

Commission Regulation (EU) No 475/2012 of 5 June 2012 amending Regulation (EC) No 1126/2008 adopting certain international accounting standards in accordance with Regulation (EC) No 1606/2002 of the European Parliament and of the Council as regards International Accounting Standard (IAS) 1 and International Accounting Standard (IAS) 19 (Text with EEA relevance) (revoked)

- Article 1 The Annex to Regulation (EC) No 1126/2008 is amended as...
Article 2 (1) Each company shall apply the amendments referred to in...
Article 3 This Regulation shall enter into force on the third day...
Signature

ANNEX

INTERNATIONAL ACCOUNTING STANDARDS

IAS 1 IAS 1 Presentation of Financial Statements - Presentation...

AMENDMENTS TO IAS 1 Presentation of Financial Statements

- 7 The following terms are used in this Standard with the...
10 A complete set of financial statements comprises:
10A An entity may present a single statement of profit or...
Statement of profit or loss and other comprehensive income
81A The statement of profit or loss and other comprehensive income...
81B An entity shall present the following items, in addition to...
Information to be presented in profit or loss section or...
82 In addition to items required by other IFRSs, the profit...
Information to be presented in the other comprehensive income
section...
82A The other comprehensive income section shall present line
items for...
85 An entity shall present additional line items, headings and
subtotals...
86 Because the effects of an entity's various activities,
transactions and...
87 An entity shall not present any items of income or...
90 An entity shall disclose the amount of income tax relating...
91 An entity may present items of other comprehensive income
either:...
94 An entity may present reclassification adjustments in the
statement(s) of...
Information to be presented in the statement(s) of profit or...
100 Entities are encouraged to present the analysis in paragraph
99...
115 In some circumstances, it may be necessary or desirable to...
139J Presentation of Items of Other Comprehensive Income
(Amendments to IAS...

AMENDMENTS TO OTHER IFRSS

IFRS 1 First-time Adoption of International Financial Reporting Standards

- 21 To comply with IAS 1, an entity's first IFRS financial...
- 39K Presentation of Items of Other Comprehensive Income (Amendments to IAS...

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

- 33A If an entity presents the items of profit or loss...
- 44I Presentation of Items of Other Comprehensive Income (Amendments to IAS...

IFRS 7 Financial Instruments: Disclosures

- 27B For fair value measurements recognised in the statement of financial...
- 44Q Presentation of Items of Other Comprehensive Income (Amendments to IAS...

IAS 12 Income Taxes

- 77 The tax expense (income) related to profit or loss from...
- 98B Presentation of Items of Other Comprehensive Income (Amendments to IAS...

IAS 20 Accounting for Government Grants and Disclosure of Government Assistance

- 29 Grants related to income are presented as part of profit...
- 46 Presentation of Items of Other Comprehensive Income (Amendments to IAS...

IAS 21 The Effects of Changes in Foreign Exchange Rates

- 39 The results and financial position of an entity whose functional...
- 60H Presentation of Items of Other Comprehensive Income (Amendments to IAS...

IAS 32 Financial Instruments: Presentation

- 40 Dividends classified as an expense may be presented in the...
- 97K Presentation of Items of Other Comprehensive Income (Amendments to IAS...

IAS 33 Earnings per Share

- 4A If an entity presents items of profit or loss in...
- 67A If an entity presents items of profit or loss in...
- 68A If an entity presents items of profit or loss in...
- 73A Paragraph 73 applies also to an entity that discloses, in...
- 74D Presentation of Items of Other Comprehensive Income (Amendments to IAS...

IAS 34 Interim Financial Reporting

- 8 An interim financial report shall include, at a minimum, the...
- 8A If an entity presents items of profit or loss in...
- 11A If an entity presents items of profit or loss in...
- 20 Interim reports shall include interim financial statements (condensed or complete)...
- 51 Presentation of Items of Other Comprehensive Income (Amendments to IAS...

INTERNATIONAL ACCOUNTING STANDARD 19

Employee Benefits

- 1 The objective of this Standard is to prescribe the accounting...

SCOPE

- 2 This Standard shall be applied by an employer in accounting...
- 3 This Standard does not deal with reporting by employee benefit...
- 4 The employee benefits to which this Standard applies include those...
- 5 Employee benefits include:

