

## Glossary

This glossary is extracted from the International Financial Reporting Standards and International Accounting Standards that are published in this edition. These Standards were issued by the International Accounting Standards Board (Board) or its predecessor, the International Accounting Standards Committee. References are by Standard and paragraph number or Standard and appendix letter.

The glossary also contains extracts from the *Conceptual Framework for Financial Reporting* (the *Conceptual Framework*). References to the *Conceptual Framework* are preceded by CF.

References set out in (brackets) indicate minor variations in wording.

<b>12-month expected credit losses</b>	The portion of lifetime expected credit losses that represent the expected credit losses that result from default events on a financial instrument that are possible within the 12 months after the reporting date.	IFRS 9.A
<b>accounting estimates</b>	Monetary amounts in financial statements that are subject to measurement uncertainty.	IAS 8.5
<b>accounting policies</b>	The specific principles, bases, conventions, rules and practices applied by an entity in preparing and presenting financial statements.	IAS 8.5
<b>accounting profit</b>	Profit or loss for a period before deducting tax expense.	IAS 12.5
<b>acquiree</b>	The business or businesses that the acquirer obtains control of in a business combination.	IFRS 3.A
<b>acquirer</b>	The entity that obtains control of the acquiree.	IFRS 3.A
<b>acquisition date</b>	The date on which the acquirer obtains control of the acquiree.	IFRS 3.A
<b>active market</b>	A market in which transactions for the asset or liability take place with sufficient frequency and volume to provide pricing information on an ongoing basis.	IFRS 13.A
<b>actuarial gains and losses</b>	The changes in the present value of the defined benefit obligation resulting from: <ul style="list-style-type: none"> <li>(a) experience adjustments (the effects of differences between the previous actuarial assumptions and what has actually occurred); and</li> <li>(b) the effects of changes in actuarial assumptions.</li> </ul>	IAS 19.8

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<b>actuarial present value of promised retirement benefits</b>	The present value of the expected payments by a retirement benefit plan to existing and past employees, attributable to the service already rendered.	IAS 26.8
<b>aggregation</b>	The adding together of assets, liabilities, equity, income or expenses that have shared characteristics and are included in the same classification.	CF.7.20
<b>agricultural activity</b>	The management by an entity of the biological transformation and harvest of biological assets for sale or for conversion into agricultural produce or into additional biological assets.	IAS 41.5
<b>agricultural produce</b>	The harvested produce of the entity's biological assets.	IAS 41.5
<b>amortisation (depreciation)<sup>1</sup></b>	The systematic allocation of the depreciable amount of an asset over its useful life.	IAS 36.6, IAS 38.8
<b>amortised cost of a financial asset or financial liability</b>	The amount at which the financial asset or financial liability is measured at initial recognition minus principal repayments, plus or minus the cumulative amortisation using the effective interest method of any difference between that initial amount and the maturity amount and, for financial assets adjusted for any loss allowance.	IFRS 9.A
<b>antidilution</b>	An increase in earnings per share or a reduction in loss per share resulting from the assumption that convertible instruments are converted, that options or warrants are exercised, or that ordinary shares are issued upon the satisfaction of specified conditions.	IAS 33.5
<b>asset</b>	A resource:  (a) controlled by an entity as a result of past events; and  (b) from which future economic benefits are expected to flow to the entity.	IAS 38.8
<b>asset</b>	A present economic resource controlled by the entity as a result of past events.	CF.4.3
<b>asset ceiling</b>	The present value of any economic benefits available in the form of refunds from the plan or reductions in future contributions to the plan.	IAS 19.8

<sup>1</sup> In the case of an intangible asset, the term 'amortisation' is generally used instead of 'depreciation'. The two terms have the same meaning.

<b>assets held by a long-term employee benefit fund</b>	Assets (other than non-transferable financial instruments issued by the reporting entity) that: <ul style="list-style-type: none"> <li>(a) are held by an entity (a fund) that is legally separate from the reporting entity and exists solely to pay or fund employee benefits; and</li> <li>(b) are available to be used only to pay or fund employee benefits, are not available to the reporting entity's own creditors (even in bankruptcy), and cannot be returned to the reporting entity, unless either:             <ul style="list-style-type: none"> <li>(i) the remaining assets of the fund are sufficient to meet all the related employee benefit obligations of the plan or the reporting entity; or</li> <li>(ii) the assets are returned to the reporting entity to reimburse it for employee benefits already paid.</li> </ul> </li> </ul>	IAS 19.8
<b>associate</b>	An entity, over which the investor has significant influence.	IAS 28.3
<b>bearer plant</b>	A living plant that: <ul style="list-style-type: none"> <li>(a) is used in the production or supply of agricultural produce;</li> <li>(b) is expected to bear produce for more than one period; and</li> <li>(c) has a remote likelihood of being sold as agricultural produce, except for incidental scrap sales.</li> </ul>	IAS 16.6, IAS 41.5
<b>biological asset</b>	A living animal or plant.	IAS 41.5
<b>biological transformation</b>	The processes of growth, degeneration, production, and procreation that cause qualitative or quantitative changes in a biological asset.	IAS 41.5
<b>borrowing costs</b>	Interest and other costs that an entity incurs in connection with the borrowing of funds.	IAS 23.5

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<b>business</b>	An integrated set of activities and assets that is capable of being conducted and managed for the purpose of providing goods or services to customers, generating investment income (such as dividends or interest) or generating other income from ordinary activities.	IFRS 3.A
<b>business combination</b>	A transaction or other event in which an acquirer obtains control of one or more businesses. Transactions sometimes referred to as 'true mergers' or 'mergers of equals' are also business combinations as that term is used in IFRS 3.	IFRS 3.A
<b>carrying amount</b>	The amount at which an asset is recognised after deducting any accumulated depreciation (amortisation) and accumulated impairment losses thereon.	IAS 16.6, IAS 36.6, IAS 38.8
<b>carrying amount</b>	The amount at which an asset is recognised in the statement of financial position.	IAS 40.5, IAS 41.8
<b>carrying amount</b>	The amount at which an asset, a liability or equity is recognised in the statement of financial position.	CF.5.1
<b>cash</b>	Cash on hand and demand deposits.	IAS 7.6
<b>cash equivalents</b>	Short-term, highly liquid investments that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value.	IAS 7.6
<b>cash flows</b>	Inflows and outflows of cash and cash equivalents.	IAS 7.6
<b>cash-generating unit</b>	The smallest identifiable group of assets that generates cash inflows that are largely independent of the cash inflows from other assets or groups of assets.	IAS 36.6, IFRS 5.A
<b>cash-settled share-based payment transaction</b>	A share-based payment transaction in which the entity acquires goods or services by incurring a liability to transfer cash or other assets to the supplier of those goods or services for amounts that are based on the price (or value) of equity instruments (including shares or share options) of the entity or another group entity.	IFRS 2.A
<b>classification</b>	The sorting of assets, liabilities, equity, income or expenses on the basis of shared characteristics for presentation and disclosure purposes.	CF.7.7

<b>close members of the family of a person</b>	Those family members who may be expected to influence, or be influenced by, that person in their dealings with the entity and include: <ul style="list-style-type: none"> <li>(a) that person's children and spouse or domestic partner;</li> <li>(b) children of that person's spouse or domestic partner;</li> <li>(c) dependants of that person or that person's spouse or domestic partner.</li> </ul>	IAS 24.9
<b>closing rate</b>	The spot exchange rate at the end of the reporting period.	IAS 21.8
<b>combined financial statements</b>	Financial statements of a reporting entity that comprises two or more entities that are not all linked by a parent-subsidiary relationship.	CF.3.12
<b>commencement date of the lease (commencement date)</b>	The date on which a lessor makes an underlying asset available for use by a lessee.	IFRS 16.A
<b>compensation</b>	Includes all employee benefits (as defined in IAS 19) including employee benefits to which IFRS 2 applies. Employee benefits are all forms of consideration paid, payable or provided by the entity, or on behalf of the entity, in exchange for services rendered to the entity. It also includes such consideration paid on behalf of a parent of the entity in respect of the entity. Compensation includes: <ul style="list-style-type: none"> <li>(a) short-term employee benefits, such as wages, salaries and social security contributions, paid annual leave and paid sick leave, profit sharing and bonuses (if payable within twelve months of the end of the period) and non-monetary benefits (such as medical care, housing, cars and free or subsidised goods or services) for current employees;</li> <li>(b) post-employment benefits such as pensions, other retirement benefits, post-employment life insurance and post-employment medical care;</li> <li>(c) other long-term employee benefits, including long service leave or sabbatical leave, jubilee or other long service benefits, long-term disability</li> </ul>	IAS 24.9

