

SCOPE	DEFINITIONS
<p>Applies in: Accounting for investments in subsidiaries, joint ventures and associates when an entity elects, or is required by local regulations to present <i>separate F/S</i>.</p> <p>Does NOT mandate which entities produce separate F/S. It applies when an entity prepares <i>separate F/S</i> that comply with IFRS.</p>	<p>Consolidated F/S = F/S of group in which assets, liabilities, equity, income, expenses and cash flows of parent and subsidiaries are presented as single economic entity.</p> <p>Separate financial statements = F/S presented by an entity where it could elect, to account for its investments in subsidiaries, joint ventures and associates at cost, as per IFRS 9, or using the equity method (IAS 28)</p> <ul style="list-style-type: none"> ▪ F/S in which equity method applied OR F/S of entity that does not have subsidiary, joint venture or associate is NOT separate F/S. ▪ <i>Separate F/S</i> are those presented in addition to <i>consolidated F/S</i> *or in addition to F/S of an investor which has investments in joint ventures and associates that require to be accounted for using the equity method, except for entities applying consolidation exception per IFRS 10.31*. ▪ If exempted from applying consolidation or equity method THEN <i>separate F/S</i> are the only F/S.
PREPARATION OF SEPARATE F/S	
<p>Account for investments in subsidiaries, joint ventures and associates EITHER:</p> <div> <div>@ cost</div> <div>In accordance with IAS 39/IFRS 9</div> <div>Equity method (IAS 28)</div> </div>	
<ul style="list-style-type: none"> ▪ Expect for the above, prepare separate F/S in accordance with applicable IFRSs. ▪ Apply the above choice consistently for all categories of investments. ▪ When investments accounted are classified as held for sale or included in disposal group classified as held for sale: <ul style="list-style-type: none"> • Investments @ cost or equity method → Account for in accordance with IFRS 5 i.e. measure @ lower of its carrying cost and FV less cost to sell. • Investments accounted for in accordance with IAS 39/IFRS 9 → Measurement is not changed i.e. continue to apply IAS39/IFRS 9. ▪ If entity elects in accordance with IAS 28 or is required per IFRS10.31 to measure its investments at FV through P/L in accordance with IAS 39/IFRS 9 → account for those investments in the same way in separate F/S. ▪ Dividends from subsidiary/joint venture/associate are recognized when the entity's right to receive the dividend is established for (1) Investments @ cost - recognise in P/L; or (2) Investments using equity method – recognise as reduction form carrying amount of investment. ▪ WHEN Parent/entity reorganizes group structure by establishing a new entity as its parent, in a way that satisfies ALL the following criteria: <ul style="list-style-type: none"> • New parent obtains control of original parent by issuing equity instruments in exchange for existing equity instruments of the original parent/entity. • Assets and liabilities of the new group/entity and original group/entity are the same immediately before and after reorganization. • Owners of original parent/entity before reorganization have same absolute and relative interests in the net assets of the original group/entity and new group immediately before and after reorganization. <p>AND new parent measures its investment in original parent/entity @ cost in its separate F/S → THEN new parent measures cost at carrying amount of its share of equity items shown in <i>separate F/S</i> of original parent/entity @ date of reorganization.</p>	
DISCLOSURE	
<ul style="list-style-type: none"> ▪ If parent elects not to present <i>consolidated F/S</i> in accordance with IFRS 10.4(a) and instead prepares separate F/S → disclose in those <i>separate F/S</i>: <ul style="list-style-type: none"> • That F/S are separate and exception for consolidation was used. • Name and principal place of business (and country of incorporation, if different) of entity whose <i>consolidated F/S</i> that comply with IFRSs have been produced for public use AND address where those consolidated F/S are obtainable. • List of significant investments in subsidiaries, joint ventures and associates, including name of investees, principal place of business (and country of incorporation, if different) and proportion of ownership interest (and proportion of voting rights, if different). • Description of method used to account for significant investments in subsidiaries, joint ventures and associates listed as listed above. ▪ For investment entity that is a parent and applies the exception to consolidation per IFRS 10.31 and only prepares separate FS it shall disclose that fact (use disclosure requirements per IFRS 12). ▪ For other parents/investors with joint control of/significant influence over an investee prepares <i>separate F/S</i> → Identity F/S prepared in accordance with IFRS 10, IFRS 11 or IAS 28 to which they relate AND also disclose: <ul style="list-style-type: none"> • That the F/S are separate and reasons why those were prepared if not required by law. • List of significant investments in subsidiaries, joint venture and associates, including name of investees, principal place of business (and country of incorporation, if different) and proportion of ownership interest (and proportion of voting rights, if different). • Description of method used to account for significant investments in subsidiaries, joint ventures and associates as listed above. 	