



Department for
Business, Energy
& Industrial Strategy

UK-adopted international accounting standards

Extension of the Temporary Exemption
from Applying IFRS 9 (Amendments to IFRS
4)

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Amendments to IFRS 4 *Insurance Contracts*

Paragraphs 20A, 20J and 20O are amended. New text is underlined and deleted text is struck through.

Temporary exemption from IFRS 9

20A IFRS 9 addresses the accounting for financial instruments and is effective for annual periods beginning on or after 1 January 2018. However, for an insurer that meets the criteria in paragraph 20B, this IFRS provides a temporary exemption that permits, but does not require, the insurer to apply IAS 39 *Financial Instruments: Recognition and Measurement* rather than IFRS 9 for annual periods beginning before 1 January 2023~~2021~~. An insurer that applies the temporary exemption from IFRS 9 shall:

(a) ...

...

20J If an entity no longer qualifies for the temporary exemption from IFRS 9 as a result of a reassessment (see paragraph 20G(a)), then the entity is permitted to continue to apply the temporary exemption from IFRS 9 only until the end of the annual period that began immediately after that reassessment. Nevertheless, the entity must apply IFRS 9 for annual periods beginning on or after 1 January 2023~~2021~~. For example, if an entity determines that it no longer qualifies for the temporary exemption from IFRS 9 applying paragraph 20G(a) on 31 December 2018 (the end of its annual period), then the entity is permitted to continue to apply the temporary exemption from IFRS 9 only until 31 December 2019.

...

Temporary exemption from specific requirements in IAS 28

20O Paragraphs 35–36 of IAS 28 *Investments in Associates and Joint Ventures* require an entity to apply uniform accounting policies when using the equity method. Nevertheless, for annual periods beginning before 1 January 2023~~2021~~, an entity is permitted, but not required, to retain the relevant accounting policies applied by the associate or joint venture as follows:

(a) ...

..