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	benefits and, if they are not payable wholly within twelve months after the end of the period, profit sharing, bonuses and deferred compensation;	
	(d) termination benefits; and	
	(e) share-based payment.	
<b>component of an entity</b>	Operations and cash flows that can be clearly distinguished, operationally and for financial reporting purposes, from the rest of the entity.	IFRS 5.A
<b>consolidated financial statements</b>	The financial statements of a group in which assets, liabilities, equity, income, expenses and cash flow of the parent and its subsidiaries are presented as those of a single economic entity.	IAS 27.4, IAS 28.3, IFRS 10.A
<b>consolidated financial statements</b>	Financial statements of a reporting entity that comprises both the parent and its subsidiaries.	CF.3.11
<b>constructive obligation</b>	An obligation that derives from an entity's actions where: <ul style="list-style-type: none"> <li>(a) by an established pattern of past practice, published policies or a sufficiently specific current statement, the entity has indicated to other parties that it will accept certain responsibilities; and</li> <li>(b) as a result, the entity has created a valid expectation on the part of those other parties that it will discharge those responsibilities.</li> </ul>	IAS 37.10
<b>contingent asset</b>	A possible asset that arises from past events and whose existence will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the entity.	IAS 37.10
<b>contingent consideration</b>	Usually, an obligation of the acquirer to transfer additional assets or equity interests to the former owners of an acquiree as part of the exchange for control of the acquiree if specified future events occur or conditions are met. However, contingent consideration also may give the acquirer the right to the return of previously transferred consideration if specified conditions are met.	IFRS 3.A

<b>contingent liability</b>	Is:	IAS 37.10
	(a) a possible obligation that arises from past events and whose existence will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the entity; or	
	(b) a present obligation that arises from past events but is not recognised because:	
	(i) it is not probable that an outflow of resources embodying economic benefits will be required to settle the obligation; or	
	(ii) the amount of the obligation cannot be measured with sufficient reliability.	
<b>contingent share agreement</b>	An agreement to issue shares that is dependent on the satisfaction of specified conditions.	IAS 33.5
<b>contingently issuable ordinary shares</b>	Ordinary shares issuable for little or no cash or other consideration upon the satisfaction of specified conditions in a contingent share agreement.	IAS 33.5
<b>contract</b>	An agreement between two or more parties that creates enforceable rights and obligations.	IFRS 15.A, IFRS 16.A
<b>contract asset</b>	An entity's right to consideration in exchange for goods or services that the entity has transferred to a customer when that right is conditioned on something other than the passage of time (for example, the entity's future performance).	IFRS 15.A, IFRS 9.A
<b>contract liability</b>	An entity's obligation to transfer goods or services to a customer for which the entity has received consideration (or the amount is due) from the customer.	IFRS 15.A
<b>contractual service margin</b>	A component of the carrying amount of the asset or liability for a group of insurance contracts representing the unearned profit the entity will recognise as it provides insurance contract services under the insurance contracts in the group.	IFRS 17.A

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<b>control of an economic resource</b>	The present ability to direct the use of the economic resource and obtain the economic benefits that may flow from it.	CF.4.20
<b>control of an investee</b>	An investor controls an investee when the investor is exposed, or has rights, to variable returns from its involvement with the investee and has the ability to affect those returns through its power over the investee.	IFRS 10.A
<b>corporate assets</b>	Assets other than goodwill that contribute to the future cash flows of both the cash generating unit under review and other cash generating units.	IAS 36.6
<b>cost</b>	The amount of cash or cash equivalents paid or the fair value of the other consideration given to acquire an asset at the time of its acquisition or construction, or, when applicable, the amount attributed to that asset when initially recognised in accordance with the specific requirements of other IFRSs, eg IFRS 2.	IAS 16.6, IAS 38.8, IAS 40.5
<b>cost approach</b>	A valuation technique that reflects the amount that would be required currently to replace the service capacity of an asset (often referred to as current replacement cost).	IFRS 13.A
<b>costs of disposal</b>	Incremental costs directly attributable to the disposal of an asset, excluding finance costs and income tax expense.	IAS 36.6
<b>costs to sell</b>	The incremental costs directly attributable to the disposal of an asset (or disposal group), excluding finance costs and income tax expense.	IFRS 5.A, (IAS 41.5)
<b>coverage period</b>		IFRS 17.A
<b>credit-adjusted effective interest rate</b>	The rate that exactly discounts the estimated future cash payments or receipts through the expected life of the financial asset to the amortised cost of a financial asset that is a purchased or originated credit-impaired financial asset. When calculating the credit-adjusted effective interest rate, an entity shall estimate the expected cash flows by considering all contractual terms of the financial asset (for example, prepayment, extension, call and similar options) and expected credit losses. The calculation includes all fees and points paid or received between parties to the contract that are an integral part	IFRS 9.A



of the effective interest rate (see paragraphs B5.4.1–B5.4.3), transaction costs, and all other premiums or discounts. There is a presumption that the cash flows and the expected life of a group of similar financial instruments can be estimated reliably. However, in those rare cases when it is not possible to reliably estimate the cash flows or the remaining life of a financial instrument (or group of financial instruments), the entity shall use the contractual cash flows over the full contractual term of the financial instrument (or group of financial instruments).

**credit-impaired  
financial asset**

A financial asset is credit-impaired when one or more events that have a detrimental impact on the estimated future cash flows of that financial asset have occurred. Evidence that a financial asset is credit-impaired include observable data about the following events:

IFRS 9.A

- (a) significant financial difficulty of the issuer or the borrower;
- (b) a breach of contract, such as a default or past due event;
- (c) the lender(s) of the borrower, for economic or contractual reasons relating to the borrower's financial difficulty, having granted to the borrower a concession(s) that the lender(s) would not otherwise consider;
- (d) it is becoming probable that the borrower will enter bankruptcy or other financial reorganisation;
- (e) the disappearance of an active market for that financial asset because of financial difficulties; or
- (f) the purchase or origination of a financial asset at a deep discount that reflects the incurred credit losses.

It may not be possible to identify a single discrete event—instead, the combined effect of several events may have caused financial assets to become credit-impaired.

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<b>credit loss</b>	The difference between all contractual cash flows that are due to an entity in accordance with the contract and all the cash flows that the entity expects to receive (ie all cash shortfalls), discounted at the original effective interest rate (or credit-adjusted effective interest rate for purchased or originated credit-impaired financial assets). An entity shall estimate cash flows by considering all contractual terms of the financial instrument (for example, prepayment, extension, call and similar options) through the expected life of that financial instrument. The cash flows that are considered shall include cash flows from the sale of collateral held or other credit enhancements that are integral to the contractual terms. There is a presumption that the expected life of a financial instrument can be estimated reliably. However, in those rare cases when it is not possible to reliably estimate the expected life of a financial instrument, the entity shall use the remaining contractual term of the financial instrument.	IFRS 9.A
<b>credit risk</b>	The risk that one party to a financial instrument will cause a financial loss for the other party by failing to discharge an obligation.	IFRS 7.A
<b>credit risk rating grades</b>	Rating of credit risk based on the risk of a default occurring on the financial instrument.	IFRS 7.A
<b>currency risk</b>	The risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in foreign exchange rates.	IFRS 7.A
<b>current asset</b>	An entity shall classify an asset as current when: <ul style="list-style-type: none"><li>(a) it expects to realise the asset or intends to sell or consume it in its normal operating cycle;</li><li>(b) it holds the asset primarily for the purpose of trading;</li><li>(c) it expects to realise the asset within twelve months after the reporting period; or</li></ul>	IAS 1.66, (IFRS 5.A)

	(d) the asset is cash or a cash equivalent (as defined in IAS 7) unless the asset is restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period.	
	An entity shall classify all other assets as non-current.	
<b>current service cost</b>	The increase in the present value of the defined benefit obligation resulting from employee service in the current period.	IAS 19.8
<b>current tax</b>	The amount of income taxes payable (recoverable) in respect of the taxable profit (tax loss) for a period.	IAS 12.5
<b>customer</b>	A party that has contracted with an entity to obtain goods or services that are an output of the entity's ordinary activities in exchange for consideration.	IFRS 15.A
<b>date of transition to IFRSs</b>	The beginning of the earliest period for which an entity presents full comparative information under IFRSs in its first IFRS financial statements.	IFRS 1.A
<b>decision maker</b>	An entity with decision-making rights that is either a principal or an agent for other parties.	IFRS 10.A
<b>deductible temporary differences</b>	Temporary differences between the carrying amount of an asset or liability in the statement of financial position and its tax base that will result in amounts that are deductible in determining taxable profit (tax loss) of future periods when the carrying amount of the asset or liability is recovered or settled.	IAS 12.5
<b>deemed cost</b>	An amount used as a surrogate for cost or depreciated cost at a given date. Subsequent depreciation or amortisation assumes that the entity had initially recognised the asset or liability at the given date and that its cost was equal to the deemed cost.	IFRS 1.A
<b>deferred tax assets</b>	The amounts of income taxes recoverable in future periods in respect of: <ul style="list-style-type: none"> <li>(a) deductible temporary differences;</li> <li>(b) the carryforward of unused tax losses; and</li> <li>(c) the carryforward of unused tax credits.</li> </ul>	IAS 12.5

