



IFRS Alert

The IASB defers the effective date of the IAS 1 Amendments

16 July 2020

Executive summary

The International Accounting Standards Board (IASB) has issued an amendment to defer the effective date of the 'Classification of Liabilities as Current or Non-current' which amends IAS 1 'Presentation of Financial Statements' by one year'.

The Amendment

The amendment to IAS 1 entitled 'Classification of Liabilities as Current or Non-current' (the Amendments) was issued in January 2020, to clarify the Standard's guidance on whether a liability should be classified as either current or non-current. The Amendments were effective for reporting periods on or after 1 January 2022. As a result of the COVID-19 pandemic, the IASB has decided to give entities more time to implement any classification changes that may result from the Amendments. As such the Amendments are now effective from 1 January 2023.

No other changes have been made to the Amendments other than the effective date.



Our thoughts

We welcome the change to the effective date in order to enable entities to have more time to consider the impact of the Amendments.

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