS 16 <i>Property, Plant and Equipment</i> (see the IAS 16 section of this questionnaire)?	
31G	SIC 13.5	If exception (a), (b) or (c) (see above) applies, has the gain or loss been regarded as unrealised and therefore not recognised in profit or loss, unless paragraph 6 of SIC 13 (see below) applies?	
31G	SIC 13.6	If, in addition to receiving an equity interest in the jointly controlled entity, the venturer received monetary or non-monetary assets, has an appropriate portion of the gain or loss on the transaction been recognised by the venturer in profit or loss?	
31G	SIC 13.7	Have unrealised gains or losses on non-monetary assets contributed to jointly controlled entities been eliminated against the underlying assets under the proportionate consolidation method, or against the investment under the equity method and <u>not</u> presented as deferred gains or losses in the venturer's consolidated statement of financial position?	
31H	IAS 31.49	When a venturer has purchased assets from a joint venture: a) has the venturer deferred the recognition of its share of the gain from the transaction until it resells the assets to an independent party? b) has the venturer recognised its share of any loss in the same way as it recognises a gain, except that a loss representing a reduction in the net realisable value of current assets or an impairment loss has been recognised immediately?	
	IAS 31.50	<i>Note: To assess whether a transaction between a venturer and a joint venture provides evidence of impairment of an asset, the venturer determines the recoverable amount of the asset in accordance with IAS 36, Impairment of Assets. In determining value in use, the venturer estimates future cash flows from the asset on the basis of continuing use of the asset and its ultimate disposal by the joint venture.</i>	

IAS 32 Financial Instruments: Presentation

TQ	Reference	Recognition/measurement requirement	Yes / No / N/A
		Please refer to Deloitte's Presentation and Disclosure Checklist for the requirements of IAS 32, which prescribes presentation requirements for financial instruments.	

IAS 33 Earnings per Share

TQ	Reference	Recognition/measurement requirement	Yes / No / N/A
		<i>This section of the questionnaire addresses IAS 33, which prescribes principles for the determination and presentation of earnings per share (EPS).</i> <i>Appendix A to IAS 33, which is an integral part of the Standard, provides application guidance for the principles established in IAS 33.</i> SCOPE NOTE <i>IAS 33 shall be applied by entities whose ordinary shares or potential ordinary shares are publicly traded and by entities that are in the process of issuing ordinary shares or potential ordinary shares in public markets.</i> <i>An entity that discloses EPS shall calculate and disclose EPS in accordance with this Standard.</i> <i>When an entity presents both consolidated financial statements and separate financial statements prepared in accordance with IAS 27, Consolidated and Separate Financial Statements, the disclosures required by IAS 33 need to be presented only on the basis of the consolidated information. An entity that chooses to disclose EPS based on its separate financial statements shall present such EPS information only in its separate statement of comprehensive income. An entity shall not present such EPS information in the consolidated financial statements.</i> DEFINITIONS <i>An ordinary share is an equity instrument that is subordinate to all other classes of equity instruments.</i> <i>A potential ordinary share is a financial instrument or other contract that may entitle its holder to ordinary shares.</i> <i>A contingent share agreement is an agreement to issue shares that is dependent on the satisfaction of specified conditions.</i> <i>Contingently issuable ordinary shares are ordinary shares issuable for little or no cash or other consideration upon the satisfaction of specified conditions in a contingent share agreement.</i> TAILORING QUESTIONS <i>If you answer "yes" to any of the tailoring questions below, please answer the compliance questions relating to it.</i>	
33A		Does the entity have ordinary shares or potential ordinary shares that are publicly traded, is the entity in the process of issuing ordinary shares or potential ordinary shares in public securities markets, or has it voluntarily chosen to disclose EPS information in accordance with IAS 33?	
33B		Does the entity (or its subsidiary, associates and joint ventures) have potential ordinary shares? <i>Note: Examples of potential ordinary shares are:</i> <i>financial liabilities or equity instruments, including preference shares, that are convertible into ordinary shares;</i> <i>options and warrants; and</i> <i>shares which would be issued upon the satisfaction of conditions resulting from contractual arrangements, such as the purchase of a business or other assets.</i>	

TQ	Reference	Recognition/measurement requirement	Yes / No / N/A
33C		Has the entity entered into a business combination during the year? <i>Note: A business combination is defined by IFRS 3 as the bringing together of separate entities or businesses into one reporting entity.</i>	
33D		Have any events occurred (other than the conversion of potential ordinary shares) that have changed the number of ordinary shares outstanding, without a corresponding change in resources?	
33E		Does the entity have agreements whereby the issuance of ordinary shares is contingent upon the occurrence or non-occurrence of certain events?	
33F		Does the entity have contracts that may be settled in ordinary shares or cash?	
33G		Has the entity held purchase options during the year (i.e. options held by the entity on its own shares)?	
33H		Has the entity held written options or forward purchase options during the year (i.e. contracts that require the entity to repurchase its own shares)?	
33I		Does the entity have participating equity instruments that are not convertible into a class of ordinary shares or two-classes of ordinary shares? <i>Note: The equity of some entities includes:</i> - instruments that participate in dividends with ordinary shares according to a predetermined formula (e.g. two for one) with, at times, an upper limit on the extent of participation (e.g. up to, but not beyond, a specified amount per share); and/or - a class of ordinary shares with a different dividend rate from that of another class of ordinary shares but without prior or senior rights.	
DETAILED COMPLIANCE QUESTIONS			
Basic EPS			
33A	IAS 33.9	Has a basic EPS amount been calculated for profit or loss attributable to ordinary equity holders of the parent entity? <i>Note: Profit or loss attributable to the parent entity refers to profit or loss of the consolidated entity after adjusting for profit or loss attributable to non-controlling interests.</i>	
33A	IAS 33.9	If profit or loss from continuing operations has been presented in the statement of comprehensive income, has basic EPS based on profit or loss from continuing operations attributable to ordinary equity holders of the parent entity been calculated?	
33A	IAS 33.10	Has basic EPS been calculated by dividing profit or loss attributable to ordinary equity holders of the parent entity (the numerator) by the weighted average number of ordinary shares outstanding (the denominator) during the period?	
Earnings			
33A	IAS 33.12	For the purpose of calculating basic EPS, are the amounts attributable to ordinary equity holders of the parent entity in respect of: a) profit or loss from continuing operations attributable to the parent entity; and b) profit or loss attributable to the parent entity adjusted for the after-tax amounts of preference dividends, differences arising on the settlement of preference shares, and other similar effects of preference shares classified as equity?	

TQ	Reference	Recognition/measurement requirement	Yes / No / N/A
33A	IAS 33.13	Have all items of income and expense attributable to ordinary equity holders of the parent entity that are recognised in a period, including tax expense and dividends on preference shares classified as liabilities, been included in the determination of profit or loss for the period attributable to ordinary equity holders of the parent entity (see IAS 1 <i>Presentation of Financial Statements</i>)?	
33A	IAS 33.14	Was the after-tax amount of preference dividends deducted from profit or loss the aggregate of: a) the after-tax amount of any preference dividends on non-cumulative preference shares declared in respect of the period; and b) the after-tax amount of the preference dividends for cumulative preference shares required for the period (whether or not the dividends have been declared)?	
33A	IAS 33.14	Does the amount of preference dividends for the period exclude the amount of any preference dividends for cumulative preference shares paid or declared during the current period in respect of previous periods?	
33A	IAS 33.15	Has any original issue discount or premium on increasing rate preference shares been amortised to retained earnings using the effective interest method and treated as a preference dividend for the purposes of calculating EPS?	
	IAS 33.15	<i>Note: Preference shares that provide for a low initial dividend to compensate an entity for selling the preference shares at a discount, or an above-market dividend in later periods to compensate investors for purchasing preference shares at a premium, are sometimes referred to as increasing rate preference shares.</i>	
33A	IAS 33.16	Where preference shares have been repurchased, has the excess of the fair value of the consideration paid to the preference shareholders over the carrying amount of the preference shares been deducted in calculating profit or loss attributable to ordinary equity holders of the parent entity?	
33A	IAS 33.17	Where there has been an early conversion of convertible preference shares, has the excess of the fair value of the ordinary shares or other consideration paid over the fair value of the ordinary shares issuable under the original conversion terms been deducted in calculating profit or loss attributable to ordinary equity holders of the parent entity?	
33A	IAS 33.18	Has any excess of the carrying amount of preference shares over the fair value of the consideration paid to settle them been added in calculating profit or loss attributable to ordinary equity holders of the parent entity?	
		Shares	
33A	IAS 33.19	For the purpose of calculating basic EPS, is the number of ordinary shares the weighted average number of ordinary shares (WANOS) outstanding during the period?	
33A	IAS 33.20	Is the WANOS outstanding during the period the number of ordinary shares outstanding at the beginning of the period, adjusted by the number of ordinary shares bought back or issued during the period multiplied by a time-weighting factor?	
33A	IAS 33.20	Is the time-weighting factor used the number of days that the shares were outstanding as a proportion of the total number of days in the period?	
	IAS 33.20	<i>Note: A reasonable approximation of the weighted average is adequate in many circumstances.</i>	

TQ	Reference	Recognition/measurement requirement	Yes / No / N/A
33A	IAS 33.21	Are shares included in the WANOS from the date consideration is receivable (which is generally the date of the share issue) or is the otherwise applied date appropriate?	
	IAS 33.21	<i>Note: The timing of the inclusion of ordinary shares is normally determined by the terms and conditions attaching to their issue with due consideration being given to the substance of any contract associated with the issue. Refer to paragraph 21 of IAS 33 for guidance on dates of recognition for WANOS.</i>	
33C	IAS 33.22	Have ordinary shares issued as part of the consideration transferred in a business combination been included in the WANOS from the acquisition date?	
33B	IAS 33.23	Have ordinary shares that will be issued upon the conversion of a mandatorily convertible instrument been included in the calculation of basic EPS from the date the contract is entered into?	
33E	IAS 33.24	Have contingently issuable shares been treated as outstanding and included in the calculation of basic EPS only from the date when all necessary conditions are satisfied (i.e. the events have occurred)?	
		<i>Notes:</i> 1) Shares that are issuable solely after the passage of time are not contingently issuable shares, because the passage of time is a certainty. 2) Outstanding ordinary shares that are contingently returnable (i.e. subject to recall) are not treated as outstanding and are excluded from the calculation of basic EPS until the date the share are no longer subject to recall.	
33D	IAS 33.26	Has the WANOS outstanding during the period, and for all periods presented, been adjusted for events, other than the conversion of potential ordinary shares, that have changed the number of ordinary shares outstanding, without a corresponding change in resources?	
	IAS 33.27	<i>Note: Ordinary shares may be issued, or the number of ordinary shares outstanding may be reduced, without a corresponding change in resources. Examples include a capitalisation or bonus issue, a bonus element in any other issue (for example a bonus element in a rights issue to existing shareholders), a share split and a reverse share split (consolidation of shares).</i>	
33D	IAS 33.A2	In a rights issue offered to all existing shareholders, where the exercise price is less than the fair value of the shares (and therefore includes a bonus element), was the number of ordinary shares used in calculating basic and diluted EPS for all periods before the rights issue the number of ordinary shares outstanding before the issue multiplied by the following factor? $\frac{\text{Fair value per share immediately before the exercise of rights}}{\text{Theoretical ex-rights fair value per share}}$ <i>Note: Where the rights are to be publicly traded separately from the shares before the exercise date, fair value for the purposes of this calculation is established at the close of the last day on which the shares are traded together with the rights.</i>	
33D	IAS 33.A2	Has the theoretical ex-rights fair value per share been calculated by adding the aggregate market value of the shares immediately before the exercise of the rights to the proceeds from the exercise of the rights, and dividing by the number of shares outstanding after the exercise of the rights?	

TQ	Reference	Recognition/measurement requirement	Yes / No / N/A
33D	IAS 33.28	Where ordinary shares have been issued to existing shareholders for no additional consideration, has the number of ordinary shares outstanding before the event been adjusted for the proportionate change in the number of ordinary shares outstanding as if the event had occurred at the beginning of the earliest period presented?	
33A	IAS 33.29	Where the overall effect of a consolidation of ordinary shares is a share repurchase at fair value, has the WANOS outstanding for the period in which the combined transaction takes place been adjusted for the reduction in the number of ordinary shares from the date the special dividend was recognised?	
33A	IAS 33.A15	Where ordinary shares are issued but not fully paid, have they been treated in the calculation of basic EPS as a fraction of an ordinary share to the extent that they were entitled to participate in dividends during the period relative to a fully paid ordinary share?	
		Diluted EPS	
33B	IAS 33.30	Has a diluted EPS amount been calculated for profit or loss attributable to ordinary equity holders of the parent entity?	
33B	IAS 33.30	If the entity presents profit or loss from continuing operations, has diluted EPS for profit or loss from continuing operations attributable to ordinary equity holders of the parent entity been calculated?	
33B	IAS 33.31	For the purpose of calculating diluted EPS, has profit or loss attributable to ordinary equity holders of the parent entity, and the WANOS outstanding, been adjusted for the effects of all dilutive potential ordinary shares?	
33B	IAS 33.32	Has profit or loss attributable to ordinary equity holders of the parent entity been increased by the after-tax amount of dividends and interest recognised in the period in respect of the dilutive potential ordinary shares?	
33B	IAS 33.32	Has profit or loss attributable to ordinary equity holders of the parent entity been adjusted for any other changes in income or expense that would result from the conversion of the dilutive potential ordinary shares?	
33B	IAS 33.32	Has the WANOS outstanding been increased by the weighted average number of additional ordinary shares that would have been outstanding assuming the conversion of all dilutive potential ordinary shares?	
		Earnings	
33B	IAS 33.33	For the purpose of calculating diluted EPS, has the entity adjusted profit or loss attributable to ordinary equity holders of the parent entity, as calculated for the purposes of calculating basic EPS, by the after-tax effect of: a) any dividends or other items related to dilutive potential ordinary shares that were deducted in arriving at profit or loss attributable to ordinary equity holders of the parent entity as calculated for the purposes of calculating basic EPS; b) any interest recognised in the period related to dilutive potential ordinary shares; and c) any other changes in income or expense that would result from the conversion of the dilutive potential ordinary shares?	

TQ	Reference	Recognition/measurement requirement	Yes / No / N/A
		<u>Participating equity instruments and two classes of ordinary shares</u>	
33I	IAS 33.A14	When an entity has participating equity instruments that are not convertible into a class of ordinary shares or two classes of ordinary shares, has profit or loss for the period been allocated to the different classes of shares and participating equity instruments in accordance with their dividend rights or other rights to participate in undistributed earnings?	
33I	IAS 33.A14	Where the entity has participating equity instruments, to calculate basic and diluted EPS, has: a) profit or loss attributable to ordinary equity holders of the parent entity been adjusted (a profit reduced and a loss increased) by the amount of dividends declared in the period for each class of shares and by the contractual amount of dividends (or interest on participating bonds) that must be paid for the period (e.g. unpaid cumulative dividends)? b) the remaining profit or loss been allocated to ordinary shares and participating equity instruments to the extent that each instrument shares in earnings as if all of the profit or loss for the period had been distributed?	
	IAS 33.A14	<i>Note: The total profit or loss allocated to each class of equity instrument is determined by adding together the amount allocated for dividends and the amount allocated for a participation feature.</i>	
		c) the total amount of profit or loss allocated to each class of equity instrument been divided by the number of outstanding instruments to which the earnings are allocated to determine the EPS for the instrument?	
		Shares	
33B	IAS 33.36	For the purpose of calculating diluted EPS, is the number of ordinary shares used as the denominator the WANOS, as calculated for the purposes of basic EPS, plus the WANOS that would be issued on the conversion of all the dilutive potential ordinary shares into ordinary shares?	
33B	IAS 33.36	Have dilutive potential ordinary shares been deemed to have been converted into ordinary shares at the beginning of the period or, if later, the date of the issue of the potential ordinary shares?	
33B	IAS 33.37	Have dilutive potential ordinary shares been determined independently for each period presented?	
	IAS 33.37	<i>Note: The number of dilutive potential ordinary shares included in the year-to-date period is not a weighted average of the dilutive potential ordinary shares included in each interim computation.</i>	
33B	IAS 33.38	Have potential ordinary shares that were cancelled or allowed to lapse during the period been included in the calculation of diluted EPS only for the portion of the period during which they were outstanding?	
33B	IAS 33.38	Have potential ordinary shares that are converted into ordinary shares during the period been included in the calculation of diluted EPS from the beginning of the period to the date of conversion?	
		<i>Note: From the date of conversion of dilutive potential ordinary shares into ordinary shares, the resulting ordinary shares are included in both basic and diluted EPS.</i>	

TQ	Reference	Recognition/measurement requirement	Yes / No / N/A
33B	IAS 33.39	Has the number of ordinary shares that would be issued on conversion of dilutive potential ordinary shares been determined from the terms of the potential ordinary shares?	
33B	IAS 33.39	When more than one basis of conversion exists, does the calculation assume the most advantageous conversion rate or exercise price from the standpoint of the holder of the potential ordinary shares?	
33B	IAS 33.A16	To the extent that partly paid shares are not entitled to participate in dividends during the period, have they been treated as the equivalent of warrants or options in the calculation of diluted EPS?	
	IAS 33.A16	<i>Note: The unpaid balance is assumed to represent proceeds used to purchase ordinary shares. The number of shares included in diluted EPS is the difference between the number of shares subscribed and the number of shares assumed to be purchased.</i>	
33B	IAS 33.40	If a subsidiary, joint venture or associate has issued potential ordinary shares that are convertible into either ordinary shares of the subsidiary, joint venture or associate, or ordinary shares of the parent, venturer or investor, to parties other than the parent, venturer or investor and these shares have a dilutive effect on the basic EPS of the reporting entity, have those potential ordinary shares been included in the calculation of diluted EPS?	
33B	IAS 33.A11	Have instruments issued by a subsidiary, joint venture or associate that enable their holders to obtain ordinary shares of the subsidiary, joint venture or associate been included in calculating the diluted EPS data of the subsidiary, joint venture or associate and those earnings per share then included in the reporting entity's EPS calculations based on the reporting entity's holding of the instruments of the subsidiary, joint venture or associate?	
33B	IAS 33.A11	Have instruments of a subsidiary, joint venture or associate that are convertible into the reporting entity's ordinary shares been considered among the potential ordinary shares of the reporting entity for the purpose of calculating diluted EPS?	
33B	IAS 33.A11	Are options or warrants issued by a subsidiary, joint venture or associate to purchase ordinary shares of the reporting entity considered among the potential ordinary shares of the reporting entity in the calculation of consolidated diluted EPS?	
33B	IAS 33.A12	For the purpose of determining the EPS effect of instruments issued by a reporting entity that are convertible into ordinary shares of a subsidiary, joint venture or associate: a) have the instruments been assumed to be converted and the numerator (profit or loss attributable to ordinary equity holders of the parent entity) adjusted as necessary in accordance with paragraph 33 of IAS 33 (see above)? b) in addition to those adjustments, has the numerator been adjusted for any change in the profit or loss recorded by the reporting entity (such as dividend income or equity method income) that is attributable to the increase in the number of ordinary shares of the subsidiary, joint venture or associate outstanding as a result of the assumed conversion? c) is the denominator of the diluted EPS calculation not been affected because the number of ordinary shares of the reporting entity outstanding would not change upon assumed conversion?	

TQ	Reference	Recognition/measurement requirement	Yes / No / N/A
		<i>Dilutive potential ordinary shares</i>	
33B	IAS 33.41	Have potential ordinary shares been treated as dilutive when, and only when, their conversion to ordinary shares would decrease EPS or increase loss per share from continuing operations?	
33B	IAS 33.42	Has profit or loss from continuing operations attributable to the parent entity used as the control number to establish whether potential ordinary shares are dilutive or antidilutive?	
		<i>Note: Refer to paragraph A3 of Appendix A of IAS 33 for an illustration of the application of the control number concept.</i>	
33B	IAS 33.42	Has profit or loss from continuing operations attributable to the parent entity been adjusted by the after-tax effect of: a) any dividends or other items related to dilutive potential ordinary shares that were deducted in arriving at basic earnings? b) any interest recognised in the period related to dilutive potential ordinary shares? c) any other changes in income or expense that would result from the conversion of the dilutive potential ordinary shares?	
33B	IAS 33.42	Does profit or loss from continuing operations attributable to the parent entity exclude items relating to discontinued operations?	
33B	IAS 33.43	Has the calculation of diluted EPS assumed the exclusion of the effect of the conversion, exercise, or other issue of potential ordinary shares that would have an antidilutive effect on EPS?	
33B	IAS 33.44	In determining whether potential ordinary shares are dilutive or antidilutive, has each issue or series of potential ordinary shares been considered separately rather than in aggregate?	
33B	IAS 33.44	Has each issue or series of potential ordinary shares been considered in sequence from the most dilutive to the least dilutive?	
		<u>Options, warrants and their equivalents</u>	
33B	IAS 33.45	For the purpose of calculating diluted EPS, has the entity assumed the exercise of dilutive options and warrants of the entity?	
33B	IAS 33.45	Have the assumed proceeds from dilutive options and warrants of the entity been regarded as having been received from the issue of ordinary shares at the average market price of ordinary shares during the period?	
33B	IAS 33.45	Has the difference between the number of ordinary shares issued and the number of ordinary shares that would have been issued at the average market price of ordinary shares during the period been treated as an issue of ordinary shares for no consideration?	
33B	IAS 33.A4	For the purpose of calculating diluted EPS, was the average market price of ordinary shares assumed to be issued calculated on the basis of the average market price of the ordinary shares during the period?	
		<i>Note: Theoretically, every market transaction for an entity's ordinary shares could be included in the determination of the average market price. As a practical matter, however, a simple average of weekly or monthly prices is usually adequate.</i>	

TQ	Reference	Recognition/measurement requirement	Yes / No / N/A
33B	IAS 33.A5	Has the method used to calculate the average market price been used consistently unless it is no longer representative because of changed conditions?	
	IAS 33.A5	<i>Note: For example, an entity that uses closing market prices to calculate the average market price for several years of relatively stable prices might change to an average of high and low prices if prices start fluctuating greatly and the closing market prices no longer produce a representative average price.</i> <i>Generally, closing market prices are adequate for calculating the average market price. When prices fluctuate widely, however, an average of the high and low prices usually produces a more representative price.</i>	
33B	IAS 33.A7	In the calculation of diluted EPS, have options or warrants that permit or require the tendering of debt or other instruments of the entity (or its parent or a subsidiary) in payment of all or a portion of the exercise price and that have a dilutive effect been assumed to be exercised and the debt or other instruments assumed to be tendered?	
	IAS 33.A7	<i>Notes:</i> 1) <i>Options or warrants that permit or require the tendering of debt or other instruments of the entity (or its parent or a subsidiary) in payment of all or a portion of the exercise price have a dilutive effect if (a) the average market price of the related ordinary shares for the period exceeds the exercise price or (b) the selling price of the instrument to be tendered is below that at which the instrument may be tendered under the option or warrant agreement and the resulting discount establishes an effective exercise price below the market price of the ordinary shares obtainable upon exercise.</i>	
	IAS 33.A7, A8	2) <i>If tendering cash is more advantageous to the option or warrant holder and the contract permits tendering cash, tendering of cash is assumed. Similar treatment is given to preference shares that have similar provisions or to other instruments that have conversion options that permit the investor to pay cash for a more favourable conversion rate.</i>	
33B	IAS 33.A7	Has any interest (net of tax) on any debt assumed to be tendered been added back as an adjustment to the numerator?	
33B	IAS 33.A9	In the calculation of diluted EPS, have those options or warrants whose underlying terms require the proceeds received from the exercise of those instruments to be applied to redeem debt or other instruments of the entity (or its parent or a subsidiary) been assumed to have been exercised and the proceeds applied to purchase the debt at its average market price rather than to purchase ordinary shares?	
33B	IAS 33.A9	However, are the excess proceeds received from the assumed exercise over the amount used for the assumed purchase of debt considered (i.e. assumed to be used to buy back ordinary shares) in the diluted EPS calculation?	
	IAS 33.A9	<i>Note: Interest (net of tax) on any debt assumed to be purchased is added back as an adjustment to the numerator.</i>	
33B	IAS 33.47	Was previously reported EPS not retroactively adjusted to reflect changes in prices of ordinary shares?	
33B	IAS 33.47A	For share options and other share-based payment arrangements to which IFRS 2 <i>Share-based Payment</i> applies, does the issue and exercise price include the fair value of any goods or services to be supplied to the entity in the future under the share option or other share-based payment arrangement?	