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<b>deferred tax liabilities</b>	The amounts of income taxes payable in future periods in respect of taxable temporary differences.	IAS 12.5
<b>deficit or surplus (of defined benefit liability (asset))</b>	The deficit or surplus is: (a) the present value of the defined benefit obligation less (b) the fair value of the plan assets (if any).	IAS 19.8
<b>defined benefit plans</b>	Post-employment benefit plans other than defined contribution plans.	IAS 19.8
<b>defined benefit plans</b>	Retirement benefit plans under which amounts to be paid as retirement benefits are determined by reference to a formula usually based on employees' earnings and/or years of service.	IAS 26.8
<b>defined contribution plans</b>	Post-employment benefit plans under which an entity pays fixed contributions into a separate entity (a fund) and will have no legal or constructive obligation to pay further contributions if the fund does not hold sufficient assets to pay all employee benefits relating to employee service in the current and prior periods.	IAS 19.8
<b>defined contribution plans</b>	Retirement benefit plans under which amounts to be paid as retirement benefits are determined by contributions to a fund together with investment earnings thereon.	IAS 26.8
<b>depreciable amount</b>	The cost of an asset, or other amount substituted for cost (in the financial statements), less its residual value.	IAS 16.6, IAS 36.6, IAS 38.8
<b>depreciation (amortisation)<sup>2</sup></b>	The systematic allocation of the depreciable amount of an asset over its useful life.	IAS 16.6, IAS 36.6
<b>derecognition</b>	The removal of a previously recognised financial asset or financial liability from an entity's statement of financial position.	IFRS 9.A
<b>derecognition</b>	The removal of all or part of a recognised asset or liability from an entity's statement of financial position.	CF.5.26
<b>derivative</b>	A financial instrument or other contract within the scope of IFRS 9 (see paragraph 2.1 of IFRS 9) with all three of the following characteristics:	IFRS 9.A

<sup>2</sup> In the case of an intangible asset, the term 'amortisation' is generally used instead of 'depreciation'. The two terms have the same meaning.

	<ul style="list-style-type: none"> <li>(a) its value changes in response to the change in a specified interest rate, financial instrument price, commodity price, foreign exchange rate, index of prices or rates, credit rating or credit index, or other variable, provided in the case of a non-financial variable that the variable is not specific to a party to the contract (sometimes called the 'underlying').</li> <li>(b) it requires no initial net investment or an initial net investment that is smaller than would be required for other types of contracts that would be expected to have a similar response to changes in market factors.</li> <li>(c) it is settled at a future date.</li> </ul>	
<b>development</b>	The application of research findings or other knowledge to a plan or design for the production of new or substantially improved materials, devices, products, processes, systems or services before the start of commercial production or use.	IAS 38.8
<b>dilution</b>	A reduction in earnings per share or an increase in loss per share resulting from the assumption that convertible instruments are converted, that options or warrants are exercised, or that ordinary shares are issued upon the satisfaction of specified conditions.	IAS 33.5
<b>discontinued operation</b>	<p>A component of an entity that either has been disposed of or is classified as held for sale and:</p> <ul style="list-style-type: none"> <li>(a) represents a separate major line of business or geographical area of operations,</li> <li>(b) is part of a single co-ordinated plan to dispose of a separate major line of business or geographical area of operations or</li> <li>(c) is a subsidiary acquired exclusively with a view to resale.</li> </ul>	IFRS 5.A
<b>disposal group</b>	A group of assets to be disposed of, by sale or otherwise, together as a group in a single transaction, and liabilities directly associated with those assets that will be transferred in the	IFRS 5.A

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	transaction. The group includes goodwill acquired in a business combination if the group is a cash-generating unit to which goodwill has been allocated in accordance with the requirements of paragraphs 80–87 of IAS 36 or if it is an operation within such a cash generating unit.	
<b>dividends</b>	Distributions of profits to holders of equity instruments in proportion to their holdings of a particular class of capital.	IFRS 9.A
<b>economic life</b>	Either the period over which an asset is expected to be economically usable by one or more users or the number of production or similar units expected to be obtained from an asset by one or more users.	IFRS 16.A
<b>economic resource</b>	A right that has the potential to produce economic benefits.	CF.4.4
<b>effective date of the modification</b>	The date when both parties agree to a lease modification.	IFRS 16.A
<b>effective interest method</b>	The method that is used in the calculation of the amortised cost of a financial asset or a financial liability and in the allocation and recognition of the interest revenue or interest expense in profit or loss over the relevant period.	IFRS 9.A
<b>effective interest rate</b>	The rate that exactly discounts estimated future cash payments or receipts through the expected life of the financial asset or financial liability to the gross carrying amount of the financial asset or to the amortised cost of a financial liability. When calculating the effective interest rate, an entity shall estimate the expected cash flows by considering all the contractual terms of the financial instrument (for example, prepayment, extension, call and similar options) but shall not consider the expected credit losses. The calculation includes all fees and points paid or received between parties to the contract that are an integral part of the effective interest rate (see paragraphs B5.4.1–B5.4.3 of IFRS 9), transaction costs, and all other premiums or discounts. There is a presumption that the cash flows and the expected life of a group of similar financial instruments can be estimated reliably. However, in those rare cases when it is not	IFRS 9.A

	possible to reliably estimate (see paragraphs AG8–AG8B or IAS 39) the cash flows or the expected life of a financial instrument (or group of financial instruments), the entity shall use the contractual cash flows over the full contractual term of the financial instrument (or group of financial instruments).	
<b>employee benefits</b>	All forms of consideration given by an entity in exchange for service rendered by employees or for the termination of employment.	IAS 19.8
<b>employees and others providing similar services</b>	Individuals who render personal services to the entity and either (a) the individuals are regarded as employees for legal or tax purposes, (b) the individuals work for the entity under its direction in the same way as individuals who are regarded as employees for legal or tax purposes, or (c) the services rendered are similar to those rendered by employees. For example, the term encompasses all management personnel, ie those persons having authority and responsibility for planning, directing and controlling the activities of the entity, including non-executive directors.	IFRS 2.A
<b>enhancing qualitative characteristic</b>	A qualitative characteristic that makes useful information more useful. The enhancing qualitative characteristics are comparability, verifiability, timeliness and understandability.	CF.2.4, CF.2.23
<b>entity-specific value</b>	The present value of the cash flows an entity expects to arise from the continuing use of an asset and from its disposal at the end of its useful life or expects to incur when settling a liability.	IAS 16.6, IAS 38.8
<b>entry price</b>	The price paid to acquire an asset or received to assume a liability in an exchange transaction.	IFRS 13.A
<b>equity</b>	The residual interest in the assets of the entity after deducting all its liabilities.	CF.4.63
<b>equity claim</b>	A claim on the residual interest in the assets of the entity after deducting all its liabilities.	CF.4.64
<b>equity instrument</b>	A contract that evidences a residual interest in the assets of an entity after deducting all of its liabilities.	IAS 32.11, IFRS 2.A

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<b>equity instrument granted</b>	The right (conditional or unconditional) to an equity instrument of the entity conferred by the entity on another party, under a share-based payment arrangement.	IFRS 2.A
<b>equity interests</b>	In IFRS 3, is used broadly to mean ownership interests of investor-owned entities and owner, member or participant interests of mutual entities.	IFRS 3.A
<b>equity method</b>	A method of accounting whereby the investment is initially recognised at cost and adjusted thereafter for the post-acquisition change in the investor's share of the investee's net assets. The investor's profit or loss includes its share of the investee's profit or loss and the investor's other comprehensive income includes its share of the investee's other comprehensive income.	IAS 28.3
<b>equity-settled share-based payment transaction</b>	<p>A share-based payment transaction in which the entity</p> <ul style="list-style-type: none"> <li>(a) receives goods or services as consideration for its own equity instruments (including shares or share options), or</li> <li>(b) receives goods or services but has no obligation to settle the transaction with the supplier.</li> </ul>	IFRS 2.A
<b>events after the reporting period</b>	<p>Those events, favourable and unfavourable, that occur between the end of the reporting period and the date when the financial statements are authorised for issue. Two types of events can be identified:</p> <ul style="list-style-type: none"> <li>(a) those that provide evidence of conditions that existed at the end of the reporting period (adjusting events after the reporting period); and</li> <li>(b) those that are indicative of conditions that arose after the reporting period (non-adjusting events after the reporting period).</li> </ul>	IAS 10.3
<b>exchange difference</b>	The difference resulting from translating a given number of units of one currency into another currency at different exchange rates.	IAS 21.8
<b>exchange rate</b>	The ratio of exchange for two currencies.	IAS 21.8



<b>executory contract</b>	A contract, or a portion of a contract, that is equally unperformed—neither party has fulfilled any of its obligations, or both parties have partially fulfilled their obligations to an equal extent.	CF.4.56
<b>existence uncertainty</b>	Uncertainty about whether an asset or liability exists.	CF.4.13, CF.4.35
<b>exit price</b>	The price that would be received to sell an asset or paid to transfer a liability.	IFRS 13.A
<b>expected cash flows</b>	The probability-weighted average (ie mean of the distribution) of possible future cash flows.	IFRS 13.A
<b>expected credit losses</b>	The weighted average of credit losses with the respective risks of a default occurring as the weights.	IFRS 9.A
<b>expenses</b>	Decreases in assets, or increases in liabilities, that result in decreases in equity, other than those relating to distributions to holders of equity claims.	CF.4.69
<b>experience adjustment</b>	A difference between: <ul style="list-style-type: none"> <li>(a) for premium receipts (and any related cash flows such as insurance acquisition cash flows and insurance premium taxes)—the estimate at the beginning of the period of the amounts expected in the period and the actual cash flows in the period; or</li> <li>(b) for insurance service expenses (excluding insurance acquisition expenses)—the estimate at the beginning of the period of the amounts expected to be incurred in the period and the actual amounts incurred in the period.</li> </ul>	IFRS 17.A
<b>experience adjustments</b>	The effects of differences between previous actuarial assumptions and what has actually occurred.	IAS 19.8
<b>exploration and evaluation assets</b>	Exploration and evaluation expenditures recognised as assets in accordance with the entity's accounting policy.	IFRS 6.A
<b>exploration and evaluation expenditures</b>	Expenditures incurred by an entity in connection with the exploration for and evaluation of mineral resources before the technical feasibility and commercial viability of	IFRS 6.A

