

IFRS foundation tools

Dealing with frequent changes to International Financial Reporting Standards (IFRS) remains a challenge:

- ▶ How do you find out about the latest changes to IFRS?
- ▶ How do you identify the changes relevant to your upcoming reporting cycle?
- ▶ How do you identify the impact on your business processes and systems?
- ▶ How do you find out about changes to IFRS relevant to future reporting cycles that you need to be aware of today?

Frequent changes to IFRS add to the challenges you face when approaching your financial reporting cycles. Without timely and adequate consideration of the changes, delays or errors may arise. Such errors and consequential restatements could endanger a company's reputation with a range of stakeholders and could potentially lead to financial or regulatory consequences.

It's not just accounting and disclosures that are affected. Changes may be required to underlying IT systems or business processes. Identifying your requirements early is critical.

Ernst & Young, as auditor and advisor, is dedicated to helping IFRS preparers to keep up to date.

What do we have to offer?

Our IFRS foundation tools provide the starting point for assessing the impact of changes to IFRSs.

Our suite of IFRS foundation tools is a number of practical building blocks that can help you to keep up with the changing landscape of IFRS. They include the following:

- ▶ IFRS update
- ▶ Good Group illustrative financial statements
- ▶ International GAAP® Disclosure Checklist



Why should you use these tools?

When preparing for your next reporting cycle, our suite of foundation tools provides a starting point to assess the extent of relevant changes.

In order to have a comprehensive understanding of all of the changes that need to be considered, our foundation tools put them in context by:

- ▶ Summarising and explaining the changes
- ▶ Illustrating the changes
- ▶ Discussing their business impact

This presentation and analysis of the changes enables you to quickly identify which of them are likely to affect your company (for example, the impact of the revised IFRS 3 *Business Combinations*, amendments to IAS 39 *Financial Instruments* or new IFRIC interpretations). Then you can move to the next stage for a more detailed examination of the potential impact, with support from your Ernst & Young team, as needed.

Our foundation tools enable you to address issues early and act proactively to avoid problems affecting reporting deadlines and communication with your stakeholders.

The foundation tools are updated twice each year and align with reporting periods ending 30 June or 31 December.

Where to find and access these tools?

Ernst & Young's IFRS foundation tools are available for free on:

- ▶ www.ey.com/ifrs
- ▶ www.ey.com/checklist
- ▶ www.eyonline.com

Produced by Ernst & Young's integrated global IFRS network, the IFRS foundation tools are part of a wider set of publications, all reflecting a globally consistent view on IFRS, for example, International GAAP® 2010 and all of the other Ernst & Young IFRS publications.

Our publications are not intended to replace the tailor-made guidance provided by your audit team. However, they offer an effective starting point to identify issues, and keep your financial reporting teams up to date with ongoing changes.

More about the tools

IFRS update

This comprehensive publication is updated twice each year (on 31 March and 30 September) and captures all the new standards and interpretations that are applicable for the current and future reporting periods. Reporting professionals can quickly identify relevant issues and changes as a basis for internal discussions, dialogue with your audit team and a briefing for your audit committee.

IFRS update provides insights on the extent to which any new standard, interpretation or amendment may impact areas beyond accounting, for example, IT systems and impact on business decisions.

Good Group (International) Limited – illustrative financial statements

Accompanying the description of new standards and interpretations, our set of illustrative interim and annual financial statements incorporates the new disclosure requirements and illustrates the impact of the amendments. Existing IFRS preparers can ascertain the impact of the new requirements on their own financial statements.

We also provide a range of industry-specific illustrative financial statements: Good Bank, Good Insurance, Good Investment Fund, Good Real Estate, Good Mining and Good Petroleum. By referring to the illustrative financial statements and comparing them to your own financial statements, you can quickly identify the areas you want to examine, expand or change with the help of your Ernst & Young advisors.

International GAAP® Disclosure Checklist

Updated every six months, our *International GAAP® Disclosure Checklist* captures the full list of disclosure requirements to ensure that preparers comply with IFRS in their own interim and year-end financial statements as of 30 June and 31 December, respectively. It is available as:

- ▶ **PDF version:** All of the required disclosures for financial statements are included in a single document to print and review manually.
- ▶ **Interactive on-line version:** IFRS preparers can have free access to a web-based version of the checklist by registering on www.ey.com/checklist. This version allows you to scope the questions to your individual needs. You can also share this version with your Ernst & Young audit team.

Additional tools and reference materials

Ernst & Young also offers a wide range of publications and newsletters: *IFRS outlook*, *Supplements for current developments*, *Talking SMEs*, *Negotiation series*, webcasts and many more. The latest versions of all available publications are available on www.ey.com/ifrs.

Ernst & Young's *International GAAP*® 2010 is the definitive guide to interpreting and implementing IFRS. Whether you are already using IFRS or preparing to convert to IFRS, *International GAAP*® 2010 is the essential tool for understanding and resolving complex technical accounting issues. It is available to subscribers on www.ey.com/gaait and in hardcopy on www.igaap.info.

IFRS Change Reporter

IFRS Change Reporter is a computer-based tool, designed to assist you, working with your Ernst & Young audit team to identify the changes to IFRS accounting standards and interpretations. The output of the tool is a customised assessment report that outlines the potential impacts on your financial statements, business and accounting processes.

Contact your audit team or local Ernst & Young contact to find out how we can help you assess the changes affecting your financial reporting. *IFRS Change Reporter* is updated with new and amended standards and interpretations twice each year for interim and annual financial statements ending 30 June or 31 December.

IFRS Impact Assessment

Conversion to IFRS is a significant effort for every company. Whether you are planning to convert, or are already in the process of converting to IFRS, Ernst & Young is able to assist you with a tailored impact assessment analysis. Our analysis identifies all areas where differences exist between your current accounting policies and IFRS.

It also highlights and helps to understand the impacts on your financial position and performance, your accounting and business processes, taxes and IT systems.

Please speak to your local audit team or Ernst & Young contact to learn more about Ernst & Young's support for Diagnostics and Conversion related services.

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About Ernst & Young's International Financial Reporting Standards Group

The move to International Financial Reporting Standards (IFRS) is the single most important initiative in the financial reporting world, the impact of which stretches far beyond accounting to affect every key decision you make, not just how you report it. We have developed the global resources – people and knowledge – to support our client teams. And we work to give you the benefit of our broad sector experience, our deep subject matter knowledge and the latest insights from our work worldwide. It's how Ernst & Young makes a difference.

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