TQ	Reference	Recognition/measurement requirement	Yes / No / N/A
33B	IAS 33.48	Have employee share options with fixed or determinable terms and non-vested ordinary shares been treated as options in the calculation of diluted EPS, even though they may be contingent on vesting?	
33B	IAS 33.48	Have employee share options with fixed or determinable terms and non-vested ordinary shares been treated as outstanding on the grant date?	
	IAS 33.48	<i>Note: Performance-based employee share options are treated as contingently issuable shares because their issue is contingent upon satisfying specified conditions in addition to the passage of time.</i>	
		<u>Convertible instruments</u>	
33B	IAS 33.49	Has the dilutive effect of convertible instruments been reflected in diluted EPS in accordance with paragraphs 33 and 36 of IAS 33 (see above)?	
33B	IAS 33.51	Where the redemption or induced conversion of convertible preference shares affects only a portion of the previously outstanding convertible preference shares:	
		a) has any excess of the fair value of the ordinary shares or other consideration paid over the fair value of the ordinary shares issuable under the original conversion terms been attributed to those shares that are redeemed or converted for the purpose of determining whether the remaining outstanding preference shares are dilutive?	
33B		b) have the shares redeemed or converted been considered separately from those shares that are not redeemed or converted?	
		<u>Contingently issuable shares</u>	
33E	IAS 33.52	Have contingently issuable ordinary shares been treated as outstanding and included in the calculation of diluted EPS if the conditions attached to the shares are satisfied (i.e. the events have occurred)?	
33E	IAS 33.52	If the conditions are satisfied, were the contingently issuable shares included from the beginning of the period (or from the date of the contingent share agreement, if later)?	
33E	IAS 33.52	If the conditions are not satisfied, was the number of contingently issuable shares included in the diluted EPS calculation based on the number of shares that would be issuable if the end of the period were the end of the contingency period?	
33E	IAS 33.52	If the conditions are not met when the contingency period expired, has restatement not been performed?	
33E	IAS 33.53	If the attainment or maintenance of a specified amount of earnings for a period is the condition for contingent issue and if that amount of earnings has been attained at the end of the reporting period but must be maintained beyond the end of the reporting period for an additional period, then:	
		a) have the additional ordinary shares been treated as outstanding, if the effect is dilutive, when calculating diluted EPS?	
		b) was the calculation of diluted EPS based on the number of ordinary shares that would be issued if the amount of earnings at the end of the reporting period were the amount of earnings at the end of the contingency period?	
	IAS 33.54	If the number of ordinary shares contingently issuable depends on the future market price of the ordinary shares, and if the effect is dilutive, was the calculation of diluted EPS based on the number of ordinary shares that would be issued if the market price at the end of the reporting period were the market price at the end of the contingency period?	

TQ	Reference	Recognition/measurement requirement	Yes / No / N/A
33E	IAS 33.54	If the number of ordinary shares contingently issuable is based on an average of market prices over a period of time that extends beyond the end of the reporting period, has the average for the period of time that has lapsed been used?	
33E	IAS 33.55	If the number of ordinary shares contingently issuable depends on both future earnings and future prices of the ordinary shares a) were the contingently issuable shares only included in the diluted EPS calculation where both conditions have been met? b) was the number of ordinary shares included in the diluted EPS calculation based on both conditions (i.e. earnings to date and the current market price at the end of the reporting period)?	
33E	IAS 33.56	In cases where the number of ordinary shares contingently issuable depends on a condition other than earnings or market price (e.g. the opening of a specified number of retail stores), and assuming that the present status of the condition remains unchanged until the end of the contingency period, were the contingently issuable ordinary shares included in the calculation of diluted EPS according to the status at the end of the reporting period?	
33E	IAS 33.57	Have contingently issuable potential ordinary shares (other than those covered by a contingent share agreement, such as contingently issuable convertible instruments) been included in the diluted EPS calculation as follows: a) the entity determines whether the potential ordinary shares may be assumed to be issuable on the basis of the conditions specified for their issue in accordance with the contingent ordinary share provisions in paragraphs 52 to 56 of IAS 33 (see above)? b) if those potential ordinary shares should be reflected in diluted EPS, the entity determines their impact on the calculation of diluted EPS by following the provisions for options and warrants in paragraphs 45 to 48 of IAS 33 (see above), the provisions for convertible instruments in paragraphs 49 to 51 of IAS 33 (see above), the provisions for contracts that may be settled in ordinary shares or cash in paragraphs 58 to 61 of IAS 33 (see below), or other provisions, as appropriate? c) exercise or conversion is not assumed for the purpose of calculating diluted EPS unless exercise or conversion of similar outstanding potential ordinary shares that are not contingently issuable is assumed? Contracts that may be settled in ordinary shares or cash	
33F	IAS 33.58	When an entity has issued a contract that may be settled in ordinary shares or cash at the entity's option: a) has the entity presumed that the contract will be settled in ordinary shares? b) have the resulting potential ordinary shares been included in diluted EPS if the effect is dilutive?	
33F	IAS 33.59	When a contract that may be settled in ordinary shares or cash at the entity's option is presented for accounting purposes as an asset or liability, or has an equity component and a liability component, has the entity adjusted the numerator for any changes in profit or loss that would have resulted during the period if the contract had been classified wholly as an equity instrument?	
33F	IAS 33.60	For contracts that may be settled in ordinary shares or cash at the holder's option, has the more dilutive of cash settlement and share settlement been used in calculating diluted EPS?	

TQ	Reference	Recognition/measurement requirement	Yes / No / N/A
		<u>Purchased options</u>	
33G	IAS 33.62	Have contracts such as purchased put options and purchased call options (i.e. options held by the entity on its own ordinary shares) been excluded from the calculation of diluted EPS?	
		<u>Written put options</u>	
33H	IAS 33.63	Have contracts that require the entity to repurchase its own shares, such as written put options and forward purchase contracts, been reflected in the calculation of diluted EPS if the effect is dilutive?	
		<i>Note: Refer to paragraph A10 of Appendix A of IAS 33 for an illustration in this regard.</i>	
33H	IAS 33.63	If contracts that require the entity to repurchase its own shares, such as written put options and forward purchase contracts, are 'in the money' during the period (i.e. the exercise or settlement price is above the average market price for that period), has the potential dilutive effect on EPS been calculated as follows: a) it has been assumed that at the beginning of the period sufficient ordinary shares will be issued (at the average market price during the period,) to raise proceeds to satisfy the contract? b) it has been assumed that the proceeds from the issue are used to satisfy the contract (i.e. to buy back ordinary shares)? c) the incremental ordinary shares (the difference between the number of ordinary shares assumed issued and the number of ordinary shares received from satisfying the contract) are included in the calculation of diluted EPS?	
		<u>Retrospective adjustments</u>	
33D	IAS 33.64	If the number of ordinary or potential ordinary shares outstanding has increased as a result of a capitalisation, bonus issue or share split, or decreased as a result of a reverse share split, has the calculation of basic and diluted EPS for all periods presented been adjusted retrospectively?	
33D	IAS 33.64	If the number of ordinary or potential ordinary shares outstanding has increased as a result of a capitalisation, bonus issue or share split, or decreased as a result of a reverse share split, and if these changes occurred after the reporting period but before the financial statements are authorised for issue, have the per share calculations for those and any prior period financial statements presented been based on the new number of shares?	
33A, B	IAS 33.64	Have basic and diluted EPS of all periods presented been adjusted for the effects of errors and adjustments resulting from changes in accounting policies accounted for retrospectively?	
33A, B	IAS 33.65	Was diluted EPS of any prior period presented not restated for changes in the assumptions used in EPS calculations or for the conversion of potential ordinary shares into ordinary shares?	

IAS 34 Interim Financial Reporting

TQ	Reference	Recognition/measurement requirement	Yes / No / N/A
		Please refer to Deloitte's Presentation and Disclosure Checklist for the requirements of IAS 34, which prescribes the minimum content of an interim financial report as well as principles for recognition and measurement in complete or condensed financial statements for an interim period. <i>In July 2006, IFRIC 10, Interim Financial Reporting and Impairment, was issued, which clarifies that impairment losses related to goodwill or an investment in either an equity instrument or a financial asset carried at cost, that the entity recognised in an interim financial report prepared in accordance with IAS 34, cannot be reversed in subsequent financial statements. Please refer to the relevant sections of this questionnaire dealing with IAS 36, Impairment of Assets, and IAS 39, Financial Instruments: Recognition and Measurement, for the requirements of IFRIC 10.</i>	

IAS 36 Impairment of Assets

TQ	Reference	Recognition/measurement requirement	Yes / No / N/A
		<i>This section of the questionnaire addresses IAS 36. The purpose of this Standard is to ensure that assets are not carried at an amount that is greater than their recoverable amount. If an asset is carried at more than its recoverable amount, the asset is described as impaired and IAS 36 requires the entity to recognise an impairment loss.</i> <i>The principal issues are: how to determine whether impairment exists, how to recognise an impairment loss and when an entity should reverse an impairment loss.</i> <i>In July 2006, IFRIC 10, Interim Financial Reporting and Impairment, was issued, which clarifies that certain impairment losses recognised in an interim period cannot be reversed in subsequent financial statements.</i> SCOPE NOTE <i>IAS 36 should be applied in accounting for the impairment of all assets, except for the following assets which are covered by other standards:</i> <i>a) inventories (see IAS 2, Inventories);</i> <i>b) assets arising from construction contracts (see IAS 11, Construction Contracts);</i> <i>c) deferred tax assets (see IAS 12, Income Taxes);</i> <i>d) assets arising from employee benefits (see IAS 19, Employee Benefits);</i> <i>e) financial assets that are within the scope of IAS 39, Financial Instruments: Recognition and Measurement;</i> <i>f) investment property that is measured at fair value (see IAS 40, Investment Property);</i> <i>g) biological assets related to agricultural activity that are measured at fair value less costs to sell (see IAS 41, Agriculture);</i> <i>h) deferred acquisition costs and intangible assets arising from an insurer's contractual rights under insurance contracts within the scope of IFRS 4, Insurance Contracts; and</i> <i>i) non-current assets (or disposal groups) classified as held for sale in accordance with IFRS 5, Non-current Assets held for Sale and Discontinued Operations.</i> <i>IAS 36 does not apply to the above because existing IFRSs applicable to these assets contain requirements for recognising and measuring these assets.</i> <i>References in IAS 36 (and, therefore, this part of the questionnaire) to <u>assets</u> applies equally to <u>individual assets</u> and <u>cash-generating units</u> except where specific reference is made to CGUs.</i> DEFINITIONS <i>An impairment loss is the amount by which the carrying amount of an asset or a cash-generating unit exceeds its recoverable amount.</i> <i>Recoverable amount of an asset or cash-generating unit is the higher of its fair value less cost to sell and its value in use.</i> <i>Value in use is the present value of the future cash flows expected to be derived from an asset or cash-generating unit.</i> <i>Fair value less cost to sell is the amount obtainable from the sale of an asset or cash-generating unit in an arm's length transaction between knowledgeable, willing parties, less the costs of disposal.</i>	

TQ	Reference	Recognition/measurement requirement	Yes / No / N/A
		A cash-generating unit (CGU) is the smallest identifiable group of assets that generates cash inflows that are largely independent of the cash inflows from other assets or groups of assets. Corporate assets are assets other than goodwill that contribute to the future cash flows of both the CGU under review and other CGUs. Costs of disposal are incremental costs directly attributable to the disposal of an asset or CGU, excluding finance costs and income tax expense,	
		TAILORING QUESTIONS	
		<i>If you answer "yes" to any of the tailoring questions below, please answer the compliance questions relating to it.</i>	
36A		Does the entity recognise assets such as property, plant and equipment and investment properties that are measured on a cost basis, or intangible assets?	
36B		Does the entity have different divisions, business units, branches or outlets that generate cash flows independently from the other businesses within the entity? OR Does the entity have investments in subsidiaries, associates or joint ventures?	
36C		Does the entity recognise assets, for which there is an indication that the assets may be impaired? (Refer to compliance questions for 36A)	
36D		Has the entity recognised goodwill acquired in a business combination in its financial statements?	
36E		Does the entity have any corporate assets that exist for the benefit of different divisions or business units within the larger entity, but do not generate cash-flows independently from the other divisions/business units, for example the building of a headquarters or a research centre?	
36F		Did the entity recognise an impairment loss in a previous period?	
36G		Has the entity recognised any intangible assets with an indefinite useful life or any intangible assets not yet available for use?	
		DETAILED COMPLIANCE QUESTIONS	
		Identifying an asset that may be impaired	
36A, C	IAS 36.9	Does the entity at the end of each reporting period assess whether there is any indication that an asset may be impaired?	
36A, C	IAS 36.9	If any indication of impairment exists, has the entity estimated the recoverable amount of the asset?	
		<i>Note: An asset is impaired if its carrying amount exceeds its recoverable amount</i>	
36G	IAS 36.10	Irrespective of whether there is any indication of impairment, does the entity test any intangible asset with an indefinite useful life for impairment annually by comparing its carrying amount with its recoverable amount?	

TQ	Reference	Recognition/measurement requirement	Yes / No / N/A
		<i>Notes:</i> IAS 36.10(a) 1) <i>This impairment test may be performed at any time during an annual period, provided it is performed at the same time every year. Different intangible assets may be tested for impairment at different times. See paragraphs 15 and 16 of IAS 36 for further discussion.</i> IAS 36.24 2) <i>The most recent detailed calculation of such an asset's recoverable amount made in a preceding period may be used in the impairment test for that asset in the current period, provided that all of the following criteria are met.</i> <i>if the intangible asset does not generate cash inflows from continuing use that are largely independent of those from other assets or groups of assets and is included in a CGU for impairment testing, the assets and liabilities making up the unit have not changed significantly since the most recent recoverable amount calculation;</i> <i>the most recent recoverable amount calculation resulted in an amount that exceeded the asset's carrying amount by a substantial margin; and</i> <i>based on an analysis of events that have occurred and circumstances that have changed since the most recent recoverable amount calculation, the likelihood that a current recoverable amount determination would be less than the asset's carrying value is remote.</i>	
36G	IAS 36.10	Irrespective of whether there is any indication of impairment, does the entity test any intangible asset that is not yet available for use for impairment annually by comparing its carrying amount with its recoverable amount?	
		<i>Note: See previous point.</i>	
36G	IAS 36.10	If the intangible asset (with an indefinite useful life or which is not yet available for use) was initially recognised during the current annual period, has that intangible asset been tested for impairment before the end of the current annual period?	
36D	IAS 36.10	Irrespective of whether there is any indication of impairment, does the entity test any goodwill acquired in a business combination for impairment annually in accordance with paragraphs 80-99 of IAS 36 (see below)?	
36A, C	IAS 36.12	In assessing whether there is any indication that an asset may be impaired, has the entity considered, as a minimum, the following indications: <u>External sources of information</u> a) during the period, the asset's market value has declined significantly more than would be expected as a result of the passage of time or normal use; b) significant changes with an adverse effect on the entity have taken place during the period, or will take place in the near future, in the technological, market, economic or legal environment in which the entity operates or in the market to which the asset is dedicated; c) market interest rates or other market rates of return on investments have increased during the period, and those increases are likely to affect the discount rate used in calculating the asset's value in use and decrease materially the asset's recoverable amount; d) the carrying amount of the net assets of the entity is more than its market capitalisation.	

TQ	Reference	Recognition/measurement requirement	Yes / No / N/A
36A, C	IAS 36.14	<u>Internal sources of information</u> e) evidence is available of obsolescence or physical damage of an asset; f) significant changes with an adverse effect on the entity have taken place during the period or are expected to take place in the near future, in the extent to which, or manner in which, the asset is used or is expected to be used; <i>Note: These changes include the asset becoming idle, plans to discontinue or restructure the operation to which an asset belongs, plans to dispose of an asset before the previously expected date and the reassessing of the useful life of an asset as finite rather than indefinite.</i> g) evidence is available from internal reporting (refer paragraph 14 of IAS 36, see below) that indicates that the economic performance of the asset is, or will be, worse than expected; <i>Note: The purpose of the above is to assist in identifying assets that may be impaired – the existence of an indicator does not necessarily imply that the asset is impaired, but acts as a trigger for a formal impairment assessment. The list is not exhaustive. There may be other indications of impairment which would also trigger a formal impairment review.</i> <u>Dividend from a subsidiary, jointly controlled entity or associate</u> h) for an investment in a subsidiary, jointly controlled entity or associate, the investor recognises a dividend from the investment and evidence is available that: i) the carrying amount of the investment in the separate financial statements exceeds the carrying amounts in the consolidated financial statements of the investee's net assets, including associated goodwill; or ii) the dividend exceeds the total comprehensive income of the subsidiary, jointly controlled entity or associate in the period the dividend is declared.	
		Have the following internal reporting indicators been considered in determining if an asset may be impaired: a) cash flows for acquiring the asset or subsequent cash needs for operating or maintaining it, that are significantly higher than those originally budgeted; b) actual net cash flows or operating profit or loss flowing from the assets that are significantly worse than those budgeted; c) a significant decline in budgeted net cash flows or operating profit, or a significant increase in budgeted loss, flowing from the asset; d) operating losses or net cash outflows for the asset, when current period figures are aggregated with budgeted figures for the future? <i>Note: If the review performed above provides any indication that an asset may be impaired, the entity is required to estimate the recoverable amount of the asset in accordance with paragraph 9 of IAS 36 (see above).</i> <i>If no indication of a potential impairment loss exists, the entity is not required to estimate the recoverable amount unless the asset is an intangible asset with an indefinite useful life or an intangible asset not yet available for use or goodwill acquired in a business combination (see above).</i>	

TQ	Reference	Recognition/measurement requirement	Yes / No / N/A
36A, C	IAS 36.17	If there is an indication that an asset may be impaired, has the entity reviewed and adjusted, where appropriate, the useful life, depreciation / amortisation method and the residual value of the asset even if no impairment loss is recognised? Measuring recoverable amount	
36C	IAS 36.18	When required to do so by paragraph 10 of IAS 36 (see above), has the entity measured the recoverable amount of assets as the higher of the asset's fair value less costs to sell and its value in use?	
36C	IAS 36.20	If it is not possible to determine the fair value less costs to sell of an asset because there is no basis for making a reliable estimate of the amount obtainable from the sale of the asset in an arm's length transaction between knowledgeable and willing parties, has the entity used the asset's value in use as its recoverable amount?	
	IAS 36.19	<i>Note: It is not always necessary to determine both the fair value less costs to sell and the value in use. For example, if one of these amounts is greater than the asset's carrying amount, the asset is not impaired, and it is not necessary to estimate the other amount.</i>	
36C	IAS 36.21	If there is no reason to believe that the asset's value in use materially exceeds its fair value less costs to sell, has the entity considered using fair value less costs to sell as the recoverable amount? <i>Note: This will often be the case when the asset is held for disposal. This is because the value in use of an asset held for disposal will consist mainly of the net disposal proceeds, as the future cash flows from continuing use of the asset until its disposal are likely to be negligible.</i>	
36C	IAS 36.22	Does the entity determine the recoverable amount for individual assets, unless such assets do not generate cash inflows that are largely independent from other assets or groups of assets?	
36C	IAS 36.22	Where an individual asset does not generate cash inflows that are largely independent of those from other assets or groups of assets, has the entity determined the recoverable amount for the CGU to which the asset belongs unless either the asset's fair value less costs to sell is higher than its carrying amount or the asset's value in use can be estimated to be close to its fair value less costs to sell and the fair value less costs to sell can be determined? <i>Note: Refer to compliance questions 36B for guidance on identifying a CGU to which an asset belongs, and for determining the impairment loss of a CGU.</i> Fair value less costs to sell	
36C	IAS 36.25-27	In determining the fair value less costs to sell of an asset, does the entity use the following sources of evidence (in the order given): a) the price in a binding sale agreement in an arm's length transaction, adjusted for incremental costs that would be directly attributable to the disposal of the asset; b) if the asset is traded in an active market, does the entity use the asset's market price (usually the current bid price) less the costs of disposal; <i>Note: When current bid prices are unavailable, the price of the most recent transaction may provide a basis from which to estimate fair value less costs to sell, provided that there has not been a significant change in economic circumstances between the transaction date and the date as at which the estimate is made.</i>	

TQ	Reference	Recognition/measurement requirement	Yes / No / N/A
36C	IAS 36.28	c) if there is no binding sale agreement or active market for an asset, does the entity use the best information available to reflect the amount that the entity could obtain, at the end of the reporting period, from the disposal of the asset in an arm's length transaction between knowledgeable, willing parties, after deducting the costs of disposal?	
		<i>Note: Fair value less costs to sell should not reflect a forced sales price unless management is compelled to sell immediately. In determining fair value less costs to sell, an entity should consider the outcomes of recent transactions for similar asset within the same industry.</i>	
		In determining the fair value less costs to sell of an asset, has the entity only deducted direct and incremental costs to dispose of the asset?	
36C	IAS 36.29	<i>Note: Costs of disposal, other than those that have been recognised as liabilities, are deducted in determining fair value less costs to sell. Examples of such costs are legal costs, stamp duty and similar transaction taxes, costs of removing the asset, and direct incremental costs to bring an asset into condition for its sale.</i>	
		<i>However, termination benefits (as defined in IAS 19) and costs associated with reducing or reorganising a business following the disposal of an asset are not direct incremental costs to dispose of the asset.</i>	
36C	IAS 36.29	Where the disposal of an asset would require the buyer to assume a liability and only a single fair value less costs to sell is available for both the asset and the liability, has consideration been given to paragraph 78 of IAS 36 (see below)?	
		Value in use	
36C	IAS 36.30	In measuring value in use ₁ , does the entity reflect the following elements:	
		a) an estimate of the future cash flows the entity expects to derive from the asset;	
		b) expectations about possible variations in the amount or timing of those future cash flows;	
		c) the time value of money, represented by the current market risk-free rate of interest;	
		d) the price for bearing the uncertainty inherent in the asset; and	
		e) other factors, such as illiquidity, that market participants would reflect in pricing the future cash flows the entity expects to derive from the asset?	
	IAS 36.32	<i>Note: The elements noted in b), d) and e) above can be reflected in the value in use by adjusting future cash flows or as adjustments to the discount rate. Whichever approach an entity adopts to reflect expectations about possible variations in the amount or timing of future cash flows, the result shall be to reflect the expected present value of the future cash flows, i.e. the weighted average of all possible outcomes. Appendix A to IAS 36 provides additional guidance on the use of present value techniques in measuring an asset's value in use.</i>	
		<u>Basis for estimates of future cash flows</u>	
36C	IAS 36.33	In measuring value in use, does the entity:	
		a) base cash flow projections on reasonable and supportable assumptions that represent management's best estimate of the set of economic conditions that will exist over the remaining useful life of the asset;	
		<i>Note: Greater weight should be given to external evidence.</i>	

TQ	Reference	Recognition/measurement requirement	Yes / No / N/A
		b) base cash flow projections on the most recent financial budgets/forecasts approved by management, but excluding any estimate of future cash flows expected to arise from future restructuring or from improving or enhancing the asset's performance; and <i>Note: Projections based on these budgets/forecasts should cover a maximum period of five years, unless a longer period can be justified.</i> c) estimate cash flow projections beyond the period covered by the most recent budgets/forecasts by extrapolating the projections based on the budgets/forecasts using a steady or declining growth rate for subsequent years, unless an increasing rate can be justified? <i>Note: This growth rate should not exceed the long-term average growth rate for the products, industries, or country or countries in which the entity operates, or for the market in which the asset is used, unless a higher rate can be justified.</i>	
36C	IAS 36.34	Has management assessed the reasonableness of the assumptions on which its current cash flow projections are based by examining the causes of differences between past cash flow projections and actual cash flows? <i>Note: Management is required to ensure that the assumptions on which its current cash flow projections are based are consistent with past actual outcomes, provided the effects of subsequent events or circumstances that did not exist when those actual cash flows were generated make this appropriate.</i>	
36C	IAS 36.35	If management is using cash flow projections based on financial budgets over a period longer than five years, is it confident that these projections are reliable and can it demonstrate its ability, based on past experience, to forecast cash flows accurately over that longer period?	
36C	IAS 36.36	If cash flow projections until the end of an asset's useful life are estimated by extrapolating the cash flow projections based on the financial budgets/forecasts using a growth rate for subsequent years, is that rate steady or declining, unless an increase in the rate matches objective information about patterns over a product or industry lifecycle? <i>Note: If appropriate, the growth rate is zero or negative.</i> <u>Composition of estimates of future cash flows</u>	
36C	IAS 36.39	Does the estimate of future cash flows include: a) projections of cash inflows from the continuing use of the asset; b) projections of cash outflows that are necessarily incurred to generate the cash inflows from continuing use of the asset and that can be directly attributed, or allocated on a reasonable and consistent basis, to the asset; and	
	IAS 36.41	<i>Note: Such cash outflows will include outflows to prepare the asset for use, and also include those for the day-to-day servicing of the asset as well as future overheads that can be attributed directly, or allocated on a reasonable and consistent basis, to the use of the asset.</i> c) net cash flows, if any, to be received (or paid) for the disposal of the asset at the end of its useful life?	
36C	IAS 36.40	If the entity uses a discount rate that includes the effect of price increases due to general inflation, have estimates of future cash flows been made in nominal terms?	
	IAS 36.40	<i>Note: Estimates of future cash flows and the discount rate should reflect consistent assumptions about price increases attributable to general inflation.</i>	

