



# 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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