



Adoption of amendments to International Financial Reporting Standard 4

1. The Secretary of State for Business, Energy and Industrial Strategy, in exercise of the powers conferred by regulation 6(1) of the International Accounting Standards and European Public Limited-Liability Company (Amendment etc.) (EU Exit) Regulations 2019, adopts the following amendments to international accounting standards for use within the United Kingdom—
 - a. Extension of the Temporary Exemption from Applying IFRS 9 (Amendments to IFRS 4).
2. In accordance with regulation 7(1) of those Regulations, the Secretary of State is of the view that:
 - a. the standard is not contrary to either of the following principles—
 - i. an undertaking's accounts must give a true and fair view of the undertaking's assets, liabilities, financial position and profit or loss;
 - ii. consolidated accounts must give a true and fair view of the assets, liabilities, financial position and profit or loss of the undertakings included in the accounts taken as a whole, so far as concerns members of the undertaking;
 - b. the use of the standard is likely to be conducive to the long term public good in the United Kingdom; and
 - c. the standard meets the criteria of understandability, relevance, reliability and comparability required of the financial information needed for making economic decisions and assessing the stewardship of management.
3. In accordance with regulation 8 of those Regulations, the Secretary of State is of the view that consultation with persons representative of those with an interest in the quality and availability of accounts, including users and preparers of accounts, has been undertaken.
4. The amendments in paragraph 1(a)-
 - a. may be used for financial years beginning before 1 January 2023.
5. The adopted amendments to International Financial Reporting Standard 4 are set out in the Annex to this statement.

05 January 2021