TQ	Reference	Recognition/measurement requirement	Yes / No / N/A
36C	IAS 36.40	If the entity uses a discount rate that excludes the effect of price increases due to general inflation, have estimates of future cash flows been made in real terms but including future specific price increases or decreases?	
36C	IAS 36.43	Do estimates of future cash flows exclude: a) cash inflows from assets that generate cash inflows from continuing use that are largely independent of the cash inflows from the asset under review (e.g. financial assets such as receivables); b) cash outflows that relate to obligations that have already been recognised as liabilities (e.g. payables, pensions or provisions)?	
36C	IAS 36.44	Have future cash flows been estimated for the asset in its current condition?	
36C	IAS 36.44	Do estimates of future cash flows exclude estimated future cash inflows or outflows that are expected to arise from: a) a future restructuring to which an entity is not yet committed; and b) improving or enhancing the asset's performance?	
36C	IAS 36.47	Where an entity is committed to a restructuring, have: a) its estimates of future cash inflows and cash outflows for the purpose of determining value in use been adjusted to reflect the cost savings and other benefits from the restructuring (based on the most recent financial budgets/forecasts approved by management); and b) its estimates of future cash outflows for the restructuring been included in a restructuring provision in accordance with IAS 37?	
		<i>Note: Illustrative Example 5 to IAS 36 illustrates the effect of a future restructuring on a value in use calculation.</i>	
36C	IAS 36.48	Until an entity <u>incurs</u> cash outflows that improve or enhance the asset's performance, do estimates of future cash flows exclude the estimated future cash inflows that are expected to arise from the increase in economic benefits associated with the cash outflow?	
		<i>Note: Refer to Illustrative Example 6 of IAS 36.</i>	
36C	IAS 36.49	When a CGU consists of assets with different estimated useful lives, all of which are essential to the ongoing operation of the unit, has the replacement of assets with shorter lives (than that of the CGU) been considered to be part of the day-to-day servicing of the unit when estimating the future cash flows associated with the unit?	
36C	IAS 36.49	When a single asset consists of components with different estimated useful lives, has the replacement of components with shorter lives (than that of the asset) been considered to be part of the day-to-day servicing of the asset when estimating the future cash flows generated by the asset?	
36C	IAS 36.50	Do estimates of future cash flows exclude: a) cash inflows or outflows from financing activities; and b) income tax receipts or payments?	
	IAS 36.51	<i>Note: Discount rates already take into account the time value of money and IAS 36 requires that they are determined on a pre-tax basis, therefore to be consistent, cash flows should not include the items above.</i>	

TQ	Reference	Recognition/measurement requirement	Yes / No / N/A
36C	IAS 36.52	Is the estimate of net cash flows to be received (or paid) for the disposal of an asset at the end of its useful life estimated as the amount that an entity expects to obtain from the disposal of the asset in an arm's length transaction between knowledgeable, willing parties, after deducting the estimated costs of disposal?	
36C	IAS 36.53	Has the estimate of net cash flows to be received (or paid) for the disposal of an asset at the end of its useful life been determined in a similar way to an asset's fair value less costs to sell, except that, in estimating those net cash flows: a) an entity uses prices prevailing at the date of the estimate for similar assets that have reached the end of their useful life and have operated under conditions similar to those in which the asset will be used; and b) the entity adjusts those prices for the effect of both future price increases due to general inflation and specific future price increases or decreases. <i>Note: However, if estimates of future cash flows from the asset's continuing use and the discount rate exclude the effect of general inflation, the entity also excludes this effect from the estimate of net cash flows on disposal.</i> <u>Foreign currency future cash flows</u>	
36C	IAS 36.54	Have future cash flows been estimated in the currency in which they will be generated and then discounted using a discount rate appropriate for that currency? <i>Note: An entity would then translate the present value using the spot exchange rate at the date of the value in use calculation.</i> <u>Using present value techniques to measure value in use</u>	
36C	IAS 36.A2	Has the entity used either the 'traditional' or the 'expected cash-flow' approach for computing present value, either of which may be used to estimate the value in use of an asset, depending on the circumstances? <i>Note: See below for additional questions related to the 'traditional' and 'expected cash-flow' approaches, which are explained in detail in Appendix A to IAS 36. Appendix A is an integral part of the Standard.</i>	
36C	IAS 36.A3	Although the techniques used to estimate future cash flows and interest rates will vary from one situation to another depending on the circumstances surrounding the asset in question, has the entity applied the following general principles that govern any application of present value techniques in measuring assets: a) interest rates used to discount cash flows should reflect assumptions that are consistent with those inherent in the estimated cash flows; b) estimated cash flows and discount rates should be free from both bias and factors unrelated to the asset in question; c) estimated cash flows or discount rates should reflect the range of possible outcomes rather than a single most likely, minimum or maximum possible amount? <u>Traditional approach</u>	
36C	IAS 36.A6	For the purpose of inferring an appropriate discount rate from the observable interest rate in another asset, has the entity: a) identified the set of cash flows that will be discounted; b) identified another asset in the marketplace that appears to have similar cash flow characteristics;	

TQ	Reference	Recognition/measurement requirement	Yes / No / N/A
		c) compared the cash flow sets from the two items to ensure that they are similar (e.g. are both sets contractual cash flows, or is one contractual and the other an estimated cash flow?); d) evaluated whether there is an element in one item that is not present in the other (e.g. is one less liquid than the other?); and e) evaluated whether both sets of cash flows are likely to behave (i.e. vary) in a similar fashion in changing economic conditions? <i>Expected cash flow approach</i>	
36C	IAS 36.A8	Has the entity applied the expected cash flow approach consistent with the illustration in paragraph A8 of Appendix A to IAS 36 (not reproduced in this document)?	
	IAS 36.A7, A8	<i>Note: In developing a measurement, the expected cash flow approach uses all expectations about possible cash flows instead of the single most likely cash flow. The expected cash flow approach also allows use of present value techniques when the timing of cash flows is uncertain.</i>	
36C	IAS 36.A11	Has the entity considered the following examples when applying the expected cash flow approach in circumstances where limited information exists: a) the estimated amount falls somewhere between CU50 and CU250, but no amount in the range is more likely than any other amount, in which case, based on that limited information, the estimated expected cash flow is CU150 $[(50 + 250)/2]$; b) the estimated amount falls somewhere between CU50 and CU250, and the most likely amount is CU100 although however, the probabilities attached to each amount are unknown, in which case, based on that limited information, the estimated expected cash flow is CU133.33 $[(50 + 100 + 250)/3]$; c) the estimated amount will be CU50 (10 per cent probability), CU250 (30 per cent probability), or CU100 (60 per cent probability), in which case, based on that limited information, the estimated expected cash flow is CU140 $[(50 \times 0.10) + (250 \times 0.30) + (100 \times 0.60)]$? <i>Note: In each case, the estimated expected cash flow is likely to provide a better estimate of value in use than the minimum, most likely or maximum amount taken alone.</i> <u>Discount rate</u>	
36C	IAS 36.55	Is the discount rate used a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the asset for which the future cash flow estimates have not been adjusted?	
	IAS 36.56	<i>Note: A rate that reflects current market assessments of the time value of money and the risks specific to the asset is the return that investors would require if they were to choose an investment that would generate cash flows of amounts, timing and risk profile equivalent to those that the entity expects to derive from the asset. This rate is estimated from the rate implicit in current market transactions for similar assets or from the weighted average cost of capital of a listed entity that has a single asset (or a portfolio of assets) similar in terms of service potential and risks to the asset under review.</i>	
36C	IAS 36.A15	Whichever approach an entity adopts ('traditional' or 'expected cash-flow') for measuring the value in use of an asset, does the interest rate used to discount cash flows not reflect risks for which the estimated cash flows have been adjusted? <i>Note: Otherwise, the effect of some assumptions will be double-counted.</i>	

TQ	Reference	Recognition/measurement requirement	Yes / No / N/A
36C	IAS 36.A16	When an asset-specific rate is not directly available from the market, has the entity used surrogates to estimate the discount rate? <i>Note: The purpose is to estimate, as far as possible, a market assessment of:</i> - the time value of money for the periods until the end of the asset's useful life; and - factors (b), (d) and (e) described in paragraph A1 of Appendix A to IAS 36, to the extent those factors have not caused adjustments in arriving at estimated cash flows.	
36C	IAS 36.A17	As a starting point in making an estimate of the discount rate, has the entity taken into account the following rates: - the entity's weighted average cost of capital determined using techniques such as the Capital Asset Pricing Model; - the entity's incremental borrowing rate; and - other market borrowing rates?	
	IAS 36.A18	<i>Note: However, these rates must be adjusted:</i> - to reflect the way that the market would assess the specific risks associated with the asset's estimated cash flows; and - to exclude risks that are not relevant to the asset's estimated cash flows or for which the estimated cash flows have been adjusted. <i>Consideration should be given to risks such as country risk, currency risk and price risk.</i>	
36C	IAS 36.A21	Although an entity normally uses a single discount rate for the estimate of an asset's value in use, has the entity used separate discount rates for different future periods where value in use is sensitive to a difference in risks for different periods or to the term structure of interest rates? Recognising and measuring an impairment loss	
36C	IAS 36.59	If, and only if, the recoverable amount of an asset is less than its carrying amount, has the entity reduced the carrying amount of the asset to its recoverable amount?	
36C	IAS 36.60	Has the impairment loss been recognised immediately in profit or loss, unless the asset is carried at a revalued amount under another Standard?	
36C	IAS 36.60	Has any impairment loss of a revalued asset been treated as a revaluation decrease in accordance with the applicable Standard?	
	IAS 36.61	<i>Note: Therefore, an impairment loss on a revalued asset is recognised in other comprehensive income to the extent that the impairment loss does not exceed the amount in the revaluation surplus for that same asset. Such an impairment loss on a revalued asset reduces the revaluation surplus for that asset.</i>	
36C	IAS 36.62	If the amount estimated for the impairment loss is greater than the carrying amount of the asset to which it relates, does the entity recognise a liability if, and only if, that is required by another Standard?	
36C	IAS 36.63	After the recognition of the impairment loss, has the entity adjusted its depreciation / amortisation charge for the asset in future periods to allocate the revised carrying amount less its residual value (if any) on a systematic basis over its remaining useful life?	

TQ	Reference	Recognition/measurement requirement	Yes / No / N/A
36C	IAS 36.64	If an impairment loss is recognised, have any related deferred tax assets or liabilities been determined in accordance with IAS 12 <i>Income Taxes</i>, by comparing the revised carrying amount of the asset with its tax base? <i>Note: Refer to Illustrative Example 3 to IAS 36.</i> Cash-generating units and goodwill	
36B	IAS 36.66	Where it is not possible to estimate the recoverable amount of an individual asset for which there is an indication of impairment, has the entity determined the recoverable amount of the CGU to which the asset belongs?	
	IAS 36.67	<i>Note: The recoverable amount of an individual asset cannot be determined if:</i> - the asset's value in use cannot be estimated to be close to its fair value less costs to sell (for example, when the future cash flows from continuing use of the asset cannot be estimated to be negligible); and - the asset does not generate cash inflows that are largely independent of those from other assets. <i>In such cases, value in use and, therefore, recoverable amount, can be determined only for the asset's CGU.</i>	
36B	IAS 36.70	If an active market exists for the output produced by an asset or group of assets, has the entity recognised this asset or group of assets as a CGU even if some or all of the output is used internally?	
36B	IAS 36.70	If the cash inflows generated by any asset or CGU are affected by internal transfer pricing, has the entity used management's best estimate of future price(s) that could be achieved in arm's length transactions in estimating: a) the future cash inflows used to determine the asset's or CGU's value in use; and b) the future cash outflows used to determine the value in use of any other assets or CGUs that are affected by the internal transfer pricing?	
	IAS 36.71	<i>Note: Even if part or all of the output produced by an asset or a group of assets is used by other units of the entity (e.g. products at an intermediate stage of a production process), this asset or group of assets forms a separate CGU if the entity could sell the output on an active market. This is because the asset or group of assets could generate cash inflows that would be largely independent of the cash inflows from other assets or groups of assets.</i> <i>In using information based on financial budgets/forecasts that relates to such a CGU, or to any other asset or CGU affected by internal transfer pricing, an entity adjusts this information if internal transfer prices do not reflect management's best estimate of future prices that could be achieved in arm's length transactions.</i>	
36B	IAS 36.72	Has the entity identified CGUs consistently from period to period for the same asset or types of assets, unless a change is justified?	
36B	IAS 36.74	If dealing with a CGU, has management considered the guidance in paragraphs 19 – 57 of IAS 36 which apply to "an asset" but should be read for this purpose to include "CGUs"?	
36B	IAS 36.75	Has the carrying amount of the CGU been determined in a manner that is consistent with the way the recoverable amount of the CGU is determined?	

TQ	Reference	Recognition/measurement requirement	Yes / No / N/A
	IAS 36.76	<i>Note: The carrying amount of a CGU:</i> - includes the carrying amount of only those assets that can be attributed directly, or allocated on a reasonable and consistent basis, to the CGU and will generate the future cash inflows used in determining the CGU's value in use; and - does not include the carrying amount of any recognised liability, unless the recoverable amount of the CGU cannot be determined without consideration of this liability. <i>This is because fair value less costs to sell and value in use of a CGU are determined excluding cash flows that relate to assets that are not part of the CGU and liabilities that have been recognised (see paragraphs 28 and 43 of IAS 36).</i>	
	IAS 36.77	<i>When assets are grouped for recoverability assessments, it is important to include in the CGU all assets that generate or are used to generate the relevant stream of cash inflows. Otherwise, the CGU may appear to be fully recoverable when in fact an impairment loss has occurred. In some cases, although some assets contribute to the estimated future cash flows of a CGU, they cannot be allocated to the CGU on a reasonable and consistent basis. This might be the case for goodwill or corporate assets such as head office assets (paragraphs 80-103 of IAS 36 explains how to deal with these assets in testing a CGU for impairment – see below).</i>	
36B	IAS 36.78	In circumstances such as when the disposal of a CGU would require the buyer to assume a liability, in order to perform a meaningful comparison between the carrying amount of a CGU and its recoverable amount, has the carrying amount of the liability been deducted in determining both the CGU's value in use and its carrying amount? <i>Note: It may be necessary to consider some recognised liabilities to determine the recoverable amount of a CGU. This may occur if the disposal of a CGU would require the buyer to assume the liability. In this case, the fair value less costs to sell (or the estimated cash flow from ultimate disposal) of the CGU is the estimated selling price for the assets of the CGU and the liability together, less the costs of disposal.</i>	
36B	IAS 36.79	Where, for practical reasons, the recoverable amount of a CGU is determined after consideration of assets that are not part of the CGU or liabilities that have been recognised, has the entity increased the carrying amount of the CGU by the carrying amount of the assets and decreased the carrying amount of the CGU by the carrying amount of those liabilities? Goodwill <u>Allocating goodwill to cash-generating units</u> <i>Note: Paragraph 80 of IAS 36 sets out the basic principle for allocation of goodwill to cash-generating units for the purpose of impairment testing. One of the limits imposed is that, for entities required to report segment information, the unit or groups of units to which goodwill is allocated should not be larger than a "segment" in respect of which the entity reports segment information.</i>	
36D	IAS 36.80	Is each unit or group of units to which the goodwill is so allocated: - the lowest level within the entity at which the goodwill is monitored for internal management purposes; and - not larger than an operating segment determined in accordance with IFRS 8 <i>Operating Segments</i>?	

TQ	Reference	Recognition/measurement requirement	Yes / No / N/A
36D	IAS 36.80	Is each unit or group of units to which the goodwill is so allocated: a) the lowest level within the entity at which the goodwill is monitored for internal management purposes; and b) not larger than an operating segment as defined by paragraph 5 of IFRS 8 Operating Segments <u>before aggregation</u>? <i>Note: Improvements to IFRSs issued in April 2009 amended paragraph 80(b). An entity shall apply that amendment prospectively for annual periods beginning on or after 1 January 2010. Earlier application is permitted. If an entity applies the amendment for an earlier period it shall disclose that fact.</i>	
36D	IAS 36.84	If the entity did not allocate goodwill acquired in a business combination before the end of the annual period in which the business combination is effected, has the initial allocation been completed before the end of the first annual period beginning after the acquisition date?	
36D	IAS 36.86	If the entity disposed of an operation within a CGU to which goodwill was allocated, has the goodwill associated with the disposed operation been: a) included in the carrying amount of the operation when determining the gain or loss on disposal; and b) measured on the basis of the relative values of the operation disposed of and the portion of the CGU retained (unless the entity can demonstrate a better method of reflecting the goodwill associated with the operation disposed of)?	
36D	IAS 36.87	If an entity has reorganised its reporting structure in a way that changed the composition of one or more CGUs to which goodwill had been allocated, has the goodwill been reallocated to CGUs using a relative value approach? <i>Note: The approach used by the entity to reallocate goodwill should be similar to the approach used when an entity disposes of an operation within a CGU (see above).</i> <u>Testing cash-generating units with goodwill for impairment</u>	
36D	IAS 36.88	Where goodwill associated with a CGU has not been allocated to that CGU (e.g. because the goodwill could only be allocated to groups of CGUs – refer to paragraph 81 of IAS 36), whenever there is an indication that the unit may be impaired, has the entity: a) tested the CGU for impairment by comparing the unit's carrying amount (excluding any goodwill) with its recoverable amount; and b) recognised an impairment loss, if necessary?	
36D	IAS 36.89	If a CGU described in paragraph 88 of IAS 36 (see above) includes in its carrying amount an intangible asset that has an indefinite useful life or is not yet available for use, and that asset can be tested for impairment only as part of the CGU, is that unit also tested for impairment annually (as required under paragraph 10 of IAS 36)?	
36D	IAS 36.90	For any CGU to which goodwill has been allocated: a) has the CGU been tested for impairment annually, and whenever there is an indication of impairment? b) has the entity recognised an impairment loss if the carrying amount of the unit (including goodwill) exceeded the recoverable amount? <i>Note: Paragraph 104 of IAS 36 (see below) sets out the requirements regarding the allocation of the impairment loss in these circumstances.</i>	

TQ	Reference	Recognition/measurement requirement	Yes / No / N/A
		<u>Minority interest</u>	
		<i>Note: IFRS 3 (2008) deleted paragraphs 91 – 95 of IAS 36 and added Appendix C to IAS 36. An entity should apply the amendments for annual periods beginning on or after 1 July 2009. If an entity applies IFRS 3 (2008) for an earlier period, the amendments should also be applied for that earlier period.</i>	
36D	IAS 36.91 - 92	In accordance with IFRS 3, goodwill recognised in business combination represents the goodwill acquired by a parent based on the parent's ownership interest, rather than the amount of goodwill controlled by the parent as a result of the business combination. Therefore, goodwill attributable to a minority interest is not recognised in the parent's consolidated financial statements. Accordingly, if there is a minority interest in a cash-generating unit to which goodwill has been allocated, the carrying amount of that unit comprises both the parent's interest and the minority interest in the identifiable net assets of the unit; and the parent's interest in goodwill. For the purpose of impairment testing a non-wholly-owned CGU with goodwill, has the carrying amount of goodwill been grossed up and allocated to the unit to include the goodwill attributable to the minority interest?	
	IAS 36.93	<i>Note: This notionally adjusted carrying amount is then compared with the recoverable amount of the unit to determine whether the CGU is impaired. Any impairment loss identified is allocated in accordance with paragraph 104 of IAS 36 (see below).</i> <i>Because goodwill is recognised only to the extent of the parent's ownership interest, any impairment loss relating to the goodwill is apportioned between that attributable to the parent and that attributable to the minority interest, with only the former (attributable to the parent) being recognised as a goodwill impairment loss.</i>	
36D	IAS 36.94	If the total impairment loss relating to goodwill is less than the amount by which the notionally-adjusted carrying amount of the CGU exceeds its recoverable amount, has the remaining excess been allocated to the other assets of the unit pro-rata on the basis of the carrying amount of each asset in the unit (in accordance with paragraph 104 of IAS 36)? <i>Note: Refer to Illustrative Example 7 (guidance to IAS 36) which illustrates the impairment testing of a non-wholly-owned CGU with goodwill.</i>	
36D	IAS 36.C1	In accordance with IFRS 3 (2008), goodwill recognised in business combination represents the excess of (a) the aggregate of the consideration transferred measured in accordance with IFRS 3 (2008), the amount of any non-controlling interest in the acquiree measured in accordance with IFRS 3 (2008) and, in a business combination achieved in stages, the acquisition-date fair value of the acquirer's previously held equity interest in the acquiree, over (b) the net of the acquisition-date amounts of the identifiable assets acquired and liabilities assumed measured in accordance with IFRS 3 (2008).	
	IAS 36.C4	For the purpose of impairment testing a non-wholly-owned CGU with goodwill, where non-controlling interest is measured as its proportionate interests in the net identifiable assets of a subsidiary at the acquisition date, has the carrying amount of goodwill allocated to the unit been grossed up to include the goodwill attributable to the non-controlling interest?	
36D	IAS 36.C5	If the total impairment loss relating to goodwill is less than the amount by which the notionally-adjusted carrying amount of the CGU exceeds its recoverable amount, has any identified impairment loss been allocated first to reduce the carrying amount of goodwill allocated to the unit and then to the other assets of the unit pro-rata on the basis of the carrying amount of each asset in the unit (in accordance with paragraph 104 of IAS 36)?	

TQ	Reference	Recognition/measurement requirement	Yes / No / N/A
36D	IAS 36.C6	If a subsidiary, or part of a subsidiary, with a non-controlling interest is itself a cash generating unit, has the impairment loss been allocated between the parent and the non-controlling interest on the same basis as that on which profit or loss is allocated?	
36D	IAS 36.C7	If a subsidiary, part of a subsidiary, with a non-controlling interest is part of a larger cash-generating unit, have goodwill impairment losses been allocated to the parts of the cash-generating unit that have a non-controlling interest and the parts that do not?	
		<i>Notes:</i>	
	IAS 36.C7	1) <i>The impairment losses should be allocated to the parts of the cash-generating unit on the basis of (a) to the extent that the impairment relates to goodwill in the cash-generating unit, the relative carrying values of the goodwill of th parts before the impairment, and (b) to the extent that the impairment relates to the identifiable assets in the cash-generating unit, the relative carrying values of the net identifiable assets of the parts of each unit pro rata on the basis of the carrying amount of each asset in the part.</i>	
		2) <i>In those parts that have a non-controlling interest, the impairment loss is allocated between the parent and the non-controlling interest on the same basis as that on which profit or loss is allocated.</i>	
36D	IAS 36.C8	3) If an impairment attributable to a non-controlling interest relates to goodwill that is not recognised in the parent's consolidated financial statements, that impairment is not recognised as a goodwill impairment loss. In such cases, only the impairment loss relating to the goodwill that is allocated to the parent is recognised as a goodwill impairment loss.	
	IAS 36.C9	4) Illustrative Example 7 illustrates the impairment testing of a non-wholly-owned cash-generating unit with goodwill.	
		<u>Timing of impairment tests</u>	
36D	IAS 36.96	Has the entity performed the annual impairment test of a CGU to which goodwill has been allocated at the same time during the period as in the prior year?	
		<i>Note: The annual impairment test for a CGU to which goodwill has been allocated may be performed any time during an annual period, provided that the test is performed at the same time every year.</i>	
36D	IAS 36.96	If some or all of the goodwill allocated to a CGU was acquired in a business combination during the current annual period , has the entity tested the CGU for impairment before the end of the current period?	
36D	IAS 36.97	If the assets constituting a CGU to which goodwill has been allocated are tested for impairment at the same time as the unit containing the goodwill, have the assets been tested for impairment before the CGU?	
36D	IAS 36.97	If the CGUs constituting a group of CGUs to which goodwill has been allocated are tested for impairment at the same time as the group of units containing the goodwill, have the individual units been tested for impairment before the group of CGUs ?	
36D	IAS 36.99	Where the most recent detailed calculation made in a preceding period of the recoverable amount of a CGU to which goodwill is allocated has been used for impairment testing of the unit during the current period, have all of the following criteria been met:	

TQ	Reference	Recognition/measurement requirement	Yes / No / N/A
		a) the assets and liabilities making up the unit have not changed significantly since the most recent recoverable amount calculation; b) the most recent recoverable amount calculation resulted in an amount that exceeded the carrying amount of the unit by a substantial margin; and c) based on the analysis of events that have occurred and circumstances that have changed since the most recent recoverable amount calculation, the likelihood that a current recoverable amount determination would be less than the current carrying amount of the unit is remote? Corporate assets	
36E	IAS 36.102	In testing a CGU for impairment, has the entity identified all the corporate assets that relate to the CGU under review?	
36E	IAS 36.102	If a portion of the carrying amount of a corporate asset <u>can</u> be allocated on a reasonable and consistent basis to a CGU, has the entity recognised an impairment loss where the carrying amount of the unit (including the portion of the corporate asset allocated) exceeds the recoverable amount?	
36E	IAS 36.102	If a portion of the carrying amount of a corporate asset <u>cannot</u> be allocated on a reasonable and consistent basis to a CGU, has the entity a) compared the carrying amount of the unit (excluding the corporate asset) with its recoverable amount and recognised an impairment loss if the carrying amount of the unit exceeds the recoverable amount; b) identified the smallest group of CGUs that includes the CGU under review to which a portion of the carrying amount of the corporate asset can be allocated on a reasonable and consistent basis; and c) compared the carrying amount of the group of CGU's that include the CGU under review (including the portion of the corporate asset allocated) with the recoverable amount of the group of units and recognised an impairment loss if the carrying amount of the group of units exceeded its recoverable value? <i>Note: Refer to Illustrative Example 8 (guidance to IAS 36) for an illustration of the application to corporate assets of the impairment testing provisions.</i> Impairment loss for a cash-generating unit	
36B, C	IAS 36.104	Is an impairment loss recognised for a CGU (or the smallest group of CGUs to which goodwill or a corporate asset has been allocated) if, and only if, the recoverable amount of the CGU (group of CGUs) is less than its carrying amount?	
36B, C	IAS 36.104	Where an impairment loss has been identified for a CGU (group of CGUs), is the impairment loss allocated to reduce the carrying amount of the assets in the unit (group of units) in the following order: a) first, to reduce the carrying amount of any goodwill allocated to the CGU (group of units); and b) then, to the other assets of the unit (group of units) pro-rata on the basis of the carrying amount of each asset in the unit (group of units)? <i>Note: The reductions in carrying amounts should be treated as impairment losses on individual assets and recognised as an expense in accordance with paragraph 60 of IAS 36 (see above).</i>	
36B, C	IAS 36.105	In allocating an impairment, has the reduction in the carrying amount of any individual asset been restricted so that the carrying amount of the individual asset is not reduced below the highest of:	

TQ	Reference	Recognition/measurement requirement	Yes / No / N/A
		a) its fair value less costs to sell (if determinable); b) its value in use (if determinable); and c) zero?	
36B, C	IAS 36.105	Where the allocation of an impairment loss to an asset has been limited (as per paragraph 105 of IAS 36 – see above), has the amount of the impairment loss that would otherwise have been allocated to the asset been allocated to the other assets of the CGU on a pro-rata basis?	
36B, C	IAS 36.107	If the recoverable amount of an individual asset cannot be determined (see paragraph 67 of IAS 36), has the entity: a) recognised an impairment loss for the asset if its carrying amount is greater than the higher of its fair value less costs to sell and the results of the allocation procedures described in paragraphs 104 and 105 (of IAS 36 – see above); and b) <u>not</u> recognised an impairment loss for the asset if the related CGU is not impaired (this applies even if the asset's fair value less costs to sell is less than its carrying amount)?	
36B, C	IAS 36.108	Does the entity recognise a liability for any remaining unallocated amount of an impairment loss for a CGU if, and only if, that is required by another IFRS?	
		Reversing an impairment loss	
36F	IAS 36.110	At the end of each reporting period, has the entity assessed whether there is any indication that an impairment loss recognised in prior periods for an asset other than goodwill may no longer exist or may have decreased?	
36F	IAS 36.111	In assessing whether there is any indication that an impairment loss recognised in prior periods for an asset other than goodwill may no longer exist, or may have decreased, has the entity considered, as a minimum, the following indications: <i>Note: The purpose of the following is to assist in identifying assets that are no longer impaired – the existence of an indicator acts as a trigger for a formal impairment assessment.</i> <u>External sources of information</u> a) the asset's market value has increased significantly during the period; b) significant changes with a favourable effect on the entity have taken place during the period, or will take place in the near future, in the technological, market, economic or legal environment in which the entity operates or in the market to which the asset is dedicated; c) market interest rates or other market rates of return on investments have decreased during the period, and those decreases are likely to affect the discount rate used in calculating the asset's value in use and increase the asset's recoverable amount materially; <u>Internal sources of information</u> d) significant changes with a favourable effect on the entity have taken place during the period, or are expected to take place in the near future, in the extent to which, or manner in which, the asset is used or is expected to be used. These changes include costs incurred during the period to improve or enhance the asset's performance or restructure the operation to which the asset belongs; e) evidence is available from internal reporting that indicates that the economic performance of the asset is, or will be, better than expected?	