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	extracting a mineral resource are demonstrable.	
<b>exploration for and evaluation of mineral resources</b>	The search for mineral resources, including minerals, oil, natural gas and similar non-regenerative resources after the entity has obtained legal rights to explore in a specific area, as well as the determination of the technical feasibility and commercial viability of extracting the mineral resource.	IFRS 6.A
<b>fair value</b>	The price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date.	IAS 2.6, (IAS 16.6), (IAS 19.8), (IAS 20.3), IAS 21.8, IAS 32.11, (IAS 36.6), (IAS 38.8), (IAS 40.5), IAS 41.8, IFRS 1.A, IFRS 3.A, IFRS 5.A, IFRS 9.A, IFRS 13.A
<b>fair value</b>	The amount for which an asset could be exchanged, a liability settled, or an equity instrument granted could be exchanged, between knowledgeable, willing parties in an arm's length transaction.	IFRS 2.A
<b>fair value</b>	For the purpose of applying the lessor accounting requirements in IFRS 16, the amount for which an asset could be exchanged, or a liability settled, between knowledgeable, willing parties in an arm's length transaction.	IFRS 16.A
<b>finance lease</b>	A lease that transfers substantially all the risks and rewards incidental to ownership of an underlying asset.	IFRS 16.A
<b>financial asset</b>	Any asset that is: <ul style="list-style-type: none"> <li>(a) cash;</li> <li>(b) an equity instrument of another entity;</li> <li>(c) a contractual right:               <ul style="list-style-type: none"> <li>(i) to receive cash or another financial asset from another entity; or</li> </ul> </li> </ul>	IAS 32.11

- (ii) to exchange financial assets or financial liabilities with another entity under conditions that are potentially favourable to the entity; or
- (d) a contract that will or may be settled in the entity's own equity instruments and is:
  - (i) a non-derivative for which the entity is or may be obliged to receive a variable number of the entity's own equity instruments; or
  - (ii) a derivative that will or may be settled other than by the exchange of a fixed amount of cash or another financial asset for a fixed number of the entity's own equity instruments. For this purpose the entity's own equity instruments do not include puttable financial instruments classified as equity instruments in accordance with paragraphs 16A and 16B of IAS 32, instruments that impose on the entity an obligation to deliver to another party a pro rata share of the net assets of the entity only on liquidation and are classified as equity instruments in accordance with paragraphs 16C and 16D of IAS 32, or instruments that are contracts for the future receipt or delivery of the entity's own equity instruments.

**financial guarantee contract** A contract that requires the issuer to make specified payments to reimburse the holder for a loss it incurs because a specified debtor fails to make payment when due in accordance with the original or modified terms of a debt instrument. IFRS 9.A

**financial instrument** Any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity. IAS 32.11

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<b>financial liability</b>	Any liability that is:	IAS 32.11
	(a) a contractual obligation:	
	(i) to deliver cash or another financial asset to another entity; or	
	(ii) to exchange financial assets or financial liabilities with another entity under conditions that are potentially unfavourable to the entity; or	
	(b) a contract that will or may be settled in the entity's own equity instruments and is:	
	(i) a non-derivative for which the entity is or may be obliged to deliver a variable number of the entity's own equity instruments; or	
	(ii) a derivative that will or may be settled other than by the exchange of a fixed amount of cash or another financial asset for a fixed number of the entity's own equity instruments. For this purpose, rights, options or warrants to acquire a fixed number of the entity's own equity instruments for a fixed amount of any currency are equity instruments if the entity offers the rights, options or warrants pro rata to all of its existing owners of the same class of its own non-derivative equity instruments. Also, for these purposes the entity's own equity instruments do not include puttable financial instruments that are classified as equity instruments in accordance with paragraphs 16A and 16B of IAS 32, instruments that impose on the entity an obligation to deliver to another party a pro rata share of the net assets of the entity only on	

	liquidation and are classified as equity instruments in accordance with paragraphs 16C and 16D of IAS 32, or instruments that are contracts for the future receipt or delivery of the entity's own equity instruments.	
	As an exception, an instrument that meets the definition of a financial liability is classified as an equity instrument if it has all the features and meets the conditions in paragraphs 16A and 16B or paragraphs 16C and 16D of IAS 32.	
<b>financial liability at fair value through profit or loss</b>	<p>A financial liability that meets one of the following conditions:</p> <ul style="list-style-type: none"> <li>(a) it meets the definition of held for trading.</li> <li>(b) upon initial recognition it is designated by the entity as at fair value through profit or loss in accordance with paragraph 4.2.2 or 4.3.5.</li> <li>(c) it is designated either upon initial recognition or subsequently as at fair value through profit or loss in accordance with paragraph 6.7.1.</li> </ul>	IFRS 9.A
<b>financial risk</b>	The risk of a possible future change in one or more of a specified interest rate, financial instrument price, commodity price, currency exchange rate, index of prices or rates, credit rating or credit index or other variable, provided in the case of a non-financial variable that the variable is not specific to a party to the contract.	IFRS 17.A
<b>financing activities</b>	Activities that result in changes in the size and composition of the contributed equity and borrowings of the entity.	IAS 7.6
<b>firm commitment</b>	A binding agreement for the exchange of a specified quantity of resources at a specified price on a specified future date or dates.	IAS 39.9, IFRS 9.A
<b>firm purchase commitment</b>	An agreement with an unrelated party, binding on both parties and usually legally enforceable, that (a) specifies all significant terms, including the price and timing of the transactions, and (b) includes a disincentive for non-performance	IFRS 5.A

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	that is sufficiently large to make performance highly probable.	
<b>first IFRS financial statements</b>	The first annual financial statements in which an entity adopts International Financial Reporting Standards (IFRSs), by an explicit and unreserved statement of compliance with IFRSs.	IFRS 1.A, IFRS 14.A
<b>first IFRS reporting period</b>	The latest reporting period covered by an entity's first IFRS financial statements.	IFRS 1.A
<b>first-time adopter</b>	An entity that presents its first IFRS financial statements.	IFRS 1.A, IFRS 14.A
<b>fixed payments</b>	Payments made by a lessee to a lessor for the right to use an underlying asset during the lease term, excluding variable lease payments.	IFRS 16.A
<b>forecast transaction</b>	An uncommitted but anticipated future transaction.	IFRS 9.A, IAS 39.9
<b>foreign currency</b>	A currency other than the functional currency of the entity.	IAS 21.8
<b>foreign currency transaction</b>	A transaction that is denominated in or requires settlement in a foreign currency.	IAS 21.20
<b>foreign operation</b>	An entity that is a subsidiary, associate, joint venture or branch of the reporting entity, the activities of which are based or conducted in a country or currency other than those of the reporting entity.	IAS 21.8
<b>forgivable loans</b>	Loans which the lender undertakes to waive repayment of under certain prescribed conditions.	IAS 20.3
<b>fulfilment cash flows</b>	An explicit, unbiased and probability-weighted estimate (ie expected value) of the present value of the future cash outflows minus the present value of the future cash inflows that will arise as the entity fulfils insurance contracts, including a risk adjustment for non-financial risk.	IFRS 17.A
<b>functional currency</b>	The currency of the primary economic environment in which the entity operates.	IAS 21.8
<b>fundamental qualitative characteristic</b>	A qualitative characteristic that financial information must possess to be useful to the primary users of general purpose financial reports. The fundamental qualitative characteristics are relevance and faithful representation.	CF.2.4, CF.2.5

<b>funding (of retirement benefits)</b>	The transfer of assets to an entity (the fund) separate from the employer's entity to meet future obligations for the payment of retirement benefits.	IAS 26.8
<b>general purpose financial report</b>	A report that provides financial information about the reporting entity's economic resources, claims against the entity and changes in those economic resources and claims that is useful to primary users in making decisions relating to providing resources to the entity.	CF.1.2, CF.1.12
<b>general purpose financial statements</b>	Financial statements that are intended to meet the needs of users who are not in a position to require an entity to prepare reports tailored to their particular information needs.	IAS 1.7
<b>general purpose financial statements</b>	A particular form of general purpose financial reports that provide information about the reporting entity's assets, liabilities, equity, income and expenses.	CF.3.2
<b>goodwill</b>	An asset representing the future economic benefits arising from other assets acquired in a business combination that are not individually identified and separately recognised.	IFRS 3.A
<b>government</b>	Government, government agencies and similar bodies whether local, national or international.	IAS 20.3, IAS 24.9
<b>government assistance</b>	Action by government designed to provide an economic benefit specific to an entity or range of entities qualifying under certain criteria.	IAS 20.3
<b>government grants</b>	Assistance by government in the form of transfers of resources to an entity in return for past or future compliance with certain conditions relating to the operating activities of the entity. They exclude those forms of government assistance which cannot reasonably have a value placed upon them and transactions with government which cannot be distinguished from the normal trading transactions of the entity.	IAS 20.3
<b>government-related entity</b>	An entity that is controlled, jointly controlled or significantly influenced by a government.	IAS 24.9
<b>grant date</b>	The date at which the entity and another party (including an employee) agree to a share-based payment arrangement, being when the entity and the counterparty have a shared	IFRS 2.A

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understanding of the terms and conditions of the arrangement. At grant date the entity confers on the counterparty the right to cash, other assets, or equity instruments of the entity, provided the specified vesting conditions, if any, are met. If that agreement is subject to an approval process (for example, by shareholders), grant date is the date when that approval is obtained.