6 Employee benefits include benefits provided either to employees or to...

7 An employee may provide services to an entity on a...

DEFINITIONS

8 The following terms are used in this Standard with the...

SHORT-TERM EMPLOYEE BENEFITS

9 Short-term employee benefits include items such as the following, if...

10 An entity need not reclassify a short-term employee benefit if...

Recognition and measurement

All short-term employee benefits

11 When an employee has rendered service to an entity during...

12 Paragraphs 13, 16 and 19 explain how an entity shall...

Short-term paid absences

13 An entity shall recognise the expected cost of short-term employee...

14 An entity may pay employees for absence for various reasons...

15 Accumulating paid absences are those that are carried forward and...

16 An entity shall measure the expected cost of accumulating paid...

17 The method specified in the previous paragraph measures the obligation...

Example illustrating paragraphs 16 and 17

18 Non-accumulating paid absences do not carry forward: they lapse if...

Profit-sharing and bonus plans

19 An entity shall recognise the expected cost of profit-sharing and...

20 Under some profit-sharing plans, employees receive a share of the...

Example illustrating paragraph 20

21 An entity may have no legal obligation to pay a...

22 An entity can make a reliable estimate of its legal...

23 An obligation under profit-sharing and bonus plans results from employee...

24 If profit-sharing and bonus payments are not expected to be...

Disclosure

25 Although this Standard does not require specific disclosures about short-term...

POST-EMPLOYMENT BENEFITS: DISTINCTION BETWEEN DEFINED CONTRIBUTION PLANS AND DEFINED BENEFIT...

26 Post-employment benefits include items such as the following:

27 Post-employment benefit plans are classified as either defined contribution plans...

28 Under defined contribution plans the entity's legal or constructive obligation...

29 Examples of cases where an entity's obligation is not limited...

30 Under defined benefit plans:

31 Paragraphs 32–49 explain the distinction between defined contribution plans and...

Multi-employer plans

- 32 An entity shall classify a multi-employer plan as a defined...
- 33 If an entity participates in a multi-employer defined benefit plan,...
- 34 When sufficient information is not available to use defined benefit...
- 35 One example of a multi-employer defined benefit plan is one...
- 36 Where sufficient information is available about a multi-employer defined benefit...
- 37 There may be a contractual agreement between the multi-employer plan...

Example illustrating paragraph 37

- 38 Multi-employer plans are distinct from group administration plans. A group...
- 39 In determining when to recognise, and how to measure, a...
Defined benefit plans that share risks between entities under common...
- 40 Defined benefit plans that share risks between entities under common...
- 41 An entity participating in such a plan shall obtain information...
- 42 Participation in such a plan is a related party transaction...

State plans

- 43 An entity shall account for a state plan in the...
- 44 State plans are established by legislation to cover all entities...
- 45 State plans are characterised as defined benefit or defined contribution,...

Insured benefits

- 46 An entity may pay insurance premiums to fund a post-employment...
- 47 The benefits insured by an insurance policy need not have...
- 48 Where an entity funds a post-employment benefit obligation by contributing...
- 49 Where an insurance policy is in the name of a...

POST-EMPLOYMENT BENEFITS: DEFINED CONTRIBUTION PLANS

- 50 Accounting for defined contribution plans is straightforward because the reporting...

Recognition and measurement

- 51 When an employee has rendered service to an entity during...
- 52 When contributions to a defined contribution plan are not expected...

Disclosure

- 53 An entity shall disclose the amount recognised as an expense...
- 54 Where required by IAS 24 an entity discloses information about...

POST-EMPLOYMENT BENEFITS: DEFINED BENEFIT PLANS

- 55 Accounting for defined benefit plans is complex because actuarial assumptions...

Recognition and measurement

- 56 Defined benefit plans may be unfunded, or they may be...
- 57 Accounting by an entity for defined benefit plans involves the...
- 58 An entity shall determine the net defined benefit liability (asset)...

- 59 This Standard encourages, but does not require, an entity to...
60 In some cases, estimates, averages and computational short cuts may...
Accounting for the constructive obligation
61 An entity shall account not only for its legal obligation...
62 The formal terms of a defined benefit plan may permit...
Statement of financial position
63 An entity shall recognise the net defined benefit liability (asset)...
64 When an entity has a surplus in a defined benefit...
65 A net defined benefit asset may arise where a defined...
Recognition and measurement: present value of defined benefit obligations and...
66 The ultimate cost of a defined benefit plan may be...
Actuarial valuation method
67 An entity shall use the projected unit credit method to...
68 The projected unit credit method (sometimes known as the accrued...
 Example illustrating paragraph 68
 Note:
 1 The opening obligation is the present value of the benefit...
 2 The current service cost is the present value of the...
 3 The closing obligation is the present value of the benefit...
69 An entity discounts the whole of a post-employment benefit obligation, ...
Attributing benefit to periods of service
70 In determining the present value of its defined benefit obligations...
71 The projected unit credit method requires an entity to attribute...
 Examples illustrating paragraph 71
 1 A defined benefit plan provides a lump sum benefit of...
 2 A plan provides a monthly pension of 0,2 per cent...
72 Employee service gives rise to an obligation under a defined...
 Examples illustrating paragraph 72
 1 A plan pays a benefit of CU100 for each year...
 2 A plan pays a benefit of CU100 for each year...
73 The obligation increases until the date when further service by...
 Examples illustrating paragraph 73
 1 A plan pays a lump sum benefit of CU1,000 that...
 2 A plan pays a lump sum retirement benefit of CU2,000...