TQ	Reference	Recognition/measurement requirement	Yes / No / N/A
36F	IAS 36.110	If the review performed above provides any indication that an asset may no longer be impaired, or that the extent of impairment has decreased, has the entity estimated the recoverable amount of the asset?	
36F	IAS 36.113	If there is an indication that an impairment loss recognised for an asset no longer exists or has decreased, has the entity considered that this may indicate that the remaining useful life, the depreciation (amortisation) method or the residual value may need to be reviewed and adjusted in accordance with the IFRS applicable to the asset, even if no impairment loss is reversed for the asset?	
36F	IAS 36.114	Is an impairment loss recognised in prior periods for an asset other than goodwill reversed if, and only if, there has been a change in the estimates used to determine the asset's recoverable amount since the last impairment loss was recognised?	
36F	IAS 36.114-116	If the requirements of paragraph 114 of IAS 36 are met (see above), has the carrying amount of the asset (except as described in paragraph 117 of IAS 36 – see below) been increased to its recoverable amount? <i>Note: A reversal of an impairment loss reflects an increase in the estimated service potential of the asset. Examples of changes in estimates include:</i> • <i>a change in the basis for recoverable amount (i.e. whether recoverable amount is based on fair value less costs to sell or value in use);</i> • <i>if recoverable amount was based on value in use, a change in the amount or timing of estimated future cash flows or in the discount rate; or</i> • <i>if recoverable amount was based on fair value less costs to sell, a change in estimate of the components of fair value less costs to sell.</i> <i>An asset's value in use may become greater than the asset's carrying amount simply because the present value of future cash inflows increases as they become closer. However, the service potential of the asset has not increased. Therefore, an impairment loss is not reversed just because of the passage of time, even if the recoverable amount of the asset becomes higher than its carrying amount.</i> Reversing an impairment loss for an individual asset	
36F	IAS 36.117	If the entity has reversed an impairment loss of an asset other than goodwill, has the increased carrying amount of the asset been limited to the carrying amount that would have existed (net of amortisation or depreciation) had no impairment loss been recognised for the asset in prior years?	
36F	IAS 36.118	Has any increase in the carrying amount of an asset other than goodwill above the carrying amount that would have been determined (net of amortisation or depreciation) had no impairment loss been recognised for the asset in prior years been accounted for as a revaluation to be treated by the application of the IFRS applicable to that asset?	
36F	IAS 36.119	Has a reversal of an impairment loss for an asset other than goodwill been recognised as income immediately in profit or loss, unless the asset is carried at a revalued amount in accordance with another IFRS?	

TQ	Reference	Recognition/measurement requirement	Yes / No / N/A
36F	IAS 36.119	For any assets carried at a revalued amount under another IFRS (e.g. under the revaluation model in IAS 16), has any reversal of an impairment loss been treated as a revaluation increase under that other IFRS?	
	IAS 36.120	<i>Note: A reversal of an impairment loss on a revalued asset is recognised in other comprehensive income and increases the revaluation surplus for that asset. However, to the extent that an impairment loss on the same revalued asset was previously recognised in profit or loss, a reversal of that impairment loss is also recognised in profit or loss</i>	
36F	IAS 36.121	After the reversal of an impairment loss is recognised, has the entity adjusted the depreciation charge in future periods to allocate the assets revised carrying amount, less its residual value (if any), on a systematic basis over its remaining life? <i>Reversing an impairment loss for a CGU</i>	
36B, F	IAS 36.122	Has the entity allocated the reversal of an impairment loss for a CGU to the assets in the unit, except for goodwill, on a pro-rata basis based on the carrying amount of each asset in the unit?	
36B, F	IAS 36.122	Have these increases in carrying amounts been treated as reversals of impairment losses for individual assets and recognised in accordance with paragraph 119 (see above)?	
36B, F	IAS 36.123	In allocating a reversal of an impairment, has the increase in the carrying amount of any individual asset been restricted so that the carrying amount of the individual asset is not increased above the lower of: a) its recoverable amount (if determinable); and b) the carrying amount that would have been determined (net of amortisation or depreciation) had no impairment loss been recognised for the asset in prior periods? <i>Note: The amount of the reversal of the impairment loss that would otherwise have been allocated to the asset shall be allocated pro rata to the other assets of the unit, except for goodwill.</i>	
36B, D, F	IAS 36.123	Where the allocation of the reversal of an impairment loss to an asset has been limited (as per paragraph 123 of IAS 36 – see above), has the amount of the reversal loss that would otherwise have been allocated to the asset been allocated to the other assets of the CGU, other than goodwill, on a pro-rata basis? <i>Reversing an impairment loss for goodwill</i>	
36D, F	IAS 36.124	Has the entity <u>not</u> recognised any impairment loss reversal for goodwill?	
		<i>Notes:</i>	
	IAS 36.125	1) <i>An increase in goodwill subsequent to the recognition of an impairment loss is likely to be internally-generated goodwill and is thus not recognised as a reversal of an impairment loss. Internally generated goodwill is prohibited from being recognised in accordance with IAS 38.</i>	
	IFRIC 10.8	2) <i>The prohibition on reversing an impairment loss for goodwill applies irrespective of whether the impairment loss was recognised at a year end or in an interim financial report in accordance with paragraph 28 of IAS 34 Interim Financial Reporting.</i>	
	IFRIC 10.10	3) <i>IFRIC 10 is effective for annual periods beginning on or after 1 November 2006, with earlier application encouraged. An entity shall apply the Interpretation to goodwill prospectively from the date at which it first applied IAS 36.</i>	

IAS 37 Provisions, Contingent Liabilities and Contingent Assets

TQ	Reference	Recognition/measurement requirement	Yes / No / N/A
37A		<i>This section of the questionnaire addresses IAS 37, which prescribes the accounting for all provisions (including provisions for restructuring and onerous contracts), contingent liabilities and contingent assets.</i> SCOPE NOTE <i>IAS 37 applies in the accounting for provisions, contingent liabilities and contingent assets except:</i> <i>those resulting from executory contracts, except where the contract is onerous; and</i> <i>those covered by another Standard.</i> <i>IAS 37 does not apply to financial instruments (including guarantees) that are within the scope of IAS 39, Financial Instruments: Recognition and Measurement.</i> <i>Examples of other Standards that deal with certain common types of provisions (which are therefore not covered by IAS 37) are:</i> <i>IAS 11 (construction contracts);</i> <i>IAS 12 (income taxes);</i> <i>IAS 17 (leases) [Note – IAS 17 contains no specific requirements regarding operating leases that have become onerous, and therefore IAS 37 applies.];</i> <i>IAS 19 (employee benefits);</i> <i>IFRS 4 (insurance contracts) [Note – IAS 37 does apply to provisions, contingent liabilities and contingent assets of an insurer, other than those arising from its contractual obligations and rights under insurance contracts within the scope of IFRS 4.]; and</i> <i>IFRS 3 deals with the treatment by an acquirer of contingent liabilities assumed in a business combination.</i> DEFINITIONS <i>A provision is a liability of uncertain timing or amount.</i> <i>A liability is a present obligation of the entity arising from past events, the settlement of which is expected to result in an outflow from the entity of resources embodying economic benefits.</i> <i>Provisions can be distinguished from other liabilities such as trade payables and accruals because there is uncertainty about the timing or amount of the future expenditure required in settlement.</i> TAILORING QUESTIONS <i>If you answer "yes" to any of the tailoring questions below, please answer the compliance questions relating to it.</i> Does the entity have any present obligations at the end of the reporting period (legal or constructive) of uncertain timing or amount that are expected to result in outflows of resources embodying economic benefits?	

TQ	Reference	Recognition/measurement requirement	Yes / No / N/A
37B		Does the entity have any possible obligations arising from past events that will only be confirmed by the occurrence of uncertain future events that are not wholly within the control of the entity, OR Does the entity have any present obligations arising from past events that have not been recognised as a provision because it is not probable that an outflow of resources embodying economic benefits will be required to settle the obligation, or the amount of the obligation cannot be measured with sufficient reliability? (Does the entity have any contingent liabilities?)	
37C		Does the entity have any possible assets that arise from past events and whose existence will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the entity? (Does the entity have any contingent assets?)	
37D		Is the entity a party to any contract where the unavoidable costs of meeting the obligations under the contract exceed the economic benefits expected to be received under it, for example the long-term lease of a building that the entity is no longer using? (Is the entity party to any onerous contracts?)	
37E		Has the entity planned or embarked on a restructuring of the business, i.e. a programme that is planned and controlled by management that materially changes the scope of the business undertaken by the entity; or the manner in which business is conducted?	
37F		Did the entity have an interest in , or have an obligation to make potential additional contributions to, a fund or a trust in order to segregate assets to fund some or all of the costs of decommissioning, restoration and environmental rehabilitation?	
37G		Does the entity have any obligations related to decommissioning of waste electrical and electronic equipment pursuant to the European Union's Directive on Waste Electrical and Electronic Equipment (WE&EE)? <i>Note: If, under national legislation, new waste from private households is treated in a similar manner to historical waste from private households, the detailed compliance questions for 37G apply by reference in the hierarchy in paragraphs 10 to 12 of IAS 8, Accounting Policies, Changes in Accounting Estimates and Errors. The IAS 8 hierarchy is also relevant for other regulations that impose obligations in a way that is similar to the cost attribution model specified in the EU Directive.</i>	
DETAILED COMPLIANCE QUESTIONS			
Recognition			
Provisions			
37A	IAS 37.14	Is a provision recognised when, and only when, all of the following conditions are met: a) the entity has a present obligation (legal or constructive) as a result of a past event; b) it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation; and c) a reliable estimate of the amount of the obligation can be made?	
37A	IAS 37.15	Where it is not clear whether a present obligation exists or not, is a past event deemed to give rise to a present obligation if, after taking all evidence into account, it is more likely than not that a present obligation exists at the end of the reporting period?	

TQ	Reference	Recognition/measurement requirement	Yes / No / N/A
	IAS 37.16	<i>Note: In almost all cases, it will be clear whether a past event has given rise to a present obligation. In rare cases (e.g. a lawsuit), it may be disputed whether certain events have occurred or whether those events result in a present obligation. In such a case, an entity determines whether a present obligation exists at the end of the reporting period by taking account of all available evidence, including, for example, the opinion of experts. The evidence considered includes any additional evidence provided by events after the reporting period. On the basis of such evidence:</i> <i>where it is more likely than not that a present obligation exists at the end of the reporting period, the entity recognises a provision (if the recognition criteria are met); and</i> <i>where it is more likely that no present obligation exists at the end of the reporting period, the entity discloses a contingent liability, unless the possibility of an outflow of resources embodying economic benefits is remote (see paragraph 86 of IAS 37).</i>	
37A	IAS 37.17	Prior to the recognition of a provision, has an obligating event occurred which leaves the entity with no realistic alternative other than to settle the obligation? <i>Note: This condition will be met only if the settlement of the obligation can be enforced by law (a legal obligation), or the event creates a valid expectation in the minds of others that the obligation will be settled (a constructive obligation).</i>	
37A	IAS 37.18	Are provisions only raised for liabilities that exist at the end of the reporting period (i.e. no provision should be recognised for costs that need to be incurred in order to operate in the future)?	
37A	IAS 37.19	Are provisions only raised for obligations arising from past events existing independently of an entity's future actions? <i>Note: Examples of such obligations are penalties or clean up costs for unlawful environmental damage, both of which would lead to an outflow of resources embodying economic benefits in settlement regardless of the future actions of the entity. If the entity can avoid the expenditure by its future actions, it has no present obligation for that future expenditure and no provision is recognised.</i>	
37A	IAS 37.20	Are provisions only raised if there is another party to whom the obligation is owed? <i>Note: An obligation always involves another party to whom the obligation is owed. It is not necessary, however, to know the identity of the party to whom the obligation is owed – indeed the obligation may be to the public at large. Because an obligation always involves a commitment to another party, it follows that a management or board decision does not give rise to a constructive obligation at the end of the reporting period unless the decision has been communicated before the end of the reporting period to those affected by it in a sufficiently specific manner to raise a valid expectation in them that the entity will discharge its responsibilities.</i>	
37A	IAS 37.22	Where a provision has been raised based on a proposed new law that is yet to be finalised, is enactment of that legislation virtually certain? <i>Note: Differences in circumstances surrounding enactment make it impossible to specify a single event that would make the enactment of a law virtually certain. In many cases, it will be impossible to be virtually certain of the enactment of a law until it is enacted.</i>	

TQ	Reference	Recognition/measurement requirement	Yes / No / N/A
37A	IAS 37.23	Is a provision raised only when an outflow of resources embodying economic benefits is more likely than not (i.e. the probability that the event will occur is greater than the probability that it will not)? <i>Note: Where it is not probable that a present obligation exists, an entity discloses a contingent liability, unless the possibility of an outflow of resources embodying economic benefits is remote. (See paragraph 86 of IAS 37).</i>	
37A	IAS 37.24	Where there are a number of similar obligations (e.g. product warranties), has the entity determined the probability that an outflow will be required in settlement by considering the class of obligations as a whole? <i>Note: A provision is recognised if it is probable that some outflow of resources will be needed to settle the class of obligation as a whole and the other recognition criteria are met.</i>	
37A	IAS 37.25, 26	Except in extremely rare cases, has the entity made a reasonable estimate of the amount of its obligations? <i>Note: Except in extremely rare cases, an entity will be able to determine a range of possible outcomes and can therefore make an estimate of the obligation that is sufficiently reliable to use in recognising a provision. In the extremely rare case where no reliable estimate can be made, a liability exists that cannot be recognised. That liability is disclosed as a contingent liability.</i>	
		Contingent liabilities	
37B	IAS 37.27	Does the entity exclude contingent liabilities from recognition in the statement of financial position?	
37B	IAS 37.29	Where an entity is jointly and severally liable for an obligation, has the entity recognised a provision for the portion of the obligation for which an outflow of resources embodying economic benefits is probable, and has the portion that is expected to be met by other parties been disclosed as a contingent liability? Contingent assets	
37C	IAS 37.31	Does the entity exclude contingent assets from recognition in the statement of financial position?	
37C	IAS 37.33	Where the realisation of income is virtually certain, have the related assets been recognised in the statement of financial position? <i>Note: When the realisation of income is virtually certain, then the related asset is not a contingent asset and its recognition is appropriate.</i>	
		Measurement	
		Best estimate	
37A	IAS 37.36	Is the amount recognised as a provision the best estimate of the expenditure required to settle the present obligation at the end of the reporting period?	
	IAS 37.37, 38	<i>Note: The amount recognised, should be the amount that an entity would rationally pay to settle the obligation at the end of the reporting period or to transfer the obligation to a third party at that time. This amount should take into account management's experience of similar transactions, additional evidence provided by events subsequent to the end of the reporting period and, where applicable, reports from independent experts.</i>	

TQ	Reference	Recognition/measurement requirement	Yes / No / N/A
37A	IAS 37.39	If the provision involves a large population of items, is the obligation estimated by weighting all possible outcomes by their associated probabilities (i.e. by calculating the 'expected value')?	
37A	IAS 37.39	If the provision involves a continuous range of possible outcomes, and each point in that range is as likely as any other, is the obligation estimated using the mid-point of the range?	
		<i>Note: A continuous range of outcomes is a range of values with a minimum and a maximum value where the outcome can be any value in between these two amounts.</i>	
37A	IAS 37.41	Are all provisions measured before tax?	
	IAS 37.41	<i>Note: The tax consequences of provisions, and any changes therein, are dealt with under IAS 12, Income Taxes.</i>	
		Risks and uncertainties	
37A	IAS 37.42	Are the risks and uncertainties that surround the underlying events and circumstances taken into account in reaching the best estimate of a provision?	
		Present value	
37A	IAS 37.45	Where the effect of the time value of money is material, is the amount of the provision calculated as the present value of the expenditures expected to be required to settle the obligation?	
37A	IAS 37.47	Is the discount rate (or rates) used to discount the expected cash flows a pre-tax rate (or rates) that reflect(s) current market assessments of the time value of money and the risks specific to the liability?	
		<i>Note: The discount rate(s) should not reflect risks for which future cash flow estimates have been adjusted.</i>	
		Future events	
37A	IAS 37.48	Have future events (e.g. changes in technology or possible new legislation) that may affect the amount required to settle the obligation been reflected in the amount of the provision where there is sufficient objective evidence that these events will occur?	
		Expected disposal of assets	
37A	IAS 37.51	Are gains from the expected disposal of assets <u>excluded</u> from consideration in measuring the provision?	
	IAS 37.52	<i>Note: Gains on the expected disposal of assets are not taken into account in measuring a provision, even if the expected disposal is closely linked to the event giving rise to the provision. Instead, an entity recognises gains on expected disposals of assets at the time specified by the Standard dealing with the assets concerned.</i>	
		Reimbursements	
37A	IAS 37.53	Where some or all of the expenditure required to settle a provision is expected to be reimbursed by another party, is the reimbursement recognised when, and only when, it is virtually certain that reimbursement will be received if the entity settles the obligation?	
37A	IAS 37.53	In such circumstances, is the reimbursement treated as a separate asset?	
		<i>Note: In the statement of comprehensive income, the expense relating to a provision may be presented net of the amount recognised for a reimbursement.</i>	

TQ	Reference	Recognition/measurement requirement	Yes / No / N/A
37A	IAS 37.53	In such circumstances is the amount recognised for the reimbursement limited to the amount of the provision? Changes in provisions	
37A	IAS 37.59	Are provisions reviewed at the end of each reporting period and adjusted to reflect the current best estimate?	
37A	IAS 37.59	If it is no longer probable that an outflow of resources embodying economic benefits will be required to settle the obligation, has the provision been reversed?	
37A	IAS 37.60	Where discounting is used, is the carrying amount of the provision increased in each period to reflect the passage of time (unwinding of the discount factor) and is this increase recognised as a borrowing cost? Use of provisions	
37A	IAS 37.61	Is the use of provisions restricted to expenditures for which the provisions were originally recognised?	
	IAS 37.62	<i>Note: Only expenditures that relate to the original provision are set against it. Setting expenditures against a provision that was originally recognised for another purpose would conceal the impact of two different events.</i> Application of the recognition and measurement rules Future operating losses	
37A	IAS 37.63, 64	Are future operating expenses or losses excluded from recognition as provisions, since they do not meet the definition of a liability?	
37A	IAS 37.65	If future operating losses are expected, has the entity considered whether certain assets of the entity may be impaired in accordance with IAS 36 <i>Impairment of Assets</i> ? <i>Note: See the IAS 36 section of this questionnaire.</i> Onerous contracts	
37D	IAS 37.66	If an entity has a contract that is onerous, is the present obligation under the contract recognised and measured as a provision?	
	IAS 37.10	<i>Note: An onerous contract is defined as a contract in which the unavoidable costs of meeting the obligations under the contract exceed the economic benefits expected to be received under it.</i>	
37D	IAS 37.68	Is the provision for onerous contracts measured with but ensuring the unavoidable cost under the contract reflect the least net cost of exiting from the contract, which is the lower of the cost of fulfilling the contract and any compensation or penalties arising on cancellation of the contract?	
37D	IAS 37.67	Where the entity has an outstanding executory contract that is onerous, has a liability been recognised in accordance with paragraph 66 of IAS 37 (see above)? <i>Note: An executory contract is a contract under which neither party has performed any of its obligations or both parties have partially performed their obligations to an equal extent. IAS 37 does not apply to executory contracts that are not onerous. Where events make such a contract onerous, the contract falls within the scope of IAS 37 and a liability exists which is recognised.</i>	
37D	IAS 37.69	Has the entity recognised any impairment losses related to assets dedicated to the onerous contract before recognising a separate provision for the onerous contract?	

TQ	Reference	Recognition/measurement requirement	Yes / No / N/A
		Restructuring	
37E	IAS 37.71	Is a provision for restructuring recognised when, and only when all the criteria for recognition of a provision (set out in paragraph 14 of IAS 37 – see above) are met?	
		<i>Note: Paragraphs 72 to 83 of IAS 37 (see below) set out how the general recognition criteria apply to restructurings.</i>	
37E	IAS 37.72	For restructuring provisions, is a constructive obligation to restructure recognised when and only when both of the following conditions are met: a) the entity has a detailed formal plan for the restructuring, identifying at least: i) the business or part of the business concerned; ii) the principal location affected; iii) the location, function and approximate number of employees who will be compensated for terminating their services; iv) the expenditures that will be undertaken; v) when the plan will be implemented; and b) the entity has raised a valid expectation in those affected that it will carry out the restructuring by starting to implement that plan or announcing its main features to those affected by it?	
37E	IAS 37.74	Has a provision for the restructuring been recognised only where its implementation is planned to begin as soon as possible and to be completed in a time frame that makes significant changes to the plan unlikely? <i>Note: If it is expected that there will be a long delay before the restructuring begins or that the restructuring will take an unreasonably long time, it is unlikely that the plan will raise a valid expectation on the part of others that the entity is at present committed to restructuring, because the timeframe allows opportunities for the entity to change its plans.</i>	
37E	IAS 37.75	Where a management or board decision to restructure was taken before the end of the reporting period, <u>and</u> the entity has raised a provision for restructuring, has the entity, before that date: a) started to implement the restructuring plan; or b) announced the main features of the restructuring plan to those affected by it in a sufficiently specific manner to raise a valid expectation in them that the entity will carry out the restructuring? <i>Note: A management or board decision does not give rise to a constructive obligation unless these two criteria are met.</i>	
37E	IAS 37.78	Is the recognition of an obligation for the sale of an operation delayed until the entity is committed to the sale (i.e. when there is a binding sale agreement)?	
37E	IAS 37.79	When the sale of an operation is envisaged as part of a restructuring, have the assets of the operation been review for impairment, under IAS 36 <i>Impairment of Assets</i> (see the IAS 36 section of this questionnaire)?	
37E	IAS 37.80	Are any restructuring provisions recognised restricted to include only the direct expenditures arising from the restructuring, which are those that are both a) necessarily entailed by the restructuring; and b) not associated with the ongoing activities of the entity?	