<b>grants related to assets</b>	Government grants whose primary condition is that an entity qualifying for them should purchase, construct or otherwise acquire long-term assets. Subsidiary conditions may also be attached restricting the type or location of the assets or the periods during which they are to be acquired or held.	IAS 20.3
<b>grants related to income</b>	Government grants other than those related to assets.	IAS 20.3
<b>gross carrying amount of a financial asset</b>	The amortised cost of a financial asset, before adjusting for any loss allowance.	IFRS 9.A
<b>gross investment in the lease</b>	The sum of: <ul style="list-style-type: none"> <li>(a) the lease payments receivable by a lessor under a finance lease; and</li> <li>(b) any unguaranteed residual value accruing to the lessor.</li> </ul>	IFRS 16.A
<b>group</b>	A parent and its subsidiaries.	IFRS 10.A, IAS 21.8
<b>group of biological assets</b>	An aggregation of similar living animals or plants.	IAS 41.5
<b>group of insurance contracts</b>	A set of insurance contracts resulting from the division of a portfolio of insurance contracts into, at a minimum, contracts issued within a period of no longer than one year and that, at initial recognition: <ul style="list-style-type: none"> <li>(a) are onerous, if any;</li> <li>(b) have no significant possibility of becoming onerous subsequently, if any; or</li> <li>(c) do not fall into either (a) or (b), if any.</li> </ul>	IFRS 17.A
<b>harvest</b>	The detachment of produce from a biological asset or the cessation of a biological asset's life processes.	IAS 41.5



<b>hedge effectiveness</b>	The degree to which changes in the fair value or cash flows of the hedged item that are attributable to a hedged risk are offset by changes in the fair value or cash flows of the hedging instrument (see IAS 39 paragraphs AG105–AG113A).	IAS 39.9
<b>hedge ratio</b>	The relationship between the quantity of the hedging instrument and the quantity of the hedged item in terms of their relative weighting.	IFRS 9.A
<b>hedged item</b>	An asset, liability, firm commitment, highly probable forecast transaction or net investment in a foreign operation that (a) exposes the entity to risk of changes in fair value or future cash flows and (b) is designated as being hedged (IAS 39 paragraphs 78–84 and AG98–AG101 elaborate on the definition of hedged items).	IAS 39.9
<b>hedging instrument</b>	A designated derivative or (for a hedge of the risk of changes in foreign currency exchange rates only) a designated non-derivative financial asset or non-derivative financial liability whose fair value or cash flows are expected to offset changes in the fair value or cash flows of a designated hedged item (IAS 39 paragraphs 72–77 and AG94–AG97 elaborate on the definition of a hedging instrument).	IAS 39.9
<b>held for trading</b>	<p>A financial asset or financial liability that:</p> <ul style="list-style-type: none"> <li>(a) is acquired or incurred principally for the purpose of selling or repurchasing it in the near term;</li> <li>(b) on initial recognition is part of a portfolio of identified financial instruments that are managed together and for which there is evidence of a recent actual pattern of short-term profit-taking; or</li> <li>(c) is a derivative (except for a derivative that is a financial guarantee contract or a designated and effective hedging instrument).</li> </ul>	IFRS 9.A
<b>highest and best use</b>	The use of a non-financial asset by market participants that would maximise the value of the asset or the group of assets and liabilities (eg a business) within which the asset would be used.	IFRS 13.A

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<b>highly probable</b>	Significantly more likely than probable.	IFRS 5.A
<b>hyperinflation</b>	<p>Loss of purchasing power of money at such a rate that comparison of amounts from transactions and other events that have occurred at different times, even within the same accounting period, is misleading.</p> <p>Hyperinflation is indicated by characteristics of the economic environment of a country which include, but are not limited to, the following:</p> <ul style="list-style-type: none"><li>(a) the general population prefers to keep its wealth in non-monetary assets or in a relatively stable foreign currency. Amounts of local currency held are immediately invested to maintain purchasing power.</li><li>(b) the general population regards monetary amounts not in terms of the local currency but in terms of a relatively stable foreign currency. Prices may be quoted in that currency.</li><li>(c) sales and purchases on credit take place at prices that compensate for the expected loss of purchasing power during the credit period, even if the period is short.</li><li>(d) interest rates, wages and prices are linked to a price index.</li><li>(e) the cumulative inflation rate over three years is approaching, or exceeds, 100%.</li></ul>	IAS 29.2–3
<b>identifiable</b>	<p>An asset is identifiable if it either:</p> <ul style="list-style-type: none"><li>(a) is separable, ie capable of being separated or divided from the entity and sold, transferred, licensed, rented or exchanged, either individually or together with a related contract, identifiable asset or liability, regardless of whether the entity intends to do so; or</li><li>(b) arises from contractual or other legal rights, regardless of whether those rights are transferable or separable from the entity or from other rights and obligations.</li></ul>	IFRS 3.A

<b>impairment gain or loss</b>	Gains or losses that are recognised in profit or loss in accordance with paragraph 5.5.8 and that arise from applying the impairment requirements in Section 5.5.	IFRS 9.A
<b>impairment loss</b>	The amount by which the carrying amount of an asset exceeds its recoverable amount.	IAS 16.6, (IAS 36.6), IAS 38.8
<b>impracticable</b>	Applying a requirement is impracticable when the entity cannot apply it after making every reasonable effort to do so.	IAS 1.7, (IAS 8.5)
<b>inception date of the lease (inception date)</b>	The earlier of the date of a lease agreement and the date of commitment by the parties to the principal terms and conditions of the lease.	IFRS 16.A
<b>income</b>	Increases in economic benefits during the accounting period in the form of inflows or enhancements of assets or decreases of liabilities that result in an increase in equity, other than those relating to contributions from equity participants.	IFRS 15.A
<b>income</b>	Increases in assets, or decreases in liabilities, that result in increases in equity, other than those relating to contributions from holders of equity claims.	CF.4.68
<b>income approach</b>	Valuation techniques that convert future amounts (eg cash flows or income and expenses) to a single current (eg discounted) amount. The fair value measurement is determined on the basis of the value indicated by current market expectations about those future amounts.	IFRS 13.A
<b>income from a structured entity</b>	For the purpose of IFRS 12, income from a structured entity includes, but is not limited to, recurring and non-recurring fees, interest, dividends, gains or losses on the remeasurement or derecognition of interests in structured entities and gains or losses from the transfer of assets and liabilities to the structured entity.	IFRS 12.A
<b>initial direct costs</b>	Incremental costs of obtaining a lease that would not have been incurred if the lease had not been obtained, except for such costs incurred by a manufacturer or dealer lessor in connection with a finance lease.	IFRS 16.A

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<b>inputs</b>	<p>The assumptions that market participants would use when pricing the asset or liability, including assumptions about risk, such as the following:</p> <ul style="list-style-type: none"> <li>(a) the risk inherent in a particular valuation technique used to measure fair value (such as pricing model); and</li> <li>(b) the risk inherent in the inputs to the valuation technique.</li> </ul> <p>Inputs may be observable or unobservable.</p>	IFRS 13.A
<b>insurance acquisition cash flows</b>	Cash flows arising from the costs of selling, underwriting and starting a group of insurance contracts (issued or expected to be issued) that are directly attributable to the portfolio of insurance contracts to which the group belongs. Such cash flows include cash flows that are not directly attributable to individual contracts or groups of insurance contracts within the portfolio.	IFRS 17.A
<b>insurance contract</b>	A contract under which one party (the issuer) accepts significant insurance risk from another party (the policyholder) by agreeing to compensate the policyholder if a specified uncertain future event (the insured event) adversely affects the policyholder.	IFRS 17.A
<b>insurance contract services</b>	<p>The following services that an entity provides to a policyholder of an insurance contract:</p> <ul style="list-style-type: none"> <li>(a) coverage for an insured event (insurance coverage);</li> <li>(b) for insurance contracts without direct participation features, the generation of an investment return for the policyholder, if applicable (investment-return service); and</li> <li>(c) for insurance contracts with direct participation features, the management of underlying items on behalf of the policyholder (investment-related service).</li> </ul>	IFRS 17.A
<b>insurance contract with direct participation features</b>	An insurance contract for which, at inception:	IFRS 17.A

