

PRESS RELEASE

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For immediate release

International Accounting Standards Board proposes narrow-scope amendments to IFRS 3 and IFRS 11

The International Accounting Standards Board (the Board) today published for public consultation proposed amendments to IFRS 3 *Business Combinations* and IFRS 11 *Joint Arrangements*. It clarifies both the definition of a business and how to account for previously held interests.

The proposed amendments provide:

- a. clearer application guidance to help distinguish between a business and a group of assets when applying IFRS 3; and
- b. clarification on how a company should account for a previously held interest in a business, if acquiring control, or joint control, of that business.

The proposed application guidance on the definition of a business in IFRS 3 arises from the Board's Post-implementation Review (PIR) process, which is conducted on each Standard and major amendment approximately two years after their effective dates. The IFRS 3 PIR shows general support for the accounting requirements in the Standard but identifies some areas where further research will be undertaken. The full PIR of IFRS 3 is available [here](#).

The proposed amendment to accounting for previously held interests was developed through the IFRS Interpretations Committee.

Further information about the Exposure Draft – *Definition of a Business and Accounting for Previously Held Interests* (Proposed Amendments to IFRS 3 and IFRS 11) - can be accessed [here](#). The deadline for comments is 31 October 2016.

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About the IFRS Foundation

The IFRS Foundation is an independent, not-for-profit organisation, overseen by a Monitoring Board of public authorities. Its vision of a single set of global accounting standards is supported by G20 leaders and other international organisations with responsibility for the global financial system.

The mission of the IFRS Foundation is to develop IFRS Standards that bring transparency, accountability and efficiency to financial markets around the world, fostering trust, growth and long-term financial stability. The International Accounting Standards Board is the standard-setting body of the IFRS Foundation, made up of independent experts from diverse professional and geographical backgrounds. IFRS Standards are adopted by more than 100 countries globally.

For detailed information on the organisation's structure, the standard-setting process and the spread of IFRS Standards, visit www.ifrs.org.

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