TQ	Reference	Recognition/measurement requirement	Yes / No / N/A
37E	IAS 37.81	Does the restructuring provision exclude the following costs: a) retraining or relocating continuing staff? b) marketing? or c) investment in new systems and distribution networks? <i>Note: These expenditures relate to the future conduct of the business and are not liabilities for restructuring at the end of the reporting period.</i> IFRIC 5 Rights to Interests arising from Decommissioning, Restoration and Environmental Rehabilitation Funds <i>Note: IFRIC 5 addresses the accounting for decommissioning, restoration and environmental rehabilitation funds, which are used to segregate assets to fund some or all of the costs of decommissioning plant (e.g. nuclear plant) or certain equipment (such as cars, or in undertaking environmental rehabilitation (e.g. rectifying pollution of water). These funds may have one of a number of structures, which are discussed in the Interpretation. The issues addressed in IFRIC 5 are how should a contributor account for its interest in a fund and, when a contributor has an obligation to make additional contributions, how should that obligation be accounted for.</i> Accounting for an interest in a fund	
37F	IFRIC 5.7	Unless the entity (the contributor) is not liable to pay decommissioning costs, even if the fund fails to pay, has the entity recognised separately: a) its obligation to pay decommissioning costs as a liability; and b) its interest in the fund?	
37F	IFRIC 5.8	If the entity has control, joint control or significant influence over the fund by reference to IAS 27, IAS 28, IAS 31 and SIC 12, has it accounted for its interest in the fund in accordance with those Standards?	
37F	IFRIC 5.9	If the entity does not have control, joint control or significant influence over the fund, has the entity recognised the right to receive reimbursement from the fund as a reimbursement in accordance with IAS 37 (see above)?	
37F	IFRIC 5.9	If a right to receive reimbursement from the fund has been recognised, has it been measured at the lower of: a) the amount of the decommissioning obligation recognised; and b) the contributor's share of the fair value of the net assets of the fund attributable to contributors?	
37F	IFRIC 5.9	Have any changes in the carrying value of the right to receive reimbursement other than contributions to and payments from the fund been recognised in profit or loss in the period in which these changes occur? Accounting for obligations to make additional contributions	
37F	IFRIC 5.10	When a contributor has an obligation to make potential additional contributions (e.g. in the event of the bankruptcy of another contributor, or if the value of the investment assets held by the fund decreases to an extent that they are insufficient to fulfil the fund's reimbursement obligations), has the entity recognised a liability for such additional contributions if, and only if, it is probable that additional contributions will be made?	

TQ	Reference	Recognition/measurement requirement	Yes / No / N/A
37G	IFRIC 6.9	IFRIC 6 Liabilities arising from Participating in a Specific Market – Waste Electrical and Electronic Equipment (WE&EE)	
		<i>Note: IFRIC 6 provides guidance on the recognition in the financial statements of producers of liabilities for waste management under the EU directive on WE&EE in respect of sales of historical household equipment. See IFRIC 6 for more background information.</i>	
		Have obligations related to decommissioning of WE&EE been provided for based on the entity's participation in the market during the measurement period as defined by the Member State?	
		<i>Note: Because the obligation for historical household equipment is linked to participation in the market during the measurement period, rather than to production or sale of the items to be disposed of, there is no obligation unless and until a market share exists during the measurement period. The timing of the obligating event may also be independent of the particular period in which the activities to perform the waste management are undertaken and the related costs incurred.</i>	

IAS 38 Intangible Assets

TQ	Reference	Recognition/measurement requirement	Yes / No / N/A
		<i>This section of the questionnaire addresses IAS 38 which prescribes the accounting treatment for intangible assets that are not specifically dealt with in another Standard. The principal issues are when an intangible asset may be recognised, as well as the determination of the subsequent carrying amount. The Standard prescribes certain criteria that should be met before an intangible asset may be recognised.</i> SCOPE NOTE <i>IAS 38 should be applied in accounting for all intangible assets except:</i> a) <i>intangible assets within the scope of another Standard (e.g. goodwill acquired in a business combinations, deferred tax assets, leases, assets arising from employee benefits, intangibles held for sale in the ordinary course of business (inventories and construction contracts), deferred acquisition costs and intangible assets arising from insurance contracts and non-current intangible assets classified as held for sale in accordance with IFRS 5, Non-current Assets held for Sale and Discontinued Operations ;</i> b) <i>financial assets (as defined in IAS 32 Financial Instrument: Presentation)</i> c) <i>the recognition and measurement of exploration and evaluation assets (see IFRS 6, Exploration for and Evaluation of Mineral Resources) and</i> d) <i>expenditure on the development and extraction of, minerals, oil, natural gas and similar non-regenerative resources.</i> <i>IAS 38 does apply to, among other things, expenditure on advertising, training, start-up, research and development activities.</i> <i>Some intangible assets may be contained in or on a physical substance, such as a compact disk (computer software), legal documentation (licence or patent) or film. In determining whether an asset that incorporates both intangible and tangible elements should be treated under IAS 16, Property Plant and Equipment, or as an intangible asset under IAS 38, the entity uses judgement as to which element is more significant.</i> DEFINITIONS <i>An intangible asset is an identifiable non-monetary asset without physical substance.</i> <i>An asset is defined as a resource, controlled by the entity as a result of past events from which future economic benefits are expected to flow.</i> TAILORING QUESTIONS <i>If you answer "yes" to any of the tailoring questions below, please answer the compliance questions relating to it.</i>	
	IAS 38.8		
38A		Did the entity hold or acquire any intangible assets (for example intellectual property, trademarks, brands, patents, copyrights or customer lists) during the year?	
38B		Does the entity recognise any intangible assets that have been generated internally for example designs, processes, goodwill, customer lists or web sites) on its statement of financial position?	
38C		Did the entity incur expenditure related to research and/or development?	
38D		Did the entity incur expenditure on starting up an operation or business, training or advertising & promotion?	
38E		Did the entity incur additional expenditure, relating to an existing item of intangible assets during the year?	

TQ	Reference	Recognition/measurement requirement	Yes / No / N/A
38F		Does the entity hold/own intangible assets accounted for using the cost model?	
38G		Does the entity revalue any class of its intangible assets under the revaluation model?	
38H		Did the entity sell, scrap or otherwise dispose of any intangible assets during the year, or are there intangible assets from which no further economic benefits are anticipated?	
38I		Has the entity incurred costs related to the development of an internet web site or intranet?	
38J		Does the entity hold any intangible assets with an indefinite useful life?	
DETAILED COMPLIANCE QUESTIONS			
Intangible assets			
<i>Note: The recognition of an item as an intangible asset requires that it meet the definition of an intangible asset. In order to meet the definition of an intangible asset, it must be identifiable, controlled by the entity and it must be expected that it will provide future economic benefits to the entity.</i>			
Identifiability			
38A, B	IAS 38.11, 12	Are all intangible assets recognised by the entity either: a) separable (i.e. capable of being separated or divided from the entity and sold, transferred, licensed, rented or exchanged, either individually or together with a related contract, asset or liability); OR b) arising from contractual or other legal rights, regardless of whether those rights are transferable or separable from the entity or from other rights and obligations?	
Control			
38A, B	IAS 38.13	For all intangible assets recognised by the entity, does the entity have the power to obtain the future economic benefits from the intangible asset as well as the ability to restrict the access of others to those benefits?	
Notes:			
	IAS 38.13	1) Control normally stems from legal rights that are enforceable in a court of law, but it is possible that the entity is able to control the future economic benefits in some other way.	
	IAS 38.14	2) Market and technical knowledge may give rise to future economic benefits. An entity controls those benefits if, for example, the knowledge is protected by legal rights such as copyrights, a restraint of trade agreement (where permitted) or by a legal duty on employees to maintain confidentiality.	
	IAS 38.15	3) An entity may have a team of skilled staff and may be able to identify incremental staff skills leading to future economic benefits from training. The entity may also expect that the staff will continue to make their skills available to the entity. However, an entity usually has insufficient control over the expected future economic benefits arising from a team of skilled staff and from training for these items to meet the definition of an intangible asset. For a similar reason, specific management or technical talent is unlikely to meet the definition of an intangible asset, unless it is protected by legal rights to use it and to obtain the future economic benefits expected from it, and it also meets the other parts of the definition.	

TQ	Reference	Recognition/measurement requirement	Yes / No / N/A
	IAS 38.16	4) <i>An entity may have a portfolio of customers or a market share and expect that, because of its efforts in building customer relationships and loyalty, the customers will continue to trade with the entity. However, in the absence of legal rights to protect, or other ways to control, the relationships with customers or the loyalty of the customers to the entity, the entity usually has insufficient control over the expected economic benefits from customer relationships and loyalty for such items (e.g. portfolio of customers, market shares, customer relationships and customer loyalty) to meet the definition of intangible assets. In the absence of legal rights to protect customer relationships, exchange transactions for the same or similar non-contractual customer relationships (other than as part of a business combination) provide evidence that the entity is nonetheless able to control the expected future economic benefits flowing from the customer relationships. Because such exchange transactions also provide evidence that the customer relationships are separable, those customer relationships meet the definition of an intangible asset.</i> Future economic benefits	
38A, B	IAS 38.17	For all intangible assets recognised by the entity, can the entity demonstrate that future economic benefits are expected to flow from the intangible asset? <i>Note: The future economic benefits flowing from an intangible asset may include revenue from the sale of products or services, cost savings, or other benefits resulting from the use of the asset by the entity. For example, the use of intellectual property in a production process may reduce future production costs rather than increase future revenues.</i> Recognition and measurement Recognition – general	
38A, B	IAS 38.18, 21	Is an item recognised as an intangible asset if, and only if: a) it meets the definition of an intangible asset (see above); b) it is probable that the future economic benefits that are attributable to the asset will flow to the entity; and c) the cost of the asset can be measured reliably?	
38E	IAS 38.20	Is subsequent expenditure on brands, mastheads, publishing titles, customer lists and items similar in substance (whether externally acquired or internally generated) always recognised in profit or loss as incurred? <i>Note: The nature of intangible assets is such that, in many cases, there are no additions to such an asset or replacements of part of it. Accordingly, most subsequent expenditures are likely to maintain the expected future economic benefits embodied in an existing intangible asset rather than meet the definition of an intangible asset and the recognition criteria in this Standard. In addition, it is often difficult to attribute subsequent expenditure directly to a particular intangible asset rather than to the business as a whole. Therefore, only rarely will subsequent expenditure – expenditure incurred after the initial recognition of an acquired intangible asset or after completion of an internally-generated intangible asset – be recognised in the carrying amount of an asset.</i>	
38A, B	IAS 38.22, 23	Does the entity assess the probability of expected future economic benefits from intangible assets using reasonable and supportable assumptions that represent management's best estimate of the set of economic conditions that will exist over the useful life of the asset? <i>Note: Greater weight must be given to external evidence.</i>	

TQ	Reference	Recognition/measurement requirement	Yes / No / N/A
38A, B	IAS 38.24	Measurement – general	
		Are intangible assets measured initially at cost?	
	IAS 38.25	<i>Note: The cost of the asset will be determined differently depending on how the asset was acquired – e.g. separate acquisition, as part of a business combination, by way of a government grant or as an exchange of assets. In respect of the cost of internally-generated intangible – see detailed guidance below.</i>	
		Separate acquisition	
	IAS 38.25	<i>Note: Normally, the price an entity pays to acquire separately an intangible asset reflects expectations about the probability that the expected future economic benefits embodied in the asset will flow to the entity. In other words, the effect of probability is reflected in the cost of the asset. Therefore, the probability recognition criterion in paragraph 21(a) of IAS 38 (see above) is always considered to be satisfied for separately acquired intangible assets.</i>	
	IAS 38.26	<i>In addition, the cost of a separately acquired intangible asset can usually be measured reliably. This is particularly so when the purchase consideration is in the form of cash or other monetary assets.</i>	
	IAS 38.25	<i>Note: Normally, the price an entity pays to acquire separately an intangible asset will reflect expectations about the probability that the expected future economic benefits embodied in the asset will flow to the entity. In other words, the entity expects there to be an inflow of economic benefits, even if there is uncertainty about the timing or the amount of the inflow. Therefore, the probability recognition criterion in paragraph 21(a) of IAS 38 (see above) is always considered to be satisfied for separately acquired intangible assets.</i> <i>Paragraph 25 of IAS 38 was amended as a result of IFRS 3(2008) issued in January 2008. IFRS 3(2008) is effective for business combinations for which the acquisition date is on or after 1 July 2009. Earlier application is permitted for periods beginning on or after 30 June 2007 provided that IAS 27(2008) is applied at the same time (see relevant section of this questionnaire for details). An entity shall apply prospectively the amendment for annual periods beginning on or after 1 July 2009. Therefore, amounts recognised for intangible assets and goodwill in prior business combinations shall not be adjusted. If an entity applies IFRS 3(2008) for an earlier period, the amendment shall also be applied for that earlier period.</i>	
38A	IAS 38.27	If an intangible asset was acquired by separate acquisition, does the cost include: its purchase price (after deducting trade discounts and rebates), any import duties and non-refundable purchase taxes, and any directly attributable expenditure on preparing the asset for its intended use?	
	IAS 38.28	<i>Note: Directly attributable costs can include (but are not limited to) the following:</i> • employee benefit costs and professional fees arising directly from bringing the asset to working condition • costs of testing whether an asset is functioning properly.	
38A, D	IAS 38.29-31	Have the following been <u>excluded</u> from the cost capitalised for a separately-acquired intangible asset: a) administrative and other general overhead costs? b) costs of conducting business in a new location or with a new customer? c) costs of introducing a new product or service (including advertising and promotional costs)?	

TQ	Reference	Recognition/measurement requirement	Yes / No / N/A
		d) costs incurred in using or redeploying an intangible asset? e) costs incurred while an asset capable of operating in the manner intended by management had not yet been brought into use? f) initial operating losses? g) income and related expenses of incidental operations?	
38A	IAS 38.30	Has the entity ceased to capitalise costs of a separately-acquired intangible asset once the asset is in the condition necessary for it to be capable of operating in the manner intended by management?	
38A	IAS 38.32	If payment for an intangible asset is deferred beyond normal credit terms, is its cost calculated as the cash price equivalent and the difference between this amount and the total payments recognised as an interest expense over the credit period (unless capitalised in accordance with IAS 23 <i>Borrowing Costs</i>)? Acquisition as part of a business combination	
38A	IFRS 3.37 IAS 38.34	If an intangible asset was acquired as part of an acquisition of another entity/business (a business combination), is the intangible asset recorded separately from goodwill (irrespective of whether the asset had been recognised by the acquirer) if: a) it meets the definition of an intangible asset (identifiable, controlled and expected to provide future benefits); and b) its fair value can be measured reliably?	
	IAS 38.33	Notes: 1) <i>The fair value of an intangible asset reflects market expectations about the probability that the future economic benefits embodied in the asset will flow to the entity. In other words, the effect of probability is reflected in the fair value measurement of the intangible asset. Therefore, the probability recognition criterion in paragraph 21(a) of IAS 38 (see above) is always considered to be satisfied for intangible assets acquired in business combinations.</i>	
	IAS 38.35	2) <i>The fair value of intangible assets acquired in business combinations can normally be measured with sufficient reliability to be recognised separately from goodwill. When, for the estimates used to measure an intangible asset's fair value, there is a range of possible outcomes with different probabilities, that uncertainty enters into the measurement of the asset's fair value, rather than demonstrates an inability to measure fair value reliably. If an intangible asset acquired in a business combination has a finite useful life, there is a rebuttable presumption that its fair value can be measured reliably.</i>	
	IAS 38.38	3) <i>The only circumstances in which the fair value of an intangible asset acquired in a business combination cannot be reliably measured is when the intangible asset acquired arises from legal or contractual rights and either (a) is not separable, or (b) is separable, but there is no history or evidence of exchange transactions for the same or similar assets and otherwise estimating fair value would be dependent on immeasurable variables.</i>	

TQ	Reference	Recognition/measurement requirement	Yes / No / N/A
		Please refer to the IFRS 3 section of this questionnaire for guidance on the initial treatment of an intangible asset acquired in a business combination. Notes: 1) The fair value of an intangible asset will reflect expectations about the probability that the future economic benefits embodied in the asset will flow to the entity. In other words, the entity expects there to be an inflow of economic benefits, even if there is uncertainty about the timing or the amount of the inflow. Therefore, the probability recognition criterion in paragraph 21(a) of IAS 38 (see above) is always considered to be satisfied for intangible assets acquired in business combinations. If an asset acquired in a business combination is separable or arises from contractual or other legal rights, sufficient information exists to measure reliably the fair value of the asset. 2) If an intangible asset acquired in a business combination is separable or arises from contractual or other legal rights, sufficient information exists to measure reliably the fair value of the asset. When, for the estimates used to measure an intangible asset's fair value, there is a range of possible outcomes with different probabilities, that uncertainty enters into the measurement of the asset's fair value. Paragraphs 33 and 35 of IAS 38 were amended and paragraph 38 of IAS 38 was deleted as a result of IFRS 3(2008) issued in January 2008. IFRS 3(2008) is effective for business combinations for which the acquisition date is on or after 1 July 2009. Earlier application is permitted for periods beginning on or after 30 June 2007 provided that IAS 27(2008) is applied at the same time (see relevant section of this questionnaire for details). An entity shall apply prospectively the amendments for annual periods beginning on or after 1 July 2009. Therefore, amounts recognised for intangible assets and goodwill in prior business combinations shall not be adjusted. If an entity applies IFRS 3(2008) for an earlier period, the amendments shall also be applied for that earlier period.	
38A, C	IAS 38.34	If the entity acquires an in-process research and development project through a business combination, has the entity recognised an intangible asset when and only when the asset meets the definition of an intangible asset and its fair value can be measured reliably?	
38A, C	IAS 38.34	If the entity acquires an in-process research and development project through a business combination, has the entity recognised an intangible asset when and only when the asset meets the definition of an intangible asset? Note: Paragraph 34 of IAS 38 was amended as a result of IFRS 3(2008) issued in January 2008. IFRS 3(2008) is effective for business combinations for which the acquisition date is on or after 1 July 2009. Earlier application is permitted for periods beginning on or after 30 June 2007 provided that IAS 27(2008) is applied at the same time (see relevant section of this questionnaire for details). An entity shall apply prospectively the amendment for annual periods beginning on or after 1 July 2009. Therefore, amounts recognised for intangible assets and goodwill in prior business combinations shall not be adjusted. If an entity applies IFRS 3(2008) for an earlier period, the amendment shall also be applied for that earlier period.	
38A	IAS 38.36	If an intangible asset acquired in a business combination cannot be separated from a related tangible/intangible asset, has the entity recognised the group of assets as a single asset separate from goodwill if the fair value of the assets in the group are not reliably measurable?	

TQ	Reference	Recognition/measurement requirement	Yes / No / N/A
	IAS 38.37	<i>Note: The terms 'brand', and 'brand names' are often used as synonyms for trademarks and other marks. However, the former are general marketing terms that are typically used to refer to a group of complementary assets such as a trade mark (or service mark) and its related trade name, formulas, recipes and technological expertise. The acquirer recognises as a single asset a group of complementary intangible assets comprising a brand if the individual fair values of the complementary assets are not reliably measurable. If the individual fair values of the complementary assets are reliably measurable, an acquirer may recognise them as a single asset provided the individual assets have similar useful lives.</i>	
38A	IAS 38.36	If an intangible asset acquired in a business combination cannot be separated from a related contract, identifiable asset or liability, has the entity recognised the intangible asset separately from goodwill but together with the related item?	
38A	IAS 38.37	<i>Note: The acquirer may recognise a group of complementary intangible assets as a single asset provided the individual assets in the group have similar useful lives. For example, the terms "brand" and "brand name" are often used as synonyms for trademarks and other marks. However, the former are general marketing terms that are typically used to refer to a group of complementary assets such as a trademark (or service mark) and its related trade name, formulas, recipes and technological expertise.</i> <i>Note: Improvements to IFRSs issued in April 2009 amended paragraphs 36 and 37. An entity shall apply those amendments prospectively for annual periods beginning on or after 1 July 2009.</i>	
38A	IAS 38.33	For intangible assets acquired in a business combination and recognised separately from goodwill, has the asset been recognised at its fair value at acquisition date? <i>Note: The asset's fair value at acquisition date is the cost of the intangible assets for the purposes of IAS 38.</i>	
38A	IAS 38.39	Has the entity used quoted market (bid) prices in an active market to determine the fair value of intangible assets? <i>Note: An active market is a market in which (a) the items traded are homogeneous; (b) willing buyers and sellers can normally be found at any time; and (c) prices are available to the public.</i>	
38A	IAS 38.39	If current bid prices are unavailable, has the entity used the price of the most recent similar transaction to estimate the asset's fair value provided that there has not been a significant change in economic circumstances between the transaction date and the date at which the asset's fair value is estimated?	
38A	IAS 38.40	If no active market exists for an intangible asset, has the entity estimated the fair value of the asset at the amount it would have paid for the asset at acquisition date in an arm's length transaction between knowledgeable and willing parties on the basis of the best information available?	
	IAS 38.41	<i>Note: In determining this amount, an entity considers the outcome of recent transactions for similar assets. Entities regularly involved in the sale and purchase of unique intangible assets may use indirect techniques (such as discounting estimated future net cash flows of the assets) to determine the fair value of the intangible asset acquired in a business combination provided the technique reflects the transactions and practices prevalent in the asset's industry.</i>	

TQ	Reference	Recognition/measurement requirement	Yes / No / N/A
38A	IAS 38.40	If no active market exists for an intangible asset, its fair value is the amount that the entity would have paid for the asset, at the acquisition date, in an arm's length transaction between knowledgeable and willing parties, on the basis of the best information available?	
	IAS 38.40	<i>Note: In determining this amount, an entity considers the outcome of recent transactions for similar assets. For example, an entity may apply multiples reflecting current market transactions to factors that drive the profitability of the asset (such as revenue, operating profit or earnings before interest, tax, depreciation and amortisation).</i>	
38A	IAS 38.41	<i>Note: Entities that are involved in the purchase and sale of intangible assets may have developed techniques (such as discounting estimated future net cash flows of the assets or estimated costs the entity avoids by owning the intangible asset and not needing to licence it or replace it) for estimating their fair values indirectly. These techniques may be used for initial measurement of an intangible asset acquired in a business combination if their objective is to estimate fair value and if they reflect current transactions and practices in the industry to which the asset belongs.</i>	
		<i>Note: Improvements to IFRSs issued in April 2009 amended paragraphs 40 and 41. An entity shall apply those amendments prospectively for annual periods beginning on or after 1 July 2009. Earlier application is permitted. If an entity applies the amendments for an earlier period it shall disclose that fact.</i>	
38A	IAS 38.43	Is subsequent expenditure on an in-process research or development project that is acquired separately or in a business combination and recognised as an intangible asset: a) recognised as an expense when incurred if it is research expenditure; b) recognised as an expense when incurred if it is development expenditure that does not satisfy the criteria for recognition as an intangible asset in paragraph 57 of IAS 38; and c) added to the carrying amount of the acquired in-process research or development project if it is development expenditure that satisfies the recognition criteria in paragraph 57 of IAS 38? Acquisition by way of government grant	
38A	IAS 38.44	If an intangible asset was acquired by way of a government grant (for example, a free transfer by government of airport landing rights, licences to operate radio or television stations), has the intangible asset been measured initially at fair value or nominal amount in accordance with IAS 20 <i>Accounting for Government Grants and Disclosure of Government Assistance</i> ?	
38A	IAS 38.45	Exchange of assets If the entity acquired an intangible asset in exchange for a non monetary asset or a combination of monetary and non monetary assets, has the entity measured the intangible asset at fair value unless the exchange transaction lacks commercial substance or the fair value of neither the asset received nor the asset given up can be reliably measured?	

TQ	Reference	Recognition/measurement requirement	Yes / No / N/A
		<i>Notes:</i> 1) <i>The entity is required to measure the intangible asset acquired in exchange for a non monetary asset or a combination of monetary and non monetary assets at fair value even if the entity cannot immediately derecognise the asset given up.</i> 2) <i>An exchange transaction has commercial substance if:</i> <i>the configuration (risk, timing, and amount) of the cash flows of the asset received differs from the configuration of the cash flows of the asset(s) transferred; or</i> <i>the entity-specific value (post tax) of the portion of the entity's operations affected by the transaction changes as a result of the exchange and</i> <i>the difference determined in either (a) or (b) is significant relative to the fair value of the assets exchanged.</i>	
38A	IAS 38.46		
	IAS 38.47	If an entity is able to determine reliably the fair value of either the asset received or the asset given up, is the fair value of the asset given up used to measure the cost of the acquired intangible asset unless the fair value of the received asset is more clearly evident?	
38A	IAS 38.45	If the acquired asset is not measured at fair value, is its cost measured at the carrying amount of the asset given up?	
		<i>Internally generated goodwill</i>	
38B	IAS 38.48	Does the entity exclude internally generated goodwill from recognition as an asset?	
		<i>Internally generated intangible assets</i>	
38B, C	IAS 38.51-53	<i>Note: It is sometimes difficult to assess whether an internally generated intangible asset qualifies for recognition. In particular it is difficult to identify whether, and the point of time when, there is an identifiable asset that will generate probable future economic benefits; and to determine the cost of the asset reliably.</i> <i>Therefore, IAS 38 prescribes additional criteria that need to be satisfied before an entity may recognise an internally generated intangible asset. For this purpose the process of generating an intangible asset internally is taken to comprise of a research phase and a development phase. Expenses incurred in the research phase should be expensed, whereas some of the costs incurred during the development phase may be capitalised.</i>	
38B, C	IAS 38.52	In assessing whether an internally generated intangible asset has met the recognition criteria, has the entity classified the generation of an intangible asset into:	
		a) a research phase; and	
		b) a development phase?	
38B, C	IAS 38.53	If the entity is unable to distinguish the research phase from the development phase for an internal project, has the entity treated the expenditure on that project as if it were incurred in the research phase only (i.e. has the full amount been expensed when incurred)?	