- 3 A post-employment medical plan reimburses 40 per cent of an...
- 4 A post-employment medical plan reimburses 10 per cent of an...
- 74 Where the amount of a benefit is a constant proportion...
Example illustrating paragraph 74
- Actuarial assumptions
- 75 Actuarial assumptions shall be unbiased and mutually compatible.
- 76 Actuarial assumptions are an entity's best estimates of the variables...
- 77 Actuarial assumptions are unbiased if they are neither imprudent nor...
- 78 Actuarial assumptions are mutually compatible if they reflect the economic...
- 79 An entity determines the discount rate and other financial assumptions...
- 80 Financial assumptions shall be based on market expectations, at the...
- Actuarial assumptions: mortality
- 81 An entity shall determine its mortality assumptions by reference to...
- 82 In order to estimate the ultimate cost of the benefit...
- Actuarial assumptions: discount rate
- 83 The rate used to discount post-employment benefit obligations (both funded...
- 84 One actuarial assumption that has a material effect is the...
- 85 The discount rate reflects the estimated timing of benefit payments....
- 86 In some cases, there may be no deep market in...
- Actuarial assumptions: salaries, benefits and medical costs
- 87 An entity shall measure its defined benefit obligations on a...
- 88 Actuarial assumptions reflect future benefit changes that are set out...
- 89 Actuarial assumptions do not reflect future benefit changes that are...
- 90 Estimates of future salary increases take account of inflation, seniority,...
- 91 Some defined benefit plans limit the contributions that an entity...
- 92 Some defined benefit plans require employees or third parties to...
- 93 Contributions from employees or third parties set out in the...
- 94 Changes in employee or third-party contributions in respect of service...
- 95 Some post-employment benefits are linked to variables such as the...
- 96 Assumptions about medical costs shall take account of estimated future...

- 97 Measurement of post-employment medical benefits requires assumptions about the level...
- 98 The level and frequency of claims is particularly sensitive to...
- Past service cost and gains and losses on settlement
- 99 Before determining past service cost, or a gain or loss...
- 100 An entity need not distinguish between past service cost resulting...
- 101 A settlement occurs together with a plan amendment and curtailment...
- Past service cost
- 102 Past service cost is the change in the present value...
- 103 An entity shall recognise past service cost as an expense...
- 104 A plan amendment occurs when an entity introduces, or withdraws,...
- 105 A curtailment occurs when an entity significantly reduces the number...
- 106 Past service cost may be either positive (when benefits are...
- 107 Where an entity reduces benefits payable under an existing defined...
- 108 Past service cost excludes:
- Gains and losses on settlement
- 109 The gain or loss on a settlement is the difference...
- 110 An entity shall recognise a gain or loss on the...
- 111 A settlement occurs when an entity enters into a transaction...
- 112 In some cases, an entity acquires an insurance policy to...
- Recognition and measurement: plan assets
- Fair value of plan assets
- 113 The fair value of any plan assets is deducted from...
- 114 Plan assets exclude unpaid contributions due from the reporting entity...
- 115 Where plan assets include qualifying insurance policies that exactly match...
- Reimbursements
- 116 When, and only when, it is virtually certain that another...
- 117 Sometimes, an entity is able to look to another party,...
- 118 When an insurance policy held by an entity is not...
- 119 If the right to reimbursement arises under an insurance policy...
- Components of defined benefit cost
- 120 An entity shall recognise the components of defined benefit cost,...
- 121 Other IFRSs require the inclusion of some employee benefit costs...
- 122 Remeasurements of the net defined benefit liability (asset) recognised in...
- Net interest on the net defined benefit liability (asset)