	<p>(a) the contractual terms specify that the policyholder participates in a share of a clearly identified pool of underlying items;</p> <p>(b) the entity expects to pay to the policyholder an amount equal to a substantial share of the fair value returns on the underlying items; and</p> <p>(c) the entity expects a substantial proportion of any change in the amounts to be paid to the policyholder to vary with the change in fair value of the underlying items.</p>	
<b>insurance contract without direct participation features</b>	An insurance contract that is not an insurance contract with direct participation features.	IFRS 17.A
<b>insurance risk</b>	Risk, other than financial risk, transferred from the holder of a contract to the issuer.	IFRS 17.A
<b>insured event</b>	An uncertain future event covered by an insurance contract that creates insurance risk.	IFRS 17.A
<b>intangible asset</b>	An identifiable non-monetary asset without physical substance.	IAS 38.8, IFRS 3.A
<b>interest in another entity</b>	<p>For the purpose of IFRS 12, an interest in another entity refers to contractual and non-contractual involvement that exposes an entity to variability of returns from the performance of the other entity. An interest in another entity can be evidenced by, but is not limited to, the holding of equity or debt instruments as well as other forms of involvement such as the provision of funding, liquidity support, credit enhancement and guarantees. It includes the means by which an entity has control or joint control of, or significant influence over, another entity. An entity does not necessarily have an interest in another entity solely because of a typical customer supplier relationship.</p> <p>Paragraphs B7–B9 of IFRS 12 provide further information about interests in other entities.</p> <p>Paragraphs B55–B57 of IFRS 10 explain variability of returns.</p>	IFRS 12.A

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<b>interest rate implicit in the lease</b>	The rate of interest that causes the present value of (a) the lease payments and (b) the unguaranteed residual value to equal the sum of (i) the fair value of the underlying asset and (ii) any initial direct costs of the lessor.	IFRS 16.A
<b>interest rate risk</b>	The risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates.	IFRS 7.A
<b>interim financial report</b>	A financial report containing either a complete set of financial statements (as described in IAS 1) or a set of condensed financial statements (as described in IAS 34) for an interim period.	IAS 34.4
<b>interim period</b>	A financial reporting period shorter than a full financial year.	IAS 34.4
<b>International Financial Reporting Standards (IFRSs)</b>	Standards and Interpretations issued by the International Accounting Standards Board. They comprise: <ul style="list-style-type: none"> <li>(a) International Financial Reporting Standards;</li> <li>(b) International Accounting Standards;</li> <li>(c) IFRIC Interpretations; and</li> <li>(d) SIC Interpretations.<sup>3</sup></li> </ul>	IAS 1.7, IAS 8.5, IFRS 1.A
<b>intrinsic value</b>	The difference between the fair value of the shares to which the counterparty has the (conditional or unconditional) right to subscribe or which it has the right to receive, and the price (if any) the counterparty is (or will be) required to pay for those shares. For example, a share option with an exercise price of CU15, <sup>4</sup> on a share with a fair value of CU20, has an intrinsic value of CU5.	IFRS 2.A
<b>inventories</b>	Assets: <ul style="list-style-type: none"> <li>(a) held for sale in the ordinary course of business;</li> <li>(b) in the process of production for such sale; or</li> </ul>	IAS 2.6, IAS 2.8

<sup>3</sup> Definition of IFRSs amended after the name change introduced by the revised Constitution of the IFRS Foundation in 2010.

<sup>4</sup> Monetary items are denominated in 'currency units (CU)'.

- (c) in the form of materials or supplies to be consumed in the production process or in the rendering of services.

Inventories encompass goods purchased and held for resale including, for example, merchandise purchased by a retailer and held for resale, or land and other property held for resale. Inventories also encompass finished goods produced, or work in progress being produced, by the entity and include materials and supplies awaiting use in the production process. Costs incurred to fulfil a contract with a customer that do not give rise to inventories (or assets within the scope of another Standard) are accounted for in accordance with IFRS 15 *Revenue from Contracts with Customers*.

<b>investing activities</b>	The acquisition and disposal of long-term assets and other investments not included in cash equivalents.	IAS 7.6
<b>investment component</b>	The amounts that an insurance contract requires the entity to repay to a policyholder in all circumstances, regardless of whether an insured event occurs.	IFRS 17.A
<b>investment contract with discretionary participation features</b>	<p>A financial instrument that provides a particular investor with the contractual right to receive, as a supplement to an amount not subject to the discretion of the issuer, additional amounts:</p> <ul style="list-style-type: none"> <li>(a) that are expected to be a significant portion of the total contractual benefits;</li> <li>(b) the timing or amount of which are contractually at the discretion of the issuer; and</li> <li>(c) that are contractually based on: <ul style="list-style-type: none"> <li>(i) the returns on a specified pool of contracts or a specified type of contract;</li> <li>(ii) realised and/or unrealised investment returns on a specified pool of assets held by the issuer; or</li> <li>(iii) the profit or loss of the entity or fund that issues the contract.</li> </ul> </li> </ul>	IFRS 17.A

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<b>investment entity</b>	An entity that:	IFRS 10.A
	(a) obtains funds from one or more investors for the purpose of providing those investor(s) with investment management services;	
	(b) commits to its investor(s) that its business purpose is to invest funds solely for returns from capital appreciation, investment income, or both; and	
	(c) measures and evaluates the performance of substantially all of its investments on a fair value basis.	
<b>investment property</b>	Property (land or a building—or part of a building—or both) held (by the owner or by the lessee as a right-of-use asset) to earn rentals or for capital appreciation or both, rather than for:	IAS 40.5
	(a) use in the production or supply of goods or services or for administrative purposes; or	
	(b) sale in the ordinary course of business.	
<b>joint arrangement</b>	An arrangement of which two or more parties have joint control.	IAS 28.3, IFRS 11.A
<b>joint control</b>	The contractually agreed sharing of control of an arrangement, which exists only when decisions about the relevant activities require the unanimous consent of the parties sharing control.	IAS 28.3, IFRS 11.A
<b>joint operation</b>	A joint arrangement whereby the parties that have joint control of the arrangement have rights to the assets, and obligations for the liabilities, relating to the arrangement.	IFRS 11.A
<b>joint operator</b>	A party to a joint operation that has joint control of that joint operation.	IFRS 11.A
<b>joint venture</b>	A joint arrangement whereby the parties that have joint control of the arrangement have rights to the net assets of the arrangement.	IAS 28.3, IFRS 11.A
<b>joint venturer</b>	A party to a joint venture that has joint control of the joint venture.	IAS 28.3, IFRS 11.A



<b>key management personnel</b>	Those persons having authority and responsibility for planning, directing and controlling the activities of the entity, directly or indirectly, including any director (whether executive or otherwise) of that entity.	IAS 24.9
<b>lease</b>	A contract, or part of a contract, that conveys the right to use an asset (the underlying asset) for a period of time in exchange for consideration.	IFRS 16.A
<b>lease incentives</b>	Payments made by a lessor to a lessee associated with a lease, or the reimbursement or assumption by a lessor of costs of a lessee.	IFRS 16.A
<b>lease modification</b>	A change in the scope of a lease, or the consideration for a lease, that was not part of the original terms and conditions of the lease (for example, adding or terminating the right to use one or more underlying assets, or extending or shortening the contractual lease term).	IFRS 16.A
<b>lease payments</b>	<p>Payments made by a lessee to a lessor relating to the right to use an underlying asset during the lease term, comprising the following:</p> <ul style="list-style-type: none"> <li>(a) fixed payments (including in-substance fixed payments), less any lease incentives;</li> <li>(b) variable lease payments that depend on an index or a rate;</li> <li>(c) the exercise price of a purchase option if the lessee is reasonably certain to exercise that option; and</li> <li>(d) payments of penalties for terminating the lease, if the lease term reflects the lessee exercising an option to terminate the lease.</li> </ul> <p>For the lessee, lease payments also include amounts expected to be payable by the lessee under residual value guarantees. Lease payments do not include payments allocated to non-lease components of a contract, unless the lessee elects to combine non-lease components with a lease component and to account for them as a single lease component.</p>	IFRS 16.A

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For the lessor, lease payments also include any residual value guarantees provided to the lessor by the lessee, a party related to the lessee or a third party unrelated to the lessor that is financially capable of discharging the obligations under the guarantee. Lease payments do not include payments allocated to non-lease components.