TQ	Reference	Recognition/measurement requirement	Yes / No / N/A
38C	IAS 38.8,56	<u>Research phase</u> <i>Note: Research is the original and planned investigation undertaken with the prospect of gaining new scientific or technical knowledge and understanding.</i> <i>Examples of research activities are:</i> - activities aimed at obtaining new knowledge; - the search for, evaluation and final selection of, applications of research findings or other knowledge; - the search for alternatives for materials, devices, products, processes, systems or services; and - the formulation, design, evaluation and final selection of possible alternatives for new or improved materials, devices, products, processes, systems or services.	
38C	IAS 38.54	Has the entity recognised expenditure on research (or on the research phase of an internal project) as an expense when it is incurred? <i>Note: No intangible asset arising from research (or from the research phase of an internal project) shall be recognised.</i>	
38C	IAS 38.8, 59	<u>Development phase</u> <i>Note: Development is the application of research findings or other knowledge to a plan or design for the production of new or substantially improved materials, devices, products, processes, systems or services prior to the commencement of commercial production or use.</i> <i>Examples of development activities are:</i> - the design, construction and testing of pre-production or pre-use prototypes and models; - the design of tools, jigs, moulds and dies involving new technology; - the design, construction and operation of a pilot plant that is not of a scale economically feasible for commercial production; and - the design, construction and testing of a chosen alternative for new or improved materials, devices, products, processes, systems or services.	
38C	IAS 38.57, 61, 62	Is an intangible asset arising from development (or from the development phase of an internal project) recognised if, and only if, the entity can demonstrate ALL of the following : - the technical feasibility of completing the intangible asset so that it will be available for use or sale; - its intention to complete the intangible asset and use or sell it; - its ability to use or sell the intangible asset; - how the intangible asset will generate probable future economic benefits; <i>Note: Among other things, the entity is required to demonstrate the existence of a market for the output of the intangible asset or the intangible asset itself or, if it is to be used internally, the usefulness of the intangible asset.</i>	

TQ	Reference	Recognition/measurement requirement	Yes / No / N/A
38C	IAS 38.60	e) the availability of adequate technical, financial and other resources to complete the development (e.g. business plan, availability of external finance) and to use or sell the intangible asset; and	
		f) its ability to measure the expenditure attributable to the intangible asset during its development reliably (through a costing system)?	
		To demonstrate how an intangible asset will generate probable future economic benefits:	
38B, C	IAS 38.63, 64	a) does the entity assess the future economic benefits to be received from the asset using the principles in IAS 36 <i>Impairment of Assets</i> ?	
		b) if the asset will generate economic benefits only in combination with other assets, does entity apply the concept of cash-generating units in IAS 36?	
		Has the entity <u>excluded</u> internally generated brands, mastheads, publishing titles, customer lists and items similar in substance from recognition as intangible assets?.	
		Cost of an internally generated intangible asset	
38B, C	IAS 38.65	Is the cost of each internally generated intangible asset the sum of expenditure incurred from the date from which the intangible asset first meets the recognition criteria applicable to internally generated intangible assets (see above)?	
38B, C	IAS 38.66	Does the cost of each internally generated intangible asset comprise all directly attributable costs necessary to create, produce and prepare the asset to be capable of operating in a manner intended by management?	
		<i>Note: Examples of directly attributable costs may include:</i> • costs of materials and services used or consumed in generating an intangible asset; • cost of employee benefits arising from the generation of the intangible asset • fees to register a legal right and • amortisation of patents and licences that are used to generate the intangible asset <i>Please refer to the section of this questionnaire dealing with IAS 23, Borrowing Costs, for guidance on capitalising interest as part of the cost of an internally generated intangible asset.</i>	
38B, C, D	IAS 38.67	Has the entity <u>excluded</u> the following in calculating the cost of an internally generated asset:	
		a) selling, administrative and other general overhead expenditure unless this expenditure can be directly attributed to preparing the asset for use;	
		b) identified inefficiencies and initial operating losses incurred before an asset achieves planned performance; and	
		c) expenditure on training staff to operate the asset?	

TQ	Reference	Recognition/measurement requirement	Yes / No / N/A
38B, C	IAS 38.68	Recognition of an expense Is expenditure on an intangible item recognised as an expense when it is incurred unless one of the following criteria is met: a) it forms part of the cost of an intangible asset that meets the recognition criteria set out above; or b) the item is acquired in a business combination that is an acquisition and cannot be recognised as an intangible asset? <i>Note: In accordance with IFRS 3, expenditure of this nature included in the cost of a business combination that cannot be recognised as an intangible asset forms part of the amount attributed to goodwill at the acquisition date.</i>	
	IAS 38.68(b)	<i>Note: In accordance with IFRS 3, it forms part of the amount recognised as goodwill at the acquisition date.</i> <i>Paragraph 68(b) of IAS 38 was amended as a result of IFRS 3(2008) issued in January 2008. IFRS 3(2008) is effective for business combinations for which the acquisition date is on or after 1 July 2009. Earlier application is permitted for periods beginning on or after 30 June 2007 provided that IAS 27(2008) is applied at the same time (see relevant section of this questionnaire for details). An entity shall apply prospectively the amendment for annual periods beginning on or after 1 July 2009. Therefore, amounts recognised for intangible assets and goodwill in prior business combinations shall not be adjusted. If an entity applies IFRS 3(2008) for an earlier period, the amendment shall also be applied for that earlier period.</i>	
38B, D	IAS 38.69	Are the following types of expenditure recognised as an expense when incurred and <u>not</u> included in the carrying amount of an intangible asset: a) expenditure on start-up activities (start-up costs), unless the expenditure is included in the cost of an item of property, plant and equipment in accordance with IAS 16 <i>Property, Plant and Equipment</i>.; b) expenditure on training activities; c) expenditure on advertising and promotional activities (including mail order catalogues); d) expenditure on relocating or re-organising part or all of an entity? <i>Note: In some cases (e.g. such as the above), expenditure is incurred to provide future economic benefits to an entity, but no intangible asset or other asset is acquired or created that can be recognised. In the case of the supply of goods, the entity recognises the expenditure as an expense when it has right to access those goods. In the case of supply of services, the entity recognises the expenditure as an expense, when it receives the services.</i>	
38A	IAS 38.70	Does the entity recognise a prepayment as an asset when payment for the delivery of goods or services has been made in advance of the delivery of goods or the rendering of services?	
38A	IAS 38.70	Does the entity recognise a prepayment as an asset when payment for goods has been made in advance of the entity obtaining a right to access those goods?	
38A	IAS 38.70	Does the entity recognise a prepayment as an asset when payment for services has been made in advance of the entity receiving those services?	

TQ	Reference	Recognition/measurement requirement	Yes / No / N/A
38B, C	IAS 38.71	Is expenditure on an intangible item that was initially recognised as an expense in previous annual financial statements or interim financial reports excluded from recognition as part of the cost of an intangible asset at a later date? Measurement after recognition	
38A	IAS 38.72	Has the entity chosen either the cost model or the revaluation model as its accounting policy for each class of intangible assets. Cost model	
38F	IAS 38.74	If the entity chooses the cost model as its accounting policy for a class of intangible assets, after initial recognition are those intangible assets carried at cost less accumulated depreciation and any accumulated impairment losses? Revaluation model	
38G	IAS 38.8,75	Does the entity apply the revaluation model only if an active market exists for the intangible asset? <i>Note: An active market is a market where all the following conditions exist:</i> - the items traded within the market are homogeneous; - willing buyers and sellers can normally be found at any time; and - prices are available to the public. <i>It is uncommon for an active market to exist for most types of intangible assets as intangible assets are usually unique and are traded infrequently. Exceptions may exist where there is an active market in certain jurisdictions (e.g. for freely-transferable taxi licences, fishing licences or production quotas).</i>	
38G	IAS 38.72	If the entity accounts for an intangible asset using the revaluation model, have all other assets in its class been accounted for in accordance with the revaluation model unless there is no active market for those assets? <i>Note: A class of intangible assets is a grouping of assets similar in nature and use in an entity's operations. A class of assets is revalued simultaneously to avoid selective revaluation.</i>	
38G	IAS 38.75	After initial recognition at cost, is an intangible asset carried at a revalued amount, being its fair value at the date of the revaluation, less any subsequent accumulated amortisation and any subsequent accumulated impairment losses?	
	IAS 38.76	<i>Note: The revaluation model does not allow:</i> - the revaluation of intangible assets that have not previously been recognised as assets or - the initial recognition of intangible assets at amounts other than cost.	
	IAS 38.77	<i>The revaluation model may be applied to the whole intangible asset where only a part of the asset was recognised due to recognition criteria only being met through the development process</i>	
	IAS 38.77	<i>The revaluation model may be applied to an intangible asset that was received by way of a government grant and recognised at a nominal amount.</i>	

TQ	Reference	Recognition/measurement requirement	Yes / No / N/A
38G	IAS 38.75	For the purpose of revaluing intangible assets, is fair value determined by reference to an active market?	
38G	IAS 38.75	Are revaluations made with sufficient regularity such that the carrying amount does not differ materially from that which would be determined using fair value at the end of the reporting period?	
38G	IAS 38.80	If an intangible asset has been revalued, has the accumulated amortisation either been: a) restated proportionately with the change in the gross carrying amount of the asset so that the carrying amount of the asset after revaluation equals its revalued amount; or b) eliminated against the gross carrying amount of the asset and the net amount restated to the revalued amount of the asset?	
38G	IAS 38.81	If an intangible asset in a class of revalued intangible assets cannot be revalued because there is no active market for that asset, is the asset carried at its cost less any accumulated amortisation and impairment losses?	
38G	IAS 38.82	If the fair value of a revalued intangible asset can no longer be determined by reference to an active market (e.g. because the market no longer exists), is the asset carried at its revalued amount at the date of the last revaluation (by reference to the active market) less any subsequent accumulated amortisation and less any subsequent accumulated impairment losses?	
38G	IAS 38.83	If there is no longer an active market for the asset, has the entity considered the possibility that the asset may be impaired and may need to be tested for impairment under IAS 36?	
38G	IAS 38.84	If the fair value of the asset can be determined by reference to an active market at a subsequent measurement date, is the revaluation model applied from that date?	
38G	IAS 38.85	If the carrying amount of the intangible asset has been increased as a result of the revaluation, has the increase been recognised in other comprehensive income and accumulated in equity under the heading revaluation surplus, unless the revaluation reverses a previous revaluation decrease of the same asset recognised in profit or loss?	
38G	IAS 38.85	Is a revaluation increase recognised as income to the extent that it reverses a revaluation decrease of the same asset previously recognised as an expense?	
38G	IAS 38.86	If the carrying amount of the intangible asset has decreased as a result of the revaluation, has the decrease been recognised in the following manner: a) first, used to decrease any revaluation surplus in other comprehensive income to the extent of any credit balance in the revaluation surplus in respect of that asset, and then b) the remaining balance as an expense in profit or loss?	
38G	IAS 38.87	Has the entity transferred the cumulative revaluation surplus directly into retained earnings (i.e. not through profit or loss) when the surplus is realised (for example on disposal or through use of the asset)?	

TQ	Reference	Recognition/measurement requirement	Yes / No / N/A
38J	IAS 38.88, 90, 92	Useful life	
		Has the entity assessed whether the useful life of an intangible asset is indefinite or finite by considering factors such as the following (the list is not exhaustive):	
		a) the expected usage of the asset by the entity and whether the asset could be efficiently managed by another management team;	
		b) typical product life cycles for the asset and public information on estimates of useful lives of similar types of assets that are used in a similar way;	
		c) technical, technological or other types of obsolescence;	
		<i>Note: Computer software is regarded to have a shorter useful life due to its susceptibility to technological obsolescence.</i>	
		d) the stability of the industry in which the asset operates and changes in the market demand for the products or services output from the asset;	
		e) expected actions by competitors or potential competitors;	
		f) the level of maintenance expenditure required to obtain the expected future economic benefits from the asset and the entity's ability and intent to reach such a level;	
		g) the period of control over the asset and legal or similar limits on the use of the asset, such as the expiry dates of related leases; and	
		h) whether the useful life of the asset is dependent on the useful life of other assets of the entity?	
38J	IAS 38.88	If the entity has assessed the useful life of an intangible asset as finite, has it assessed the length of, or number of production or similar units constituting, that useful life?	
38J	IAS 38.88	Is an intangible asset regarded to have an indefinite useful life when based on an analysis of all of the relevant factors there is no foreseeable limit to the period over which the asset is expected to generate net cash inflows for the entity?	
38J	IAS 38.91	Does the useful life of an intangible asset reflect only that level of future maintenance expenditure required to maintain the asset at its standard of performance assessed at the time of estimating the asset's useful life, and the entity's ability and intention to reach such a level?	
		<i>Note: The conclusion of whether the useful life of an intangible asset is indefinite should not depend on planned future expenditure in excess of that required to maintain the asset at that standard of performance assessed at the time of estimating the asset's useful life.</i>	
38F, G	IAS 38.94	Does the useful life of any intangible asset that arises from contractual or other legal rights <u>not</u> exceed the period of the contractual or other legal rights?	
		<i>Note: The useful life of an intangible asset that arises from contractual or other legal rights may be shorter than the period of the contractual or other legal rights if the entity expects to use the asset over a shorter period.</i>	
38F, G	IAS 38.94	If an intangible asset arises from contractual or other legal rights that can be renewed, has the entity only included the renewal period in the determination of the asset's useful life if there is evidence to support the renewal by the entity without significant cost?	

TQ	Reference	Recognition/measurement requirement	Yes / No / N/A
	IAS 38.96	<i>Note: The following are regarded to be indicators that an entity would be able to renew contractual or other legal rights without significant costs:</i> • <i>there is evidence, possibly based on experience, that the contractual or other legal rights will be renewed. If the renewal is contingent upon the consent of a third party, this includes evidence that the third party will give consent</i> • <i>there is evidence that any conditions necessary to obtain renewal will be satisfied</i> • <i>the cost to the entity of renewal is not significant when compared with the future economic benefits expected to flow to the entity from renewal.</i>	
	IAS 38.94	<i>Note: The useful life of a reacquired right recognised as an intangible asset in a business combination is the remaining contractual period of the contract in which the right was granted and shall not include renewal periods.</i> <i>Paragraph 94 of IAS 38 was amended as a result of IFRS 3(2008) issued in January 2008. IFRS 3(2008) is effective for business combinations for which the acquisition date is on or after 1 July 2009. Earlier application is permitted for periods beginning on or after 30 June 2007 provided that IAS 27(2008) is applied at the same time (see relevant section of this questionnaire for details). An entity shall apply prospectively the amendment for annual periods beginning on or after 1 July 2009. Therefore, amounts recognised for intangible assets and goodwill in prior business combinations shall not be adjusted. If an entity applies IFRS 3(2008) for an earlier period, the amendment shall also be applied for that earlier period.</i>	
38F, G	IAS 38.95	If the useful life of an intangible asset is influenced by both economic and legal factors, has the entity based the asset's useful life calculation on the shorter period of the two? Intangible assets with finite useful lives Amortisation period and amortisation method	
38F, G	IAS 38.97	Has the depreciable amount (i.e. after deducting residual value, if any) of a finite useful life intangible asset been allocated on a systematic basis over its useful life?	
38F, G	IAS 38.97	Does amortisation of finite useful life intangible assets commence when the assets are available for use?	
		<i>Note: An intangible asset is regarded to be available for use once it is in the location and condition necessary for it to be capable of operating in the manner intended by management.</i>	
38F, G	IAS 38.97	Does amortisation of finite intangible assets cease at the earlier of:	
		a) the date that the asset is classified as held for sale in accordance with IFRS 5 <i>Non-current Assets held for Sale and Discontinued Operations</i> ; and	
		b) the date that the asset is derecognised?	
38F, G	IAS 38.97	Does the amortisation method used by the entity reflect the pattern in which the asset's future economic benefits are expected to be consumed?	
	IAS 38.98	<i>Note: Various methods such as the straight line method, the diminishing balance method and the unit of production method may be used to allocate the depreciable amount of an asset on a systematic basis over its useful life.</i>	

TQ	Reference	Recognition/measurement requirement	Yes / No / N/A
38F, G	IAS 38.97	If the entity is unable to determine a pattern reliably in which an asset's future economic benefits are expected to be consumed, has the entity used the straight-line method?	
38F, G	IAS 38.97	Is the amortisation charge for each period recognised as an expense, unless another Standard permits or requires it to be included in the carrying amount of another asset?	
38F, G	IAS 38.98	Is the amortisation method used applied consistently from period to period, unless there is a change in the expected pattern of consumption of those future economic benefits?	
38F, G	IAS 38.98	Where the amortisation method for a class of intangible assets with finite useful lives results in a lower amount of accumulated amortisation than under the straight-line method is there persuasive evidence to support such a method?	
		<i>Residual value</i>	
38F, G	IAS 38.100	Is the residual value of a finite intangible asset assumed to be zero unless either: a) there is a commitment by a third party to purchase the asset at the end of its useful life; or b) there is an active market for the asset AND: i) its residual value can be determined by reference to that market; and ii) it is probable that such a market will exist at the end of the asset's useful life?	
38F, G	IAS 38.101	Is a residual value greater than zero assumed only if the entity expects to dispose of the asset before the end of its economic life?	
38F, G	IAS 38.102	Is the estimate of an asset's residual value based on the amount recoverable from the disposal using prices prevailing at the date of the estimate for the sale of a similar asset that has reached the end of its useful life and has operated under conditions similar to those in which the asset will be used?	
38F, G	IAS 38.102	Does the entity review the residual value for finite intangible assets at least at each financial year-end and account for any change in residual value as a change in accounting estimate in accordance with IAS 8 <i>Accounting Policies, Changes in Accounting Estimates and Errors</i> ?	
38F, G	IAS 38.103	If the residual value of an intangible asset increase to an amount equal to or greater than the asset's carrying amount, is the asset's amortisation charge zero unless and until its residual value subsequently decreases to an amount below the asset's carrying amount?	
		<i>Review of amortisation period and amortisation method</i>	
38F, G	IAS 38.104	Does the entity review the amortisation period as well as the amortisation method for finite intangible assets at least at each financial year-end?	
38F, G	IAS 38.104	If the expected useful life of a finite asset is significantly different from previous estimates, is the amortisation period changed accordingly?	
		<i>Note: An impairment loss for the asset may indicate that the useful life has decreased, and that the amortisation period should be changed.</i>	
38F, G	IAS 38.104	If there has been a significant change in the expected pattern of economic benefits from the asset, is the amortisation method changed to reflect the changed pattern?	

TQ	Reference	Recognition/measurement requirement	Yes / No / N/A
38F, G	IAS 38.104	Where the amortisation period or the amortisation method is changed, are such changes accounted for as changes in estimates under IAS 8 <i>Accounting Policies, Changes in Accounting Estimates and Errors</i> ?	
		Intangible assets with indefinite useful lives	
38J	IAS 38.107	Has the entity not amortised any intangible assets with an indefinite useful life classification?	
38J	IAS 38.108	In accordance with IAS 36 <i>Impairment of Assets</i> , does the entity test its intangible assets with indefinite useful life for impairment annually, and whenever there is an indication of impairment?	
		Review of useful life assessment	
38J	IAS 38.109	Has the entity at each period determined whether events and circumstances continue to support an indefinite useful life assessment?	
38J	IAS 38.109	Where the indefinite life assessment is no longer supportable, has the change in the useful life assessment from indefinite to finite been accounted for as a change in accounting estimate in accordance with IAS 8 <i>Accounting Policies, Changes in Accounting Estimates and Errors</i> ?	
38J	IAS 38.110	Where the useful life of an intangible asset has been reassessed as finite rather than indefinite (which is an indicator that an asset might be impaired), has the entity performed an impairment test for the asset in accordance with IAS 36, and recognised any excess of the carrying amount over the recoverable amount as an impairment loss?	
		Recoverability of the carrying amount – impairment losses	
38F, G	IAS 38.111	Has the entity applied the requirements of IAS 36 to determine whether any of its intangible assets is impaired?	
		Retirements and disposals	
38H	IAS 38.112	Are all intangible assets derecognised (i.e. removed from the statement of financial position) on disposal or when no future economic benefits are expected from use or subsequent disposal?	
38H	IAS 38.113	Has the entity calculated the gain or loss from the disposal or retirement of an intangible asset as the difference between the net disposal proceeds and the carrying amount of the intangible asset and included the amount in profit or loss when the asset is derecognised (unless IAS 17 <i>Leases</i> requires otherwise on a sale and leaseback)?	
38H	IAS 38.113	Has the entity excluded from revenue any gains arising on the disposal or retirement of an intangible asset?	
38H	IAS 38.114	Has the entity applied the criteria of IAS 18 <i>Revenue</i> (or IAS 17 in the case of sale and leaseback) in determining the date of disposal of an intangible asset?	
38H	IAS 38.116	Has the entity initially recognised the consideration receivable on disposal of an intangible asset at fair value?	
38H	IAS 38.116	If the payment for an intangible asset is deferred, has the entity : a) recognised the consideration received at the cash price equivalent? b) recognised the difference between the consideration amount and the cash price equivalent as interest income in accordance with IAS 18 reflecting the effective yield on the receivable?	
38H	IAS 38.117	When an intangible asset with a finite useful life is no longer used, unless the asset has been fully depreciated or it is classified as held for sale (or included in a disposal group that is classified as held for sale) in accordance with IFRS 5, has the entity continued to amortise the asset?	

TQ	Reference	Recognition/measurement requirement	Yes / No / N/A
		SIC 32 Intangible Assets – Web Site Costs	
		<i>Note: An entity's own web site that arises from development and is for internal or external access is an internally generated intangible asset that is subject to the requirements of IAS 38.</i>	
38I	SIC 32.7	Has the entity applied the recognition and measurement principles of IAS 38 to the recognition of an internally generated web site?	
38I	SIC 32.8	Is a web site arising from development recognised as an intangible asset if, and only if, in addition to complying with the general requirements described in IAS 38.21 for recognition and initial measurement (see above), an entity can satisfy the requirements of IAS 38.57 (see above) and, in particular, demonstrate how its web site will generate probable future economic benefits under IAS 38.57(d)?	
		<i>Note: Probable future benefits can be demonstrated, for example, when the web site is capable of generating revenues, including direct revenues from enabling orders to be placed.</i>	
38I	SIC 32.8	If the entity has developed a web site primarily for promoting and advertising its own products and services, have all expenditures on developing such a web site been recognised as an expense when incurred?	
38I	SIC 32.9	Has expenditure incurred in the planning stage of the web site been recognised as an expense when it is incurred?	
38I	SIC 32.9	Has expenditure incurred in the Application and Infrastructure Development stage, the Graphical Design stage and the Content Development stage, to the extent that content is developed for purposes other than to advertise and promote an entity's own products and services, been included in the cost of a web site recognised as an intangible asset when the expenditure can be directly attributed and is necessary to creating, producing or preparing the web site for it to be capable of operating in the manner intended by management?	
38I	SIC 32.9	Has expenditure incurred in the Content Development stage, to the extent that content is developed to advertise and promote an entity's own products and services (e.g. digital photographs of products), been recognised as an expense when incurred?	
38I	SIC 32.9	Has expenditure incurred in the Operating stage been recognised as an expense when it is incurred unless it meets the recognition criteria in IAS 38.18?	
38I	SIC 32.10	Is a web site that meets the criteria for recognition as an intangible asset, accounted for subsequent to initial recognition at cost less accumulated depreciation and any accumulated impairment losses?	
		<i>Note: As each entity's internally developed web site is generally unique, the web site would not qualify for measurement under the allowed alternative treatment, since an active market for that particular web site would not exist.</i>	
38I	SIC 32.10	Is the estimated useful life of the web site short?	

IAS 39 Financial Instruments: Recognition and Measurement

TQ	Reference	Recognition/measurement requirement	Yes / No / N/A
		The objective of IAS 39 is to establish principles for recognising and measuring financial assets, financial liabilities and some contracts to buy or sell non-financial items. Requirements for presenting and disclosing information about financial instruments are set out in IAS 32 and IFRS 7. The compliance questionnaire for IAS 39 has been prepared as a separate excel document (embedded below) due to its inherent complexity and its applicability to specific contracts rather than to general transactions or balances. As a result, this embedded excel document can be used to assess individual contracts for compliance and not just transactions or balances related to financial instruments. In July 2006, IFRIC 10 <i>Interim Financial Reporting and Impairment</i>, was issued, which clarifies that certain impairment losses recognised in an interim period cannot be reversed in subsequent financial statements.  IAS 39 Compliance Checklist 2009.xls	

IAS 40 Investment Property

TQ	Reference	Recognition/measurement requirement	Yes / No / N/A
		<i>This section of the questionnaire addresses IAS 40, which prescribes the accounting treatment for investment property. The Standard allows entities to choose between a fair value model and a cost model for the measurement of investment property. One of the key issues is the determination of whether a property meets the definition of an investment property, or is excluded from the scope of this Standard and is instead covered by IAS 16, Property, Plant and Equipment or IFRS 5, Non-current Assets Held for Sale and Discontinued Operations.</i> SCOPE NOTE <i>IAS 40 is applicable to the recognition, measurement and disclosure of all investment properties.</i> <i>This Standard does not apply to:</i> a) <i>biological asset related to agricultural activity;</i> b) <i>mineral rights and mineral reserves such as oil, natural gas and similar non-regenerative resources;</i> c) <i>matters covered by IAS 17, Leases, excluding the measurement of investment properties accounted for as finance leases by lessees or investment properties accounted for as operating leases by lessors.</i> TAILORING QUESTIONS <i>If you answer "yes" to any of the tailoring questions below, please answer the compliance questions relating to it.</i>	
40A		During the year, did the entity hold, lease under a finance lease, or acquire any land, buildings or properties?	
40B		During the year, did the entity hold, lease under a finance lease, or acquire any property meeting IAS 40's definition of investment property?	
40C		During the year, did the entity incur additional expenditure relating to an existing investment property?	
40D		Has the entity chosen the fair value model to account for all its investment property?	
40E		Has the entity chosen the cost model to account for all its investment property?	
40F		Has any item of investment property been transferred during the year?	
		<i>Note: A transfer arises when there is a change in use of the investment property, e.g. the property was initially held as an investment property and is now owner occupied.</i>	
40G		During the period, did the entity dispose of any investment property (whether by sale or entering a finance lease or otherwise) or permanently withdraw any investment property from use?	
40H		Did the entity hold a property interest under an operating lease that is accounted for as an investment property?	
40I		Has the entity acquired investment property in exchange for a non-monetary asset(s), or a combination of monetary and non-monetary asset(s)?	
40J		During the period, has the entity received compensation from third parties for investment property that was impaired, lost or given up?	

