

## **Appendix B**

### **Amendments to the Basis for Conclusions on other IFRS Standards**

*This appendix sets out the amendments to the Basis for Conclusions on other IFRS Standards that are a consequence of the International Accounting Standards Board issuing IFRS 17 Insurance Contracts.*

#### **IFRS 3 Business Combinations**

A footnote is added to 'paragraph 17' in the first sentence of paragraph BC188.

IFRS 17 *Insurance Contracts*, issued in May 2017, replaced IFRS 4 and amended paragraph 17 of IFRS 3 for consistency with the requirements in IFRS 17.

A footnote is added to the heading '*Recognition, classification and measurement guidance for insurance and reinsurance contracts*' before paragraph BC189.

IFRS 17, issued in 2017, replaced IFRS 4. The requirements for insurance contracts acquired in a business combination are provided in IFRS 17 and are discussed in paragraphs BC323–BC327 of the Basis for Conclusions of IFRS 17.

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

A footnote is added to 'insurance contracts' in paragraph BC13.

IFRS 17 *Insurance Contracts*, issued in May 2017, replaced IFRS 4. In developing IFRS 17, the Board concluded that fair value could be determined for insurance contracts. Nonetheless, groups of insurance contracts within the scope of IFRS 17 that are assets are excluded from the measurement requirements of IFRS 5.

#### **IFRS 7 Financial Instruments: Disclosures**

A footnote is added to 'IFRS 4 *Insurance Contracts*' in paragraph BC9.

IFRS 17 *Insurance Contracts*, issued in May 2017, replaced IFRS 4.

A footnote is added to 'IFRS 4' in paragraph BC37.

In developing IFRS 17, the Board concluded that fair value could be determined for such financial instruments. The disclosure requirements for contracts within the scope of IFRS 17 are provided in IFRS 17.

## **IFRS 9 *Financial Instruments***

A footnote is added to 'IFRS 4 *Insurance Contracts*' in paragraph BCZ2.9 and to 'insurance project' in paragraph BC5.43.

The Board completed its insurance project with the issuance of IFRS 17. IFRS 17, issued in May 2017, replaced IFRS 4. IFRS 17 did not change the scope requirements relating to financial guarantee contracts.

After paragraph BC3.31, a heading and paragraph BC3.32 are added.

### **Exemption for repurchased financial liabilities**

BC3.32 IFRS 9 sets out the requirements for the derecognition of financial liabilities. IFRS 17 *Insurance Contracts* amended those derecognition requirements in IFRS 9 by permitting an exemption when an entity repurchases its financial liability in specific circumstances. The Board's considerations in providing that exemption are set out in paragraph BC65(c) of the Basis for Conclusions on IFRS 17.

A footnote is added to the first reference to 'Insurance Contracts project' in paragraph BC4.159 and to the heading 'Transitional insurance issues' before paragraph BC7.30.

IFRS 17 *Insurance Contracts*, issued in May 2017, replaced IFRS 4 *Insurance Contracts*.

## **IFRS 14 *Regulatory Deferral Accounts***

A footnote is added to 'IFRS 4 *Insurance Contracts*' in paragraph BC31.

IFRS 17 *Insurance Contracts*, issued in May 2017, replaced IFRS 4.

## **IFRS 15 *Revenue from Contracts with Customers***

A footnote is added to 'insurance contracts' in paragraph BC60.

IFRS 17 *Insurance Contracts*, issued in May 2017, permits an entity to choose whether to apply IFRS 17 or IFRS 15 to fixed-fee service contracts that meet the definition of an insurance contract. The Board's considerations for permitting this choice are set out in paragraphs BC95–BC97 of the Basis for Conclusions on IFRS 17.

A footnote is added to 'IFRS 4 *Insurance Contracts*' in paragraph BC65.

IFRS 17 *Insurance Contracts*, issued in May 2017, replaced IFRS 4.

A footnote is added to 'insurance contracts' in paragraph BC373.

The Board completed its insurance project with the issuance of IFRS 17 *Insurance Contracts*. IFRS 17, issued in May 2017, replaced IFRS 4.

## **IAS 16 *Property, Plant and Equipment***

After paragraph BC33G, a heading and paragraph BC33H are added.

### **Exemption for owner-occupied property**

BC33H IFRS 17 *Insurance Contracts* amended the subsequent measurement requirements in IAS 16 by permitting entities to elect to measure owner-occupied properties in specified circumstances as if they were investment properties measured at fair value through profit or loss in accordance with IAS 40 *Investment Property*. The Board's considerations in providing that exemption are set out in paragraph BC65(c) of the Basis for Conclusions on IFRS 17.

## **IAS 19 *Employee Benefits***

Footnotes are added to 'IFRS 4 *Insurance Contracts*' in paragraphs BC190 and BC212.

IFRS 17 *Insurance Contracts*, issued in May 2017, replaced IFRS 4.

## **IAS 32 *Financial Instruments: Presentation***

The heading after paragraph BC31 is amended. New text is underlined and deleted text is struck through. After paragraph BC32, paragraph BC32A is added.

### **Treasury shares (paragraphs ~~33, 34~~ and AG36)**

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BC32A IFRS 17 *Insurance Contracts* amended IAS 32 by permitting an exemption to the requirements for treasury shares in paragraph 33 of IAS 32 in specified circumstances. The Board's considerations in providing that exemption are set out in paragraph BC65(c) of the Basis for Conclusions on IFRS 17.

## **IAS 40 *Investment Property***

A footnote is added to the last sentence in paragraph B34.

IFRS 17 *Insurance Contracts* amended the subsequent measurement requirements in IAS 16 by permitting entities to elect to measure owner-occupied properties in specified circumstances as if they were investment properties measured at fair value through profit or loss in accordance with IAS 40. The Board's considerations in providing that exemption are set out in paragraph BC65(c) of the Basis for Conclusions on IFRS 17.

**IFRIC 22 *Foreign Currency Transactions and Advance Consideration***

A footnote is added to the last sentence of paragraph BC8.

The Board completed its insurance project with the issuance of IFRS 17 *Insurance Contracts* in May 2017. When applying IAS 21, a group of insurance contracts is treated as a monetary item.

**SIC-27 *Evaluating the Substance of Transactions Involving the Legal Form of a Lease***

A footnote is added to the end of the first sentence in paragraph 15.

IFRS 17 *Insurance Contracts*, issued in May 2017, replaced IFRS 4.