<b>lease term</b>	The non-cancellable period for which a lessee has the right to use an underlying asset, together with both: <ul style="list-style-type: none"> <li>(a) periods covered by an option to extend the lease if the lessee is reasonably certain to exercise that option; and</li> <li>(b) periods covered by an option to terminate the lease if the lessee is reasonably certain not to exercise that option.</li> </ul>	IFRS 16.A
<b>legal obligation</b>	An obligation that derives from: <ul style="list-style-type: none"> <li>(a) a contract (through its explicit or implicit terms);</li> <li>(b) legislation; or</li> <li>(c) other operation of law.</li> </ul>	IAS 37.10
<b>lessee</b>	An entity that obtains the right to use an underlying asset for a period of time in exchange for consideration.	IFRS 16.A
<b>lessee's incremental borrowing rate</b>	The rate of interest that a lessee would have to pay to borrow over a similar term, and with a similar security, the funds necessary to obtain an asset of a similar value to the right-of-use asset in a similar economic environment.	IFRS 16.A
<b>lessor</b>	An entity that provides the right to use an underlying asset for a period of time in exchange for consideration.	IFRS 16.A
<b>Level 1 inputs</b>	Quoted prices (unadjusted) in active markets for identical assets or liabilities that the entity can access at the measurement date.	IFRS 13.A
<b>Level 2 inputs</b>	Inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly or indirectly.	IFRS 13.A
<b>Level 3 inputs</b>	Unobservable inputs for the asset or liability.	IFRS 13.A

<b>liability</b>	A present obligation of the entity arising from past events, the settlement of which is expected to result in an outflow from the entity of resources embodying economic benefits.	IAS 37.10
<b>liability</b>	A present obligation of the entity to transfer an economic resource as a result of past events.	CF.4.26
<b>liability for incurred claims</b>	<p>An entity's obligation to:</p> <ul style="list-style-type: none"> <li>(a) investigate and pay valid claims for insured events that have already occurred, including events that have occurred but for which claims have not been reported, and other incurred insurance expenses; and</li> <li>(b) pay amounts that are not included in (a) and that relate to: <ul style="list-style-type: none"> <li>(i) insurance contract services that have already been provided; or</li> <li>(ii) any investment components or other amounts that are not related to the provision of insurance contract services and that are not in the liability for remaining coverage.</li> </ul> </li> </ul>	IFRS 17.A
<b>liability for remaining coverage</b>	<p>An entity's obligation to:</p> <ul style="list-style-type: none"> <li>(a) investigate and pay valid claims under existing insurance contracts for insured events that have not yet occurred (ie the obligation that relates to the unexpired portion of the insurance coverage); and</li> <li>(b) pay amounts under existing insurance contracts that are not included in (a) and that relate to: <ul style="list-style-type: none"> <li>(i) insurance contract services not yet provided (ie the obligations that relate to future provision of insurance contract services); or</li> <li>(ii) any investment components or other amounts that are not related to the provision of insurance contract services and that have not been transferred to the liability for incurred claims.</li> </ul> </li> </ul>	IFRS 17.A

## Glossary

<b>lifetime expected credit losses</b>	The expected credit losses that result from all possible default events over the expected life of a financial instrument.	IFRS 9.A
<b>liquidity risk</b>	The risk that an entity will encounter difficulty in meeting obligations associated with financial liabilities that are settled by delivering cash or another financial asset.	IFRS 7.A
<b>loans payable</b>	Financial liabilities other than short-term trade payables on normal credit terms.	IFRS 7.A
<b>loss allowance</b>	The allowance for expected credit losses on financial assets measured in accordance with paragraph 4.1.2, lease receivables and contract assets, the accumulated impairment amount for financial assets measured in accordance with paragraph 4.1.2A and the provision for expected credit losses on loan commitments and financial guarantee contracts.	IFRS 9.A
<b>market approach</b>	A valuation technique that uses prices and other relevant information generated by market transactions involving identical or comparable (ie similar) assets, liabilities or a group of assets and liabilities, such as a business.	IFRS 13.A
<b>market condition</b>	<p>A performance condition upon which the exercise price, vesting or exercisability of an equity instrument depends that is related to the market price (or value) of the entity's equity instruments (or the equity instruments of another entity in the same group), such as:</p> <ul style="list-style-type: none"> <li>(a) attaining a specified share price or a specified amount of intrinsic value of a share option; or</li> <li>(b) achieving a specified target that is based on the market price (or value) of the entity's equity instruments (or the equity instruments of another entity in the same group) relative to an index of market prices of equity instruments of other entities.</li> </ul> <p>A market condition requires the counterparty to complete a specified period of service (ie a service condition); the service requirement can be explicit or implicit.</p>	IFRS 2.A

<b>market-corroborated inputs</b>	Inputs that are derived principally from or corroborated by observable market data by correlation or other means.	IFRS 13.A
<b>market participant</b>	<p>Buyers and sellers in the principal (or most advantageous) market for the asset or liability that have all of the following characteristics:</p> <ul style="list-style-type: none"> <li>(a) They are independent of each other, ie they are not related parties as defined in IAS 24, although the price in a related party transaction may be used as an input to a fair value measurement if the entity has evidence that the transaction was entered into at market terms.</li> <li>(b) They are knowledgeable, having a reasonable understanding about the asset or liability and the transaction using all available information, including information that might be obtained through due diligence efforts that are usual and customary.</li> <li>(c) They are able to enter into a transaction for the asset or liability.</li> <li>(d) They are willing to enter into a transaction for the asset or liability, ie they are motivated but not forced or otherwise compelled to do so.</li> </ul>	IFRS 13.A
<b>market risk</b>	The risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk comprises three types of risk: currency risk, interest rate risk and other price risk.	IFRS 7.A
<b>material</b>	Information is material if omitting, misstating or obscuring it could reasonably be expected to influence decisions that the primary users of general purpose financial statements make on the basis of those financial statements, which provide financial information about a specific reporting entity.	IAS 1.7, (IAS 8.5)
<b>material information</b>	Information is material if omitting, misstating or obscuring it could reasonably be expected to influence decisions that the primary users of general purpose financial reports make on the basis of those reports, which provide financial information about a specific reporting entity.	CF.2.11, (PS 2.5)

## Glossary

<b>measure</b>	The result of applying a measurement basis to an asset or liability and related income and expenses.	CF.6.1
<b>measurement basis</b>	An identified feature—for example, historical cost, fair value or fulfilment value—of an item being measured.	CF.6.1
<b>measurement date</b>	The date at which the fair value of the equity instruments granted is measured for the purposes of this IFRS. For transactions with employees and others providing similar services, the measurement date is grant date. For transactions with parties other than employees (and those providing similar services), the measurement date is the date the entity obtains the goods or the counterparty renders service.	IFRS 2.A
<b>measurement uncertainty</b>	Uncertainty that arises when monetary amounts in financial reports cannot be observed directly and must instead be estimated.	CF.2.19
<b>minority interest</b>	See 'non-controlling interest'.	
<b>modification gain or loss</b>	The amount arising from adjusting the gross carrying amount of a financial asset to reflect the renegotiated or modified contractual cash flows. The entity recalculates the gross carrying amount of a financial asset as the present value of the estimated future cash payments or receipts through the expected life of the renegotiated or modified financial asset that are discounted at the financial asset's original effective interest rate (or the original credit-adjusted effective interest rate for purchased or originated credit-impaired financial assets) or, when applicable, the revised effective interest rate calculated in accordance with paragraph 6.5.10. When estimating the expected cash flows of a financial asset, an entity shall consider all contractual terms of the financial asset (for example, prepayment, call and similar options) but shall not consider the expected credit losses, unless the financial asset is a purchased or originated credit-impaired financial asset, in which case an entity shall also consider the initial expected credit losses that were considered when	IFRS 9.A

	calculating the original credit-adjusted effective interest rate.	
<b>monetary assets</b>	Money held and assets to be received in fixed or determinable amounts of money.	IAS 38.8
<b>monetary items</b>	Units of currency held and assets and liabilities to be received or paid in a fixed or determinable number of units of currency.	IAS 21.8
<b>monetary items</b>	Money held and items to be received or paid in money.	IAS 29.12
<b>most advantageous market</b>	The market that maximises the amount that would be received to sell the asset or minimises the amount that would be paid to transfer the liability, after taking into account transaction costs and transport costs.	IFRS 13.A
<b>multi-employer (benefit) plans</b>	Defined contribution plans (other than state plans) or defined benefit plans (other than state plans) that: <ul style="list-style-type: none"> <li>(a) pool the assets contributed by various entities that are not under common control; and</li> <li>(b) use those assets to provide benefits to employees of more than one entity, on the basis that contribution and benefit levels are determined without regard to the identity of the entity that employs the employees concerned.</li> </ul>	IAS 19.8
<b>mutual entity</b>	An entity, other than an investor-owned entity, that provides dividends, lower costs or other economic benefits directly to its owners, members or participants. For example, a mutual insurance company, a credit union and a co-operative entity are all mutual entities.	IFRS 3.A
<b>net assets available for benefits</b>	The assets of a plan less liabilities other than the actuarial present value of promised retirement benefits.	IAS 26.8
<b>net defined benefit liability (asset)</b>	The deficit or surplus, adjusted for any effects of limiting a net defined benefit asset to the asset ceiling.	IAS 19.8
<b>net interest on the net defined benefit liability (asset)</b>	The change during the period in the net defined benefit liability (asset) that arises from the passage of time.	IAS 19.8
<b>net investment in a foreign operation</b>	The amount of the reporting entity's interest in the net assets of that operation.	IAS 21.8