TQ	Reference	Recognition/measurement requirement	Yes / No / N/A
		DEFINITIONS	
	IAS 40.5	Owner-occupied property is property held (by the owner or by the lessee under a finance lease) for use in the production or supply of goods or services or for administrative purposes. Cost is the amount of cash or cash equivalents paid or the fair value of other consideration given to acquire an asset at the time of its acquisition or construction or where applicable the amount attributed to that asset when initially recognised in accordance with the specific requirements of other IFRSs (e.g. IFRS 2 Share-based Payment).	
		DETAILED COMPLIANCE QUESTIONS	
40A	IAS 40.5	Has all property (land or a building - or part of a building - or both) held (by the owner or by the lessee under a finance lease) to earn rentals or for capital appreciation or both been classified as investment property?	
	IAS 40.8	<i>Note: The following are examples of investment property:</i> a) land held for long-term capital appreciation rather than for short-term sale in the ordinary course of business; b) land held for a currently undetermined future use. (If an entity has not determined that it will use the land either as owner-occupied property or for short-term sale in the ordinary course of business, the land is considered to be held for capital appreciation); c) a building owned by the entity (or held by the entity under a finance lease) and leased out under one or more operating leases; and d) a building that is vacant but is held to be leased out under one or more operating leases.	
	IAS 40.8	e) property that is being constructed or developed for future use as investment property.	
40H	IAS 40.6	If the entity holds a property interest under an operating lease, has the entity elected to classify and account for the lease as investment property?	
	IAS 40.6	<i>Notes:</i> 1) This classification alternative is available on a property-by-property basis if, and only if, the property would otherwise meet the definition of an investment property, and the lessee uses the fair value model for the asset recognised.	
	IAS 40.6	2) Once this classification alternative is selected for one such property interest held under an operating lease, all property classified as investment property shall be accounted for using the fair value model.	
40A	IAS 40.9	Are the following <u>excluded</u> from classification as investment property:	
		a) property intended for sale in the ordinary course of business or in the process of construction or development for such sale (see IAS 2 <i>Inventories</i>), for example, property acquired exclusively with a view to subsequent disposal in the near future or for development and resale; b) property being constructed or developed on behalf of third parties (see IAS 11 <i>Construction Contracts</i>); c) owner-occupied property (see IAS 16), including (among other things) property held for future use as owner-occupied property, property held for future development and subsequent use as owner-occupied property, property occupied by employees (whether or not the employees pay rent at market rates) and owner-occupied property awaiting disposal; d) property that is leased to another entity under a finance lease?	

TQ	Reference	Recognition/measurement requirement	Yes / No / N/A
40A	IAS 40.10	If a portion of the property is held by the entity for earning rental income or capital appreciation and another portion is used by the entity in the production or supply of goods or for administrative purposes, has the entity accounted for these two portions separately only if these portions could be sold separately or leased out separately under a finance lease?	
40A	IAS 40.10	If the portions could not be sold separately, is the property classified as investment property only if an insignificant portion is held for use in the production or supply of goods or services or for administrative purposes?	
40A	IAS 40.11	If the entity provides ancillary services to occupants of a property it holds, is such a property only treated as investment property if the services are insignificant to the arrangement as a whole (e.g. security and maintenance services for an office building. In contrast, an owner-managed hotel, where the services provided to the guests are significant to the arrangement as a whole, is classified as owner-occupied property)?	
40A	IAS 40.14	Has the entity developed criteria so that it can exercise judgement consistently, in accordance with the definition of investment property and related guidance, to determine whether a property qualifies as investment property?	
40A	IAS 40.15	If an entity owns property that is leased to, and occupied by, its parent or another subsidiary, has the property been accounted for as owner-occupied property in the consolidated financial statements?	
40A	IAS 40.15	If an entity owns property that is leased to, and occupied by, its parent or another subsidiary, has the property been accounted for as investment property in the individual financial statements of the lessor if it meets the definition in paragraph 5 of IAS 40?	
		Recognition	
40B, C	IAS 40.16	Has the entity recognised investment property as an asset when, and only when, both of the following conditions are met: a) it is probable that the future economic benefits that are associated with the investment property will flow to the entity; and b) the cost of the investment property can be measured reliably?	
40B, C	IAS 40.17	Has entity evaluated whether all of its investment property costs meet the recognition principle set out in paragraph 16 of IAS 40 (see above) at the time they are incurred? <i>Note: These costs include costs incurred initially to acquire an investment property and cost incurred subsequently to add to, replace part of, or service a property.</i>	
40B, C	IAS 40.18	Has the entity recognised the day-to-day costs of servicing an investment property in profit or loss as incurred?	
40B	IAS 40.19	If the entity has acquired parts of investment properties through replacement (e.g. replacing the interior walls of the property), has the entity: a) if the recognition criteria set out in paragraph 16 of IAS 40 (see above) are met, recognised the cost of the replacement parts in the carrying amount of the investment properties at the time that the costs are incurred; and b) derecognised the carrying amount of the parts replaced?	

TQ	Reference	Recognition/measurement requirement	Yes / No / N/A
		Measurement at Recognition	
40B	IAS 40.20	Are investment properties initially measured at cost, including transaction costs?	
40B	IAS 40.21	Does the cost of purchased investment property comprise its purchase price and any directly attributable expenditure?	
40B	IAS 40.23	Have the following been <u>excluded</u> from the cost of investment properties:: a) start-up costs (unless they are necessary to bring the property to condition necessary for it to be capable of operating in the manner intended by the management); b) operating losses incurred before the investment property achieved the planned level occupancy; or c) abnormal amounts of wasted material, labour or other resources incurred in constructing or developing the property?	
40B	IAS 40.24	If payment for an investment property is deferred, is its cost the cash price equivalent?	
40B	IAS 40.24	If payment for an asset is deferred, has the difference between the cash price equivalent and the total payments been recognised as an interest expense over the period of credit?	
40B, H	IAS 40.25-26	For property interests held under a lease (whether operating or finance) and classified as investment property, has the entity initially recognised: a) an asset at the lower of the fair value of the property and the present value of minimum lease payments in accordance with paragraph 20 of IAS 17; and b) a liability at the equivalent amount, unless a premium is paid for the lease, in which case the premium is included in the minimum lease payments (and therefore the asset), but excluded from the liability?	
	IAS 40.26	<i>Note: If a property interest held under a lease is classified as investment property, the item accounted for at fair value is that interest and not the underlying property?</i>	
40I	IAS 40.27	If the entity acquired investment properties in exchange for a non-monetary asset(s), or a combination of monetary and non-monetary asset(s), has the entity measured the cost of such investment properties at fair value unless: a) the exchange transaction lacks commercial substance; or b) the fair value of neither the asset received nor the asset given up is reliably measurable?	
	IAS 40.28	<i>Note: An exchange transaction has commercial substance if:</i> a) the configuration (risk, timing, and amount) of the cash flows of the asset received differs from the configuration of the cash flows of the asset(s) transferred; or b) the entity-specific value (post tax) of the portion of the entity's operations affected by the transaction changes as a result of the exchange; and c) the difference determined in either (a) or (b) is significant relative to the fair value of the assets exchanged.	

TQ	Reference	Recognition/measurement requirement	Yes / No / N/A
40I	IAS 40.29	If the entity is able to determine reliably the fair value of either the asset received or the asset given up, has the entity used the fair value of the asset given up to measure the cost of the asset received, unless the fair value of the asset received is more clearly evident?	
40I	IAS 40.27	If the asset acquired in exchange for a non-monetary asset or assets, or a combination of monetary and non-monetary assets is not measured at fair value, because the exchange transaction is not considered to have commercial substance, its cost is measured at the carrying amount of the asset given up. Measurement after recognition Selection of accounting policy	
40D, E	IAS 40.32A	Has the entity: a) chosen either the fair value model or the cost model for all investment property backing liabilities that pay a return linked directly to the fair value of, or returns from, specified assets including that investment property; and b) chosen either the fair value model or the cost model for all <u>other</u> investment property, regardless of the choice made in (a) above?	
40D, E	IAS 40.32C	If the entity has chosen different models for the two categories described in paragraph 32A of IAS 40 (see above): a) have any sales of investment property between the pools of assets been measured at fair value; and b) have cumulative changes in fair value been recognised in profit or loss?	
40D, E	IAS 40.32C	If the entity has chosen different models for the two categories described in paragraph 32A of IAS 40 (see above), and investment property has been sold from a pool in which the fair value model is used into a pool in which the cost model is used, has the investment property been recorded in the new pool at its deemed cost, which is equal to its fair value at the date of the sale?	
40D, E	IAS 40.30	With the exceptions noted in paragraphs 32A (see above) and 34 (see below) of IAS 40, has the entity chosen either the fair value or the cost model as its accounting policy for investment property, and has it applied that policy consistently to all of its investment property?	
	IAS 40.31	<i>Note: The policy selected should be followed consistently from period to period, unless the criteria set out in IAS 8 for a voluntary change in accounting policy are met. Note that IAS 40 states that it is highly unlikely that a change from the fair value model to the cost model would meet those criteria.</i>	
40H	IAS 40.34	When a property interest held by a lessee under an operating lease is classified as an investment property, has the fair value model been applied? <i>Note: In these circumstances, paragraph 30 of IAS 40 is not elective i.e. the entity automatically forfeits the choice of model offered under that paragraph and all property accounted for as investment property must be valued using the fair value model.</i> Fair value model	
40D	IAS 40.33	After initial recognition, has an entity that chooses the fair value model measured all of its investment property at fair value, except in the case when fair value cannot be reliably measured (paragraph 53 of IAS 40 – see below)?	
40D	IAS 40.35	Does the entity recognise changes in the fair value of investment property in profit or loss for the period in which it arises?	

TQ	Reference	Recognition/measurement requirement	Yes / No / N/A
40D	IAS 40.36	Is the fair value at which the entity's investment property is measured equal to the price at which the property could be exchanged between knowledgeable, willing parties in an arm's length transaction?	
40D	IAS 40.37	Has the entity determined the fair value of its investment property without any deduction for transaction costs it may incur on sale or other disposal?	
40D	IAS 40.38	Does the fair value at which the entity's investment property is measured reflect the market conditions at the end of the reporting period?	
		<i>Note: Additional guidance regarding the measurement of fair value for the purposes of IAS 40 is set out in paragraph 39 to 44 of IAS 40.</i>	
40D	IAS 40.45	Is the fair value at which the entity's investment property is measured determined by reference to current prices in an active market for similar property in the same location, condition and subject to similar lease and other contracts?	
		<i>Note: The entity should take care to identify any differences in the nature, location or condition of the property, or in the contractual terms of the leases and other contracts relating to the property.</i>	
40D	IAS 40.46	In the absence of current prices in an active market of the kind described in paragraph 45 of IAS 40 (see above), has the entity considered information from a variety of sources in determining fair value, including: a) current prices on an active market, for properties of a different nature, condition or location, adjusted to reflect those differences; b) recent prices of similar properties on less active markets, with adjustments to reflect changes in economic conditions since the date of the transactions that occurred at those prices; and c) discounted cash flow projections based on reliable estimates of future cash flows?	
		<i>Notes:</i>	
		1) <i>Estimates of future cash flows should be supported by the terms of any existing lease and other contracts and (when possible) by external evidence such as current market rents for similar properties in the same location and condition, and using discount rates that reflect current market assessments of the uncertainty in the amount and timing of the cash.</i>	
	IAS40.47	2) <i>Where the information sources listed in paragraph 46 of IAS 40 (see above) suggest different conclusions as to the fair value of an investment property, the entity considers the reasons for those differences in order to arrive at the most reliable estimate of fair value within a range of reasonable fair value estimates.</i>	
40D	IAS 40.50	In determining the carrying amount of investment property under the fair value method, in order to avoid double counting has the entity excluded the value of assets (e.g. leasehold improvements, elevators, air conditioning units) that form part of the property but that are recognised as separate assets or liabilities?	
40D	IAS 40.51	In calculating the fair value of investment property, has the entity ignored future capital expenditure that will improve or enhance the investment property together with its related benefits?	
40D	IAS 40.52	If the present value of the entity's payments relating to an investment property (other than payments relating to recognised liabilities) is expected to exceed the present value of the related cash receipts, has the entity recognised a liability in accordance with IAS 37 <i>Provisions, Contingent Liabilities and Contingent Assets</i> ?	

TQ	Reference	Recognition/measurement requirement	Yes / No / N/A
40D	IAS 40.53	<u>Inability to determine fair value reliably</u>	
		Has the entity measured its investment property at fair value except in exceptional cases when, at the time that an entity first acquires an investment property (or when an existing property first becomes an investment property after a change in use) there is clear evidence that the fair value of the investment property is not reliably determinable on a continuing basis?	
		<i>Note: There is a rebuttable presumption that an entity can reliably determine the fair value of an investment property on a continuing basis. However, in exceptional cases, it is evident at initial recognition that investment property cannot be reliably determined on a continuing basis. This arises when, and only when, comparable market transactions are infrequent and alternative reliable estimates of fair value (e.g. based on cash flow projections) are not available.</i> <i>Note: If an entity determines that the fair value of an investment property under construction is not reliably determinable but expects the fair value of the property to be reliably determinable when construction is complete, it shall measure that investment property under construction at cost until either its fair value becomes reliably determinable or construction is completed (whichever is earlier).</i> <i>If an entity determines that the fair value of an investment property (other than an investment property under construction) is not reliably determinable on a continuing basis, the entity shall measure that investment property using the cost model in IAS 16. The residual value of the investment property shall be assumed to be zero. The entity shall apply IAS 16 until disposal of the investment property.</i>	
40D	IAS 40.53A	When an entity becomes able to measure reliably the fair value of an investment property under construction that has previously been measured at cost, has it measured that property at its fair value?	
	IAS 40.53B	<i>Notes:</i> 1) <i>Once construction of that property is complete, it is presumed that fair value can be measured reliably. If this is not the case, in accordance with paragraph 53, the property shall be accounted for using the cost model in accordance with IAS 16.</i> 2) <i>The presumption that the fair value of investment property under construction can be measured reliably can be rebutted only on initial recognition. An entity that has measured an item of investment property under construction at fair value may not conclude that the fair value of the completed investment property cannot be determined reliably.</i>	
40D	IAS 40.53-54	If, at initial recognition, it is assessed that the fair value of an investment property cannot be determined reliably on a continuing basis, has the entity:	
	IAS 40.54	a) measured that investment property using IAS 16's cost model; b) for the purposes of accounting under IAS 16, assumed the residual value of the investment property to be zero; and c) measured all its other investment property at fair value? c) measured all its other investment property, including investment property under construction at fair value?	

TQ	Reference	Recognition/measurement requirement	Yes / No / N/A
40D	IAS 40.55	If the entity previously measured an investment property at fair value, does it continue to measure the property at fair value until disposal, even if comparable market transactions become less frequent or market prices becomes less readily available? <i>Note: This paragraph clarifies that the "fair value not reliably measurable" exception may only be used at initial recognition (or when a property is first accounted for as an investment property), and not in respect of investment properties that have previously been accounted for at fair value.</i> Cost model	
40E	IAS 40.56	After initial recognition, has an entity that chooses the cost model measured all its investment properties either: a) in accordance with the requirements of IAS 16 for that model; or b) for those properties that meet the criteria to be classified as held for sale (or to be included in a disposal group that is classified as held for sale), in accordance with IFRS 5? Transfers	
40F	IAS 40.57	Have transfers to, or from, investment property been made when, and only when, there is a change in use, evidenced by: a) commencement of owner-occupation, for a transfer from investment property to owner-occupied property; or b) commencement of development with a view to sale, for a transfer from investment property to inventories; or c) end of owner-occupation, for a transfer from owner-occupied property to investment property; or d) commencement of an operating lease to another party, for a transfer from inventories to investment property?	
	IAS 40.58	<i>Note: When an entity decides to dispose of an investment property without development, it continues to treat the property as an investment property until it is derecognised, and does not treat it as inventory. Similarly, if an entity begins to redevelop an existing investment property for continued future use as an investment property, the property remains an investment property and is not reclassified as owner-occupied property during the redevelopment.</i>	
40E, F	IAS 40.59	If the entity applies the cost model and there has been a transfer between investment property, owner-occupied property and inventories, has the carrying amount of the property transferred remained unchanged both for measurement and disclosure purposes?	
40F	IAS 40.60	For a transfer from investment property carried at fair value to owner-occupied property or inventories, is the fair value of the property at the date of change in use its deemed cost for subsequent accounting in terms of IAS 16 or IAS 2?	
40F	IAS 40.61	If an owner-occupied property becomes an investment property that will be carried at fair value, does the entity: a) apply IAS 16 up to the date of change in use; and b) treat any difference at that date between the carrying amount of the property in terms of IAS 16 and its fair value in the same way as a revaluation under IAS 16?	

TQ	Reference	Recognition/measurement requirement	Yes / No / N/A
40F	IAS 40.63	For a transfer from inventories to investment property that will be carried at fair value, has any difference between the fair value of the property at the date of transfer and its previous carrying amount been recognised in profit or loss?	
40F	IAS 40.65	When the entity completes the construction or development of a self-constructed investment property that will be carried at fair value, is any difference between the fair value of the property at the date of completion and its previous carrying amount recognised in profit or loss?	
		Disposals	
40G	IAS 40.66	Are investment properties derecognised (eliminated from the statement of financial position) either: a) on disposal; or b) when the investment property is permanently withdrawn from use and no future economic benefits are expected to arise from its disposal?	
40G	IAS 40.67	Has the entity applied the criteria of IAS 18 <i>Revenue</i> (or IAS 17 in the case of sale and leaseback or disposal effected by entering into a finance lease) in determining the date of disposal for investment property?	
40G	IAS 40.68	If the entity recognised in the carrying amount of an asset the cost of a replacement for part of the item, has the entity derecognised the carrying amount of the replaced part regardless of whether the replaced part was depreciated separately?	
40E, G	IAS 40.68	If investment property is accounted for using the cost model, and it is not practicable for an entity to determine the carrying amount of the replaced part, has it used the cost of the replacement as an indication of what the cost of the replaced part was at the time it was acquired or constructed?	
40D, G	IAS 40.68	If investment property is accounted for using the fair value model, and if it is impracticable to determine the fair value that should be reduced for the part being replaced, has the entity included the cost of the replacement in the carrying amount of the asset and then to reassess the fair value, as would be required for additions not involving replacement as an alternative to reducing fair value for the replaced part?	
40G	IAS 40.69	Have gains or losses arising from the retirement or disposal of investment property: a) been determined as the difference between the net disposal proceeds and the carrying amount of the asset; and b) been recognised in profit or loss (unless IAS 17 requires otherwise on a sale and leaseback) in the period of the retirement or disposal?	
40G	IAS 40.70	Is the consideration receivable on disposal of an investment property recognised initially at fair value?	
40G	IAS 40.70	If the payment for an investment property is deferred, has the entity : a) recognised the consideration received at the cash price equivalent; and b) recognised the difference between the nominal amount of the consideration and the cash price equivalent as interest income in accordance with IAS 18 using the effective interest method?	
40J	IAS 40.72	Has compensation from third parties for investment property that was impaired, lost or given up been recognised in profit or loss when the compensation becomes receivable?	

TQ	Reference	Recognition/measurement requirement	Yes / No / N/A
40D, E, G, J	IAS 40.73	Have impairments or losses of items of investment property, related claims for or payments of compensation from third parties and any subsequent purchase or construction of replacement assets been considered as separate economic events and accounted for separately as follows: a) impairments of investment property are recognised in accordance with IAS 36? b) retirements or disposals of investment property are recognised in accordance with paragraphs 66 to 71 of IAS 40; c) compensation from third parties for investment property that was impaired, lost or given up is recognised in profit or loss when it becomes receivable; and d) the cost of assets restored, purchased or constructed as replacements is determined in accordance with paragraphs 20 to 29 of IAS 40?	

IAS 41 Agriculture

TQ	Reference	Recognition/measurement requirement	Yes / No / N/A
		<i>This section of the questionnaire addresses IAS 41 which prescribes the accounting treatment for agricultural activity. The primary issues are determining whether the Standard is applicable to the activities undertaken by the entity, and the determination of the fair value of biological assets and agricultural produce.</i> SCOPE NOTE <i>IAS 41 should be applied to account for the following when they relate to agricultural activity:</i> a) <i>biological assets;</i> b) <i>agricultural produce at the point of harvest; and</i> c) <i>government grants covered by paragraphs 34 and 35 of IAS 41.</i> <i>IAS 41 does not apply to:</i> • <i>land related to agricultural activity (see IAS 16, Property, Plant and Equipment, and IAS 40, Investment Property); and</i> • <i>intangible assets related to agricultural activity (see IAS 38, Intangible Assets).</i> <i>IAS 41 is applied to agricultural produce, which is the harvested product of the entity's biological assets, only at the point of harvest (e.g. fruit hanging on the fruit tree, ready to be picked – i.e. not packaged and ready for sale).</i> <i>Once agricultural produce has been harvested, it is inventory and should be accounted for under IAS 2 Inventories. Also, the subsequent processing of agricultural produce after harvest (e.g. the processing of grapes into wine) is covered by IAS 2, not IAS 41.</i> TAILORING QUESTIONS <i>If you answer "yes" to any of the tailoring questions below, please answer the compliance questions relating to it.</i>	
41A		Is the entity involved in agricultural or farming activities with respect to living plants or animals or does it own or control any biological assets? Note: Agricultural activity is the management by an entity of the biological transformation and harvest of biological assets for sale or for conversion into agricultural produce, or into additional biological assets. Biological transformation comprises the process of growth, degeneration, production or procreation that causes qualitative or quantitative changes in a living plant or animal into a harvested product or additional living plants or animals.	
41B		Is the entity unable to measure at initial recognition the fair value of any of its biological assets reliably?	
41C		Has the entity received government grants, subsidies or subventions related to biological assets, agricultural activity or farming (including grants that require an entity <i>not</i> to engage in agricultural activity)?	

TQ	Reference	Recognition/measurement requirement	Yes / No / N/A
DETAILED COMPLIANCE QUESTIONS			
Recognition and measurement			
41A	IAS 41.10	Does the entity recognise a biological asset or agricultural produce when, and only when, all of the following conditions are met: a) the entity controls the asset as a result of past events; b) it is probable that future economic benefits associated with the asset will flow to the entity; and c) the fair value or cost of the asset can be measured reliably?	
41A	IAS 41.12	Except where fair value cannot, at initial recognition, be measured reliably, are biological assets measured on initial recognition and at the end of subsequent reporting periods at their fair value less estimated point-of-sale costs?	
41A	IAS 41.13	Is agricultural produce harvested from an entity's biological assets measured at its fair value less estimated point-of-sale costs at the point of harvest?	
41A	IAS 41.13	Has the entity stopped remeasuring to fair value any agricultural produce that has been harvested?	
		<i>Note: IAS 2 applies after harvest. The fair value of agricultural produce less estimated point-of-sale costs at the point of harvest is the cost for the purpose of IAS 2.</i>	
41A	IAS 41.15	Where biological assets or agricultural produce have been grouped for the purposes of determining their fair value, are the attributes (e.g. age, quality etc.) by reference to which the assets have been grouped the attributes used in the relevant market as the basis for pricing?	
Determination of fair value			
41A	IAS 41.9	Is the fair value of biological assets and agricultural produce determined based on their present location and condition?	
41A	IAS 41.16	Where the entity has entered into contracts to sell any of its biological assets or agricultural produce at a future date, has the fair value of the relevant assets been determined without regard to the existence of those contracts?	
		<i>Note: Contract prices are not necessarily relevant in determining fair value, because fair value reflects the current market in which a willing buyer and seller would enter into a transaction.</i>	
41A	IAS 41.16	Where a contract for the sale of a biological asset or agricultural produce is an onerous contract, has it been accounted for in accordance with IAS 37 <i>Provisions, Contingent Liabilities and Contingent Assets</i> ?	
		<i>Note: IAS 37 defines an onerous contract as a contract in which the unavoidable costs of meeting the obligations under the contract exceed the economic benefits expected to be received under it.</i>	
41A	IAS 41.17	If an active market exists for a biological asset or agricultural produce, is the fair value of the biological asset or agricultural produce determined as the quoted price in that market?	
41A	IAS 41.17	If an active market exists for a biological asset or agricultural produce in its present location and condition, is the fair value of the biological asset or agricultural produce determined as the quoted price in that market?	
		<i>Note: If an entity has access to different markets, fair value should be based on the price existing in the market that is expected to be used.</i>	

TQ	Reference	Recognition/measurement requirement	Yes / No / N/A
41A	IAS 41.18	If an active market does not exist, has the entity used one of the following methods in determining the fair value: a) the most recent market transaction price, provided that there has not been a significant change in economic circumstances between the date of that transaction and the end of the reporting period; b) market prices for similar assets with adjustment to reflect differences; or c) sector benchmarks such as the value of an orchard expressed per export tray, bushel, or hectare, and the value of cattle expressed per kilogram of meat?	
	IAS 41.19	<i>Note: Where the information sources listed in paragraph 18 of IAS 41 (see above) suggest different conclusions as to the fair value of a biological asset or agricultural produce, the entity considers the reasons for those differences in order to arrive at the most reliable estimate of fair value within a relatively narrow range of reasonable estimates.</i>	
41A	IAS 41.20	If market-determined prices or values are not available for a biological asset in its present condition, has the entity used the present value of expected net cash flows from the asset discounted at a current market-determined pre-tax interest rate in determining fair value?	
41A	IAS 41.20	If market-determined prices or values are not available for a biological asset in its present condition, has the entity used the present value of expected net cash flows from the asset discounted at a current market-determined interest rate in determining fair value?	
41A		<i>Notes:</i>	
	IAS 41.21	1) <i>The present condition of a biological asset excludes any increases in value from additional biological transformation and future activities of the entity, such as those related to enhancing the future biological transformation, harvesting, and selling.</i>	
41A	IAS 41.21	2) <i>The present value of expected net cash flows are determined by an entity by including the net cash flows that market participants would expect the asset to generate in its most relevant market.</i>	
41A	IAS 41.22	3) <i>An entity does not include any cash flows for financing the assets, taxation, or re-establishing biological assets after harvest (e.g., the cost of replanting trees in a plantation forest after harvest).</i>	
	IAS 41.23	4) <i>An entity incorporates expectations about possible variations in cash flows into either the expected cash flows, or the discount rate, or some combination of the two. In determining a discount rate, an entity uses assumptions consistent with those used in estimating the expected cash flows, to avoid the effect of some assumptions being double-counted or ignored.</i>	
41A	IAS 41.25	Where the biological assets are physically attached to land (e.g. trees in a plantation forest) and there is no separate market for the biological assets, has the entity used information regarding the combined assets to determine fair value for the biological assets? <i>Note: For example, where there is an active market for the combined assets, the fair value of raw land and land improvements may be deducted from the fair value of the combined assets to arrive at the fair value of biological assets.</i> Gains and losses	
41A	IAS 41.26	Are gains and losses arising on initial recognition of biological assets at fair value less estimated point-of-sale costs included in profit or loss for the period in which they arise?	

TQ	Reference	Recognition/measurement requirement	Yes / No / N/A
41A	IAS 41.26	Are gains and losses arising from changes in fair value less estimated point-of-sale costs of biological assets included in profit or loss for the period in which they arise? <i>Note: The recognition of fair value changes in the statement of comprehensive income means that gains or losses may be recognised before the asset is sold. In the case of biological assets that have a long growing cycle, this leads to recognition of gains or losses over the growing life of the asset.</i>	
41A	IAS 41.28	Are gains and losses arising on initial recognition of agricultural produce at fair value less estimated point-of-sale costs included in profit or loss for the period in which they arise? <i>Inability to measure fair value reliably</i>	
41B	IAS 41.30	Where the presumption of fair value measurement for a biological asset has been rebutted (i.e. if, on initial recognition, market-determined prices or values were not available and alternative estimates of fair value were determined to be clearly unreliable), are such assets measured at cost less any accumulated depreciation and any accumulated impairment losses?	
	IAS 41.33	<i>Note: In determining cost, accumulated depreciation and accumulated impairment losses, an entity considers IAS 2, Inventories, IAS 16, Property, Plant and Equipment, and IAS 36, Impairment of Assets.</i>	
41B	IAS 41.30	If the fair value of a biological asset, previously carried at cost less depreciation and impairment, has subsequently become reliably measurable, has the entity measured it at its fair value less estimated point-of-sale costs?	
41B	IAS 41.30	If a non-current biological asset previously carried at cost less depreciation and impairment meets the criteria to be classified as held for sale in accordance with IFRS 5 <i>Non-current Assets Held for Sale and Discontinued Operations</i> , has the entity measured that asset at its fair value less estimated point of sale costs? <i>Notes:</i>	
	IAS 41.31	1) <i>The presumption that fair value can be measured reliably for all biological assets can be rebutted only on initial recognition. An entity that has previously measured a biological asset at its fair value less estimated point-of-sale costs continues to measure the biological asset at its fair value less estimated point-of-sale costs until disposal.</i>	
	IAS 41.30	2) <i>Once a non-current biological asset meets the criteria to be classified as held for sale (or is included in a disposal group that is classified as held for sale) in accordance with IFRS 5, it is presumed that fair value can be measured reliably.</i>	
	IAS 41.32	3) <i>In all cases, an entity measures agricultural produce at the point of harvest at its fair value less estimated point-of-sale costs. IAS 41 reflects the view that the fair value of agricultural produce at the point of harvest can always be measured reliably.</i>	
		Government grants	
41C	IAS 41.34	Are <u>unconditional</u> government grants related to biological assets measured at fair value less costs to sell recognised in profit or loss when, and only when, such grants become receivable?	
	IAS 41.37	<i>Note: Government grants relating to biological asset that are measured on a cost basis are accounted for under IAS 20.</i>	
41C	IAS 41.35	Where government grants related to biological assets measured at fair value less costs to sell are <u>conditional</u> (including when the grant requires the entity not to engage in specified agricultural activity), are these grants recognised in profit or loss when, and only when, the conditions attaching to the government grant are met?	

IFRIC 12 Service Concession Arrangements

TQ	Reference	Recognition/measurement requirement	Yes / No / N/A
		This section of the checklist addresses IFRIC 12, which gives guidance on the accounting by operators for public-to-private service concession arrangement. The primary issues are determining whether the Interpretation applies to the arrangements undertaken by the entity, and, if so, determining the appropriate classification of the service concession arrangement assets. Entities that enter into service concession arrangements must comply with the disclosure requirements of SIC 29. In addition, entities that recognise financial assets arising from service concession arrangements must comply with the disclosure requirements of IFRS 7 in respect of those financial assets. SCOPE NOTE	
	IFRIC 12.5	IFRIC 12 should be applied in accounting for public-to-private service concession arrangements if: a) the grantor controls or regulates what services the operator must provide, to whom it must provide them, and at what price; and b) the grantor controls – through ownership, beneficial entitlement or otherwise – any significant residual interest in the infrastructure at the end of the term of the arrangement.	
	IFRIC 12.6	Infrastructure used in a public-to-private service concession arrangement is within the scope of IFRIC 12 if the conditions IFRIC 12.5(a) are met.	
	IFRIC 12.2	An arrangement within the scope of IFRIC 12 typically involves a private sector entity (an operator) constructing the infrastructure used to provide the public service or upgrading it (for example, by increasing its capacity) and operating and maintaining that infrastructure for a specified period of time. The operator is paid for its services over the period of the arrangement.	
	IFRIC 12.3	A feature of these service arrangements is the public service nature of the obligation undertaken by the operator. Public policy is for the services related to the infrastructure to be provided to the public, irrespective of the identity of the party that operates the services. The service arrangement contractually obliges the operator to provide the services to the public on behalf of the public sector entity. Other common features are: a) the party that grants the service arrangement is a public sector entity, or a private sector entity to which the responsibility for the service has been devolved; b) the operator is responsible for at least some of the management of the infrastructure and related services and does not merely act as an agent on behalf of the grantor; c) the contract sets the initial prices to be levied by the operator and regulates price revision over the period of the service arrangement; and d) the operator is obliged to hand over the infrastructure to the grantor in a specified condition at the end of the periods of the arrangement, for little or no incremental consideration, irrespective of which party initially financed it. IFRIC 12. AG1-AG8 provides guidance on determining whether public-to-private service concession arrangements are within the scope of IFRIC 12.	
	IFRIC 12.8	IFRIC 12 does not specify the accounting for infrastructure that was held and recognised as property, plant and equipment by the operator before entering into the arrangement. The derecognition requirements of IAS 16 apply to such infrastructure.	
	IFRIC 12.9	IFRIC 12 does not specify the accounting by grantors.	

TQ	Reference	Recognition/measurement requirement	Yes / No / N/A
		TAILORING QUESTIONS	
		<i>If you answer "yes" to any of the tailoring questions below, please answer the compliance questions relating to it.</i>	
12A		Is the entity a private sector operator that is party to a service concession arrangement within the scope of IFRIC 12?	
12B		Has the entity recognised a financial asset in respect of a service concession arrangement in accordance with IFRIC 12?	
12C		Has the entity recognised an intangible asset in respect of a service concession arrangement in accordance with IFRIC 12?	
		Treatment of the operator's rights over infrastructure	
12A	IFRIC 12.11	Has the entity <u>not</u> recognised infrastructure within the scope of this Interpretation as property, plant and equipment of the operator?	
	IFRIC 12.11	<i>Note: The contractual service arrangement does not convey the right to control the use of the public service infrastructure to the operator.</i>	
		Recognition and measurement of arrangement consideration	
12A	IFRIC 12.13	Has the entity recognised and measured revenue in accordance with IAS 11 <i>Construction Contracts</i> and IAS 18 <i>Revenue</i> for the services it performs?	
	IFRIC 12.13	<i>Note: The operator shall recognise and measure revenue in accordance with IAS 11, Construction Contracts, and IAS 18, Revenue, for the services it performs(see the questions below).</i> <i>If the operator performs more than one service (i.e. construction or upgrade services and operation services) under a single contract or arrangement, consideration received or receivable shall be allocated by reference to the relative fair values of the services delivered, when the amounts are separately identifiable. The nature of the consideration received determines its subsequent accounting treatment.</i>	
		Construction and upgrade services	
12A	IFRIC 12.14	Has the entity recognised revenue and costs relating to construction or upgrade services in accordance with IAS 11?	
12A	IFRIC 12.15	If the operator provides construction or upgrade services, has the consideration received or receivable by the operator been recognised at its fair value?	
		<i>Note: The consideration may give rise to a financial asset or an intangible asset.</i>	
12B	IFRIC 12.16	Has the entity recognised a financial asset to the extent that it has an unconditional contractual right to receive cash or another financial asset from or at the direction of the grantor for the construction services?	
		<i>Note: The operator has an unconditional right to receive cash if the grantor contractually guarantees to pay the operator (a) specified or determinable amounts or (b) the shortfall, if any, between amounts received from users of the public service and specified or determinable amounts, even if payment is contingent on the operator ensuring that the infrastructure meets specified quality or efficiency requirements.</i>	

TQ	Reference	Recognition/measurement requirement	Yes / No / N/A
12B	IFRIC 12.23	Has the entity accounted for the financial asset arising from the service concession arrangement in accordance with the requirements of IAS 32 and IAS 39?	
12C	IFRIC 12.17	Has the entity recognised an intangible asset to the extent that it receives a right (a licence) to charge users of the public service?	
12C	IFRIC 12.26	Has the entity accounted for the intangible asset arising from the service concession arrangement in accordance with the requirements of IAS 38?	
	IFRIC 12.26	<i>Note: Paragraphs 45-47 of IAS 38 provide guidance on measuring intangible assets acquired in exchange for a non-monetary asset or assets or a combination of monetary and non-monetary assets.</i>	
12B, 12C	IFRIC 12.18	Has the entity accounted separately for each component of the operator's consideration when the entity is paid for the construction services partly by a financial asset and partly by an intangible asset?	
	IFRIC 12.27	<i>Note: The grantor may also provide other items to the operator that the operator can keep or deal with as it wishes. If such assets form part of the consideration payable by the grantor for the services, they are not government grants as defined in IAS 20 Accounting for Government Grants and Disclosure of Government Assistance. They are recognised as assets of the operator, measured at fair value on initial recognition. The operator shall recognise a liability in respect of unfulfilled obligations it has assumed in exchange for the assets.</i>	
		Operation services	
12A	IFRIC 12.20	Has the entity accounted for revenue and costs relating to operation services in accordance with IAS 18?	
12A	IFRIC 12.21	Has the entity recognised and measured contractual obligations to maintain or restore infrastructure, except for any upgrade element (see paragraph 14 of the Interpretation), in accordance with IAS 37?	
		Borrowing costs incurred by the operator	
12B	IFRIC 12.22	Where the service concession arrangement gives rise to a financial asset has the entity expensed borrowing costs attributable to the arrangement in accordance with IAS 23?	
12C	IFRIC 12.23	Where the service concession arrangement gives rise to an intangible asset has the entity recognised borrowing costs attributable to the arrangement in accordance with IAS 23?	
		Transition	
	IFRIC 12.29	<i>Note: Subject to paragraph 30 (see below), changes in accounting policies are accounted for in accordance with IAS 8, i.e. retrospectively.</i>	
	IFRIC 12.30	<i>If, for any particular service arrangement, it is impracticable for an operator to apply this Interpretation retrospectively at the start of the earliest period presented, it shall:</i> <i>a) recognise financial assets and intangible assets that existed at the start of the earliest period presented;</i> <i>b) use the previous carrying amounts of those financial and intangible assets (however previously classified) as their carrying amounts as at that date; and</i> <i>c) test financial and intangible assets recognised at that date for impairment, unless this is not practicable, in which case the amounts shall be tested for impairment as at the start of the current period.</i>	

IFRIC 17 Distributions of Non-cash Assets to Owners

TQ	Reference	Recognition/measurement requirement	Yes / No / N/A
		<i>This section of the checklist addresses IFRIC 17. Sometimes an entity distributes assets other than cash (non-cash assets) as dividends to its owners acting in their capacity as owners. In those situations, an entity may also give its owners a choice of receiving either non-cash assets or a cash alternative. The IFRIC 17 gives guidance on how an entity should account for such distributions.</i> <i>IAS 1 requires an entity to present details of dividends recognised as distributions to owners either in the statement of changes in equity or in the notes to the financial statements.</i> <i>When an entity declares a distribution and has an obligation to distribute the assets concerned to its owners, it must recognise a liability for the dividend payable. Consequently, this Interpretation addresses the following issues:</i> <i>a) When should the entity recognise the dividend payable?</i> <i>b) How should an entity measure the dividend payable?</i> <i>c) When an entity settles the dividend payable, how should it account for any difference between the carrying amount of the assets distributed and the carrying amount of the dividend payable?</i> SCOPE NOTE	
	IFRIC 17.3	This Interpretation applies to the following types of non-reciprocal distributions of assets by an entity to its owners acting in their capacity as owners: a) distributions of non-cash assets (eg items of property, plant and equipment, businesses as defined in IFRS 3, ownership interests in another entity or disposal groups as defined in IFRS 5); and b) distributions that give owners a choice of receiving either non-cash assets or a cash alternative.	
	IFRIC 17.4	This Interpretation applies only to distributions in which all owners of the same class of equity instruments are treated equally.	
	IFRIC 17.5	This Interpretation does not apply to a distribution of a non-cash asset that is ultimately controlled by the same party or parties before and after the distribution. This exclusion applies to the separate, individual and consolidated financial statements of an entity that makes the distribution.	
	IFRIC 17.6	In accordance with paragraph 5, this Interpretation does not apply when the non-cash asset is ultimately controlled by the same parties before and after the distribution. Paragraph B2 of IFRS 3 states that 'A group of individuals shall be regarded as controlling an entity when, as a result of contractual arrangements, they collectively have the power to govern its financial and operating policies so as to obtain benefits from its activities.' Therefore, for a distribution to be outside the scope of this Interpretation on the basis that the same parties control the asset before and after the distribution, a group of individual shareholders receiving the distribution must have, as a result of contractual arrangements, such ultimate collective power over the entity making the distribution.	
	IFRIC 17.7	In accordance with paragraph 5, this Interpretation does not apply when an entity distributes some of its ownership interests in a subsidiary but retains control of the subsidiary. The entity making a distribution that results in the entity recognising a non-controlling interest in its subsidiary accounts for the distribution in accordance with IAS 27 (2008).	
	IFRIC 17.8	This Interpretation addresses only the accounting by an entity that makes a non-cash asset distribution. It does not address the accounting by shareholders who receive such a distribution.	

TQ	Reference	Recognition/measurement requirement	Yes / No / N/A
		TAILORING QUESTIONS	
		<i>If you answer "yes" to any of the tailoring questions below, please answer the compliance questions relating to it.</i>	
17A		Has the entity distributed assets other than cash as dividends to its owners acting in their capacity as owners?	
17B		Has there been any difference between the carrying amount of the assets distributed and the carrying amount of the dividend payable when the entity has settled the dividend payable?	
		When to recognise a dividend payable	
17A	IFRIC 17.10	Has the entity recognised the liability to pay a dividend when the dividend is appropriately authorised and is no longer at the discretion of the entity?	
		<i>Note: The date when the dividend is appropriately authorised and is no longer at the discretion of the entity is either:</i>	
		<i>When declaration of the dividend, eg by management or the board of directors, is approved by the relevant authority, eg the shareholders, of the jurisdiction requires such approval, or</i>	
		<i>When the dividend is declared, eg by management or the board of directors, if the jurisdiction does not require further approval.</i>	
		Measurement of a dividend payable	
17A	IFRIC 17.11	Has the entity measured a liability to distribute non-cash assets as a dividend to its owners at the fair value of the assets to be distributed?	
17A	IFRIC 17.12	Has the entity given its owners a choice of receiving either a non-cash asset or a cash alternative?	
17A	IFRIC 17.12	If the entity has given its owners a choice of receiving either a non-cash asset or a cash alternative, has the entity estimated the dividend payable by considering both the fair value of each alternative and the associated probability of owners selecting each alternative?	
17A	IFRIC 17.13	Has the entity, at the end of each reporting period and at the date of settlement, reviewed and adjusted the carrying amount of the dividend payable, with any changes in the carrying amount of the dividend payable recognised in equity as adjustments to the amount of the distribution?	
		Accounting for any difference between the carrying amount of the assets distributed and the carrying amount of the dividend payable when an entity settles the dividend payable	
17B	IFRIC 17.14	Has the entity recognised the difference, if any, between the carrying amount of the assets distributed and the carrying amount of the dividend payable in profit or loss, when the entity settled the dividend payable?	
		Effective date	
	IFRIC 17.18	An entity shall apply this Interpretation prospectively for annual periods beginning on or after 1 July 2009. Retrospective application is not permitted. Earlier application is permitted.	
		<i>Note: IFRS 5 Non-current Assets Held for Sale and Discontinued Operations was amended as a result of IFRIC 17. This questionnaire does not include the related amendments to IFRS 5.</i>	

IFRIC 18 Transfers of Assets from Customers

TQ	Reference	Recognition/measurement requirement	Yes / No / N/A
		This section of the checklist addresses IFRIC 18. In the utilities industry, an entity may receive from its customers items of property, plant and equipment that must be used to connect those customers to a network and provide them with ongoing access to a supply of commodities such as electricity, gas or water. Alternatively, an entity may receive cash from customers for the acquisition or construction of such items of property, plant and equipment. Typically, customers are required to pay additional amounts for the purchase of goods or services based on usage. Transfers of assets from customers may also occur in industries other than utilities. For example, an entity outsourcing its information technology functions may transfer its existing items of property, plant and equipment to the outsourcing provider. In some cases, the transferor of the asset may not be the entity that will eventually have ongoing access to the supply of goods or services and will be the recipient of those goods or services. However, for convenience this Interpretation refers to the entity transferring the asset as the customer. The Interpretation addresses the following issues: - Is the definition of an asset met? - If the definition of an asset is met, how should the transferred item of property, plant and equipment be measured on initial recognition? - If the item of property, plant and equipment is measured at fair value on initial recognition, how should the resulting credit be accounted for? - How should the entity account for a transfer of cash from its customer? SCOPE NOTE	
	IFRIC 18.4	This Interpretation applies to the accounting for transfers of items of property, plant and equipment by entities that receive such transfers from their customers.	
	IFRIC 18.5	Agreements within the scope of this Interpretation are agreements in which an entity receives from a customer an item of property, plant and equipment that the entity must then use either to connect the customer to a network or to provide the customer with ongoing access to a supply of goods or services, or to do both.	
	IFRIC 18.6	This Interpretation also applies to agreements in which an entity receives cash from a customer when that amount of cash must be used only to construct or acquire an item of property, plant and equipment and the entity must then use the item of property, plant and equipment either to connect the customer to a network or to provide the customer with ongoing access to a supply of goods or services, or to do both.	
	IFRIC 18.7	This Interpretation does not apply to agreements in which the transfer is either a government grant as defined in IAS 20 or infrastructure used in a service concession arrangement that is within the scope of IFRIC 12.	
		Tailoring Questions <i>If you answer "yes" to any of the tailoring questions below, please answer the compliance questions relating to it.</i>	
18A		Has the entity received a transfer of an item of property, plant and equipment from a customer?	
18B		Has the entity received a transfer of cash from a customer?	

TQ	Reference	Recognition/measurement requirement	Yes / No / N/A
18A	IFRIC 18.9	Is the definition of an asset met? When the entity has received a transfer of an item of property, plant and equipment from a customer, has the entity assessed whether the transferred item met the definition of an asset set out in the framework?	
	IFRIC 18.9	<i>Note: Paragraph 49(a) of the Framework states that 'an asset is a resource controlled by the entity as a result of past events and from which future economic benefits are expected to flow to the entity.' In most circumstances, the entity obtains the right of ownership of the transferred item of property, plant and equipment. However, in determining whether an asset exists, the right of ownership is not essential. Therefore, if the customer continues to control the transferred item, the asset definition would not be met despite a transfer of ownership.</i>	
18A	IFRIC 18.10	Has the entity considered all relevant facts and circumstances when assessing control of the transferred item?	
	IFRIC 18.10	<i>Note: An entity that controls an asset can generally deal with that asset as it pleases. For example, the entity can exchange that asset for other assets, employ it to produce goods or services, charge a price for others to use it, use it to settle liabilities, hold it, or distribute it to owners.</i>	
18A	IFRIC 18.11	How should the transferred item of property, plant and equipment be measured on initial recognition? When the entity has concluded that the definition of an asset is met, has the entity recognised the transferred asset as an item of property, plant and equipment in accordance with paragraph 7 of IAS 16 and measured its cost on initial recognition at its fair value in accordance with paragraph 24 of IAS 16?	
		How should the credit be accounted for?	
18A	IFRIC 18.13	Has the entity recognised the credit as revenue (or deferred revenue)?	
	IFRIC 18.13	<i>Note: Paragraph 12 of IAS 18 states that 'When goods are sold or services are rendered in exchange for dissimilar goods or services, the exchange is regarded as a transaction which generates revenue.' According to the terms of the agreements within the scope of this Interpretation, a transfer of an item of property, plant and equipment would be an exchange for dissimilar goods or services. Consequently, the entity shall recognise revenue in accordance with IAS 18 as described below.</i>	
18A	IFRIC 18.14	Identifying the separately identifiable services Has the entity identified separately identifiable services included in the agreement?	
		<i>Note: An entity may agree to deliver one or more services in exchange for the transferred item of property, plant and equipment, such as connecting the customer to a network, providing the customer with ongoing access to a supply of goods or services, or both. In accordance with paragraph 13 of IAS 18, the entity shall identify the separately identifiable services included in the agreement.</i> <i>Features that indicate that connecting the customer to a network is a separately identifiable service include:</i> <i>a) a service connection is delivered to the customer and represents stand-alone value for that customer;</i> <i>b) the fair value of the service connection can be measured reliably.</i>	

TQ	Reference	Recognition/measurement requirement	Yes / No / N/A
		<i>A feature that indicates that providing the customer with ongoing access to a supply of goods or services is a separately identifiable service is that, in the future, the customer making the transfer receives the ongoing access, the goods or services, or both at a price lower than would be charged without the transfer of the item of property, plant and equipment.</i> <i>Conversely, a feature that indicates that the obligation to provide the customer with ongoing access to a supply of goods or services arises from the terms of the entity's operating licence or other regulation rather than from the agreement relating to the transfer of an item of property, plant and equipment is that customers that make a transfer pay the same price as those that do not for the ongoing access, or for the goods or services, or for both.</i>	
		Revenue recognition	
18A	IFRIC 18.18	If only one service is identified, has the entity recognised revenue in accordance with paragraph 20 of IAS 18 when the service is performed?	
18A	IFRIC 18.19	If more than one separately identifiable service is identified, has the entity allocated the fair value of the total consideration received or receivable for the agreement to each service?	
18A	IFRIC 18.19	Has the entity then applied the recognition criteria of IAS 18 to each service for which the fair value of the total consideration received or receivable has been allocated?	
18A	IFRIC 18.20	If the terms of the agreement with the customer determine the period over which revenue shall be recognised for that service, has the entity recognised the revenue over that period?	
18A	IFRIC 18.20	If the terms of the agreement with the customer does not determine the period over which revenue shall be recognised for that service, has the entity recognised the revenue over a period no longer than the useful life of the transferred asset used to provide the ongoing service?	
		How should the entity account for a transfer of cash from its customer?	
18B	IFRIC 18.21	If the entity has received a transfer of cash from a customer, has the entity assessed whether the agreement is within the scope of this interpretation in accordance with paragraph 6?	
18B	IFRIC 18.21	If the agreement is within scope of this interpretation, has the entity assessed whether the constructed or acquired item of property, plant and equipment meets the definition of an asset in accordance with paragraphs 9 and 10?	
18B	IFRIC 18.21	If the definition of an asset is met, has the entity recognised the item of property, plant and equipment at its cost in accordance with IAS 16?	
18B	IFRIC 18.21	If the definition of an asset is met, has the entity recognised revenue in accordance with paragraphs 13-20 of IFRIC 18 at the amount of cash received from the customer?	
		Effective date	
18A, B	IFRIC 18.22	An entity shall apply this Interpretation prospectively to transfers of assets from customers received on or after 1 July 2009. Earlier application is permitted provided the valuations and other information needed to apply the Interpretation to past transfers were obtained at the time those transfers occurred.	