- 123 Net interest on the net defined benefit liability (asset) shall...
- 124 Net interest on the net defined benefit liability (asset) can...
- 125 Interest income on plan assets is a component of the...
- 126 Interest on the effect of the asset ceiling is part...
- Remeasurements of the net defined benefit liability (asset)
- 127 Remeasurements of the net defined benefit liability (asset) comprise:
- 128 Actuarial gains and losses result from increases or decreases in...
- 129 Actuarial gains and losses do not include changes in the...
- 130 In determining the return on plan assets, an entity deducts...
- Presentation
- Offset
- 131 An entity shall offset an asset relating to one plan...
- 132 The offsetting criteria are similar to those established for financial...
- Current/non-current distinction
- 133 Some entities distinguish current assets and liabilities from non-current assets...
- Components of defined benefit cost
- 134 Paragraph 120 requires an entity to recognise service cost and...
- Disclosure
- 135 An entity shall disclose information that:
- 136 To meet the objectives in paragraph 135, an entity shall...
- 137 If the disclosures provided in accordance with the requirements in...
- 138 An entity shall assess whether all or some disclosures should...
Characteristics of defined benefit plans and risks associated with them...
- 139 An entity shall disclose:
- Explanation of amounts in the financial statements
- 140 An entity shall provide a reconciliation from the opening balance...
- 141 Each reconciliation listed in paragraph 140 shall show each of...
- 142 An entity shall disaggregate the fair value of the plan...
- 143 An entity shall disclose the fair value of the entity's...
- 144 An entity shall disclose the significant actuarial assumptions used to...
- Amount, timing and uncertainty of future cash flows
- 145 An entity shall disclose:
- 146 An entity shall disclose a description of any asset-liability matching...
- 147 To provide an indication of the effect of the defined...
- Multi-employer plans
- 148 If an entity participates in a multi-employer defined benefit plan,...

Defined benefit plans that share risks between entities under common...

149 If an entity participates in a defined benefit plan that...

150 The information required by paragraph 149(c) and (d) can be...

Disclosure requirements in other IFRSs

151 Where required by IAS 24 an entity discloses information about:...

152 Where required by IAS 37 an entity discloses information about...

OTHER LONG-TERM EMPLOYEE BENEFITS

153 Other long-term employee benefits include items such as the following:...

154 The measurement of other long-term employee benefits is not usually...
Recognition and measurement

155 In recognising and measuring the surplus or deficit in another...

156 For other long-term employee benefits, an entity shall recognise the...

157 One form of other long-term employee benefit is long-term disability...

Disclosure

158 Although this Standard does not require specific disclosures about other...

TERMINATION BENEFITS

159 This Standard deals with termination benefits separately from other employee...

160 Termination benefits do not include employee benefits resulting from termination...

161 The form of the employee benefit does not determine whether...

162 Indicators that an employee benefit is provided in exchange for...

163 Some termination benefits are provided in accordance with the terms...

164 Some employee benefits are provided regardless of the reason for...
Recognition

165 An entity shall recognise a liability and expense for termination...

166 For termination benefits payable as a result of an employee's...

167 For termination benefits payable as a result of an entity's...

168 When an entity recognises termination benefits, the entity may also...

Measurement

169 An entity shall measure termination benefits on initial recognition, and...

170 Because termination benefits are not provided in exchange for service,...

Example illustrating paragraphs 159–170

Background

Termination benefits

Benefits provided in exchange for service

Disclosure

171 Although this Standard does not require specific disclosures about termination...

TRANSITION AND EFFECTIVE DATE

172 An entity shall apply this Standard for annual periods beginning...

- 173 An entity shall apply this Standard retrospectively, in accordance with...

APPENDIX

Amendments to other IFRSs

IFRS 1 First-time Adoption of International Financial Reporting Standards

- A1 Paragraph 39L is added as follows:
39L IAS 19 Employee Benefits (as amended in June 2011) amended...
- A2 In Appendix D (Exemptions from other IFRSs), the heading above...
D1 An entity may elect to use one or more of...
- A3 In Appendix E (Short-term exemptions from IFRSs), a heading and...
E5 A first-time adopter may apply the transition provisions in paragraph...

IFRS 8 Operating Segments

- A4 Paragraph 24 is amended as follows:
24 An entity shall disclose the following about each reportable segment...

IFRS 13 Fair Value Measurement

- A5 The heading above paragraph D61 is amended to read as...

IAS 19 Employee Benefits (as amended in June 2011)

- A6 Paragraphs D62 and D63 are amended as follows:
D62 Paragraph 113 is amended as follows:
D63 Paragraph 174 is added as follows:

IAS 1 Presentation of Financial Statements

- A7 In paragraph 7, the definition of ‘other comprehensive income’ is...
7 ...
- A8 Paragraph 96 is amended, and paragraph 139K is added as...
96 Reclassification adjustments do not arise on changes in revaluation surplus...
139K IAS 19 Employee Benefits (as amended in June 2011) amended...

IAS 24 Related Party Disclosures

- A9 Paragraph 22 is amended as follows:
22 Participation by a parent or subsidiary in a defined benefit...

IFRIC 14 IAS 19 — The Limit on a Defined Benefit Asset,...

- A10 Below the heading ‘References’, after the reference to IAS 19...
1 Paragraph 64 of IAS 19 limits the measurement of a...
6 The issues addressed in this Interpretation are:
17 An entity shall determine the future service costs using assumptions...
24 To the extent that the contributions payable will not be...
27C IAS 19 (as amended in 2011) amended paragraphs 1, 6,...

Changes to legislation:

There are currently no known outstanding effects for the Commission Regulation (EU) No 475/2012.