## Glossary

<b>net investment in the lease</b>	The gross investment in the lease discounted at the interest rate implicit in the lease.	IFRS 16.A
<b>net realisable value</b>	<p>The estimated selling price in the ordinary course of business less the estimated costs of completion and the estimated costs necessary to make the sale.</p> <p>Net realisable value refers to the net amount that an entity expects to realise from the sale of inventory in the ordinary course of business. Fair value reflects the amount for which the same inventory could be exchanged between knowledgeable and willing buyers and sellers in the marketplace. The former is an entity specific value; the latter is not. Net realisable value for inventories may not equal fair value less costs to sell.</p>	IAS 2.6–7
<b>non-adjusting events after the reporting period</b>	See ‘events after the reporting period’.	
<b>non-controlling interest</b>	Equity in a subsidiary not attributable, directly or indirectly, to a parent.	IFRS 3.A, IFRS 10.A
<b>non-current asset</b>	An asset that does not meet the definition of a current asset.	IFRS 5.A
<b>non-performance risk</b>	The risk that an entity will not fulfil an obligation. Non-performance risk includes, but may not be limited to, the entity’s own credit risk.	IFRS 13.A
<b>notes</b>	Notes contain information in addition to that presented in the statement of financial position, statement of comprehensive income, separate income statement (if presented), statement of changes in equity and statement of cash flows. Notes provide narrative descriptions or disaggregations of items presented in those statements and information about items that do not qualify for recognition in those statements.	IAS 1.7
<b>obligating event</b>	An event that creates a legal or constructive obligation that results in an entity having no realistic alternative to settling that obligation.	IAS 37.10



<b>observable inputs</b>	Inputs that are developed using market data, such as publicly available information about actual events or transactions, and that reflect the assumptions that market participants would use when pricing the asset or liability.	IFRS 13.A
<b>offsetting</b>	Grouping an asset and liability that are recognised and measured as separate units of account into a single net amount in the statement of financial position.	CF.7.10
<b>onerous contract</b>	A contract in which the unavoidable costs of meeting the obligations under the contract exceed the economic benefits expected to be received under it.	IAS 37.10
<b>opening IFRS statement of financial position</b>	An entity's statement of financial position at the date of transition to IFRSs.	IFRS 1.A
<b>operating activities</b>	The principal revenue producing activities of an entity and other activities that are not investing or financing activities.	IAS 7.6
<b>operating lease</b>	A lease that does not transfer substantially all the risks and rewards incidental to ownership of an underlying asset.	IFRS 16.A
<b>optional lease payments</b>	Payments to be made by a lessee to a lessor for the right to use an underlying asset during periods covered by an option to extend or terminate a lease that are not included in the lease term.	IFRS 16.A
<b>operating segment</b>	<p>An operating segment is a component of an entity:</p> <ul style="list-style-type: none"> <li>(a) that engages in business activities from which it may earn revenues and incur expenses (including revenues and expenses relating to transactions with other components of the same entity),</li> <li>(b) whose operating results are regularly reviewed by the entity's chief operating decision maker to make decisions about resources to be allocated to the segment and assess its performance, and</li> <li>(c) for which discrete financial information is available.</li> </ul>	IFRS 8.A
<b>options, warrants and their equivalents</b>	Financial instruments that give the holder the right to purchase ordinary shares.	IAS 33.5

## Glossary

<b>orderly transaction</b>	A transaction that assumes exposure to the market for a period before the measurement date to allow for marketing activities that are usual and customary for transactions involving such assets or liabilities; it is not a forced transaction (eg a forced liquidation or distress sale).	IFRS 13.A
<b>ordinary equity holders</b>	Holders of ordinary shares.	IAS 33.5–7
<b>ordinary share</b>	An equity instrument that is subordinate to all other classes of equity instruments.	IAS 33.5
<b>other comprehensive income</b>	Items of income and expense (including reclassification adjustments) that are not recognised in profit or loss as required or permitted by other IFRSs.	IAS 1.7
<b>other long-term employee benefits</b>	All employee benefits other than short-term employee benefits, post-employment benefits and termination benefits.	IAS 19.8
<b>other price risk</b>	The risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices (other than those arising from interest rate risk or currency risk), whether those changes are caused by factors specific to the individual financial instrument or its issuer, or factors affecting all similar financial instruments traded in the market.	IFRS 7.A
<b>outcome uncertainty</b>	Uncertainty about the amount or timing of any inflow or outflow of economic benefits that will result from an asset or liability.	CF.6.61
<b>owner-occupied property</b>	Property held (by the owner or by the lessee as a right-of-use asset) for use in the production or supply of goods or services or for administrative purposes.	IAS 40.5
<b>owners</b>	Holders of instruments classified as equity.	IAS 1.7
<b>owners</b>	In IFRS 3 owners is used broadly to include holders of equity interests of investor-owned entities and owners or members of, or participants in, mutual entities.	IFRS 3.A
<b>parent</b>	An entity that controls one or more entities.	IFRS 10.A
<b>participants</b>	The members of a retirement benefit plan and others who are entitled to benefits under the plan.	IAS 26.8

<b>party to a joint arrangement</b>	An entity that participates in a joint arrangement, regardless of whether that entity has joint control of the arrangement.	IFRS 11.A
<b>past due</b>	A financial asset is past due when a counterparty has failed to make a payment when that payment was contractually due.	IFRS 9.A
<b>past service cost</b>	The change in the present value of the defined benefit obligation for employee service in prior periods, resulting from a plan amendment (the introduction or withdrawal of, or change to, a defined benefit plan) or a curtailment (a significant reduction by the entity in the number of employees covered by a plan).	IAS 19.8
<b>performance condition</b>	<p>A vesting condition that requires:</p> <ul style="list-style-type: none"> <li>(a) the counterparty to complete a specified period of service (ie a service condition); the service requirement can be explicit or implicit; and</li> <li>(b) specified performance target(s) to be met while the counterparty is rendering the service required in (a).</li> </ul> <p>The period of achieving the performance target(s):</p> <ul style="list-style-type: none"> <li>(a) shall not extend beyond the end of the service period; and</li> <li>(b) may start before the service period on the condition that the commencement date of the performance target is not substantially before the commencement of the service period.</li> </ul> <p>A performance target is defined by reference to:</p> <ul style="list-style-type: none"> <li>(a) the entity's own operations (or activities) or the operations or activities of another entity in the same group (ie a non-market condition); or</li> <li>(b) the price (or value) of the entity's equity instruments or the equity instruments of another entity in the same group (including shares and share options) (ie a market condition).</li> </ul>	IFRS 2.A

## Glossary

	A performance target might relate either to the performance of the entity as a whole or to some part of the entity (or part of the group), such as a division or an individual employee.	
<b>performance obligation</b>	<p>A promise in a contract with a customer to transfer to the customer either:</p> <ul style="list-style-type: none"> <li>(a) a good or service (or a bundle of goods or services) that is distinct; or</li> <li>(b) a series of distinct goods or services that are substantially the same and that have the same pattern of transfer to the customer.</li> </ul>	IFRS 15.A
<b>period of use</b>	The total period of time that an asset is used to fulfil a contract with a customer (including any non-consecutive periods of time).	IFRS 16.A
<b>plan assets (of an employee benefit plan)</b>	<p>Comprise:</p> <ul style="list-style-type: none"> <li>(a) assets held by a long-term employee benefit fund; and</li> <li>(b) qualifying insurance policies.</li> </ul>	IAS 19.8
<b>policyholder</b>	A party that has a right to compensation under an insurance contract if an insured event occurs.	IFRS 17.A
<b>portfolio of insurance contracts</b>	Insurance contracts subject to similar risks and managed together.	IFRS 17.A
<b>post-employment benefits</b>	Employee benefits (other than termination benefits and short-term employee benefits) that are payable after the completion of employment.	IAS 19.8
<b>post-employment benefit plans</b>	Formal or informal arrangements under which an entity provides post-employment benefits for one or more employees.	IAS 19.8
<b>potential ordinary share</b>	A financial instrument or other contract that may entitle its holder to ordinary shares.	IAS 33.5
<b>potential to produce economic benefits</b>	Within an economic resource, a feature that already exists and that, in at least one circumstance, would produce for the entity economic benefits beyond those available to all other parties.	CF.4.14
<b>power</b>	Existing rights that give the current ability to direct the relevant activities.	IFRS 10.A

<b>presentation currency</b>	The currency in which the financial statements are presented.	IAS 21.8
<b>present value of a defined benefit obligation</b>	The present value, without deducting any plan assets, of expected future payments required to settle the obligation resulting from employee service in the current and prior periods.	IAS 19.8
<b>previous GAAP</b>	The basis of accounting that a first-time adopter used immediately before adopting IFRSs.	IFRS 1.A, IFRS 14.A
<b>primary users (of general purpose financial reports)</b>	Existing and potential investors, lenders and other creditors.	CF.1.2
<b>principal market</b>	The market with the greatest volume and level of activity for the asset or liability.	IFRS 13.A
<b>prior period errors</b>	<p>Omissions from, and misstatements in, the entity's financial statements for one or more prior periods arising from a failure to use, or misuse of, reliable information that:</p> <ul style="list-style-type: none"> <li>(a) was available when financial statements for those periods were authorised for issue; and</li> <li>(b) could reasonably be expected to have been obtained and taken into account in the preparation and presentation of those financial statements.</li> </ul> <p>Such errors include the effects of mathematical mistakes, mistakes in applying accounting policies, oversights or misinterpretations of facts, and fraud.</p>	IAS 8.5
<b>probable</b>	More likely than not.	IFRS 5.A, IAS 37.23
<b>profit or loss</b>	The total of income less expenses, excluding the components of other comprehensive income.	IAS 1.7
<b>property, plant and equipment</b>	<p>Tangible items that:</p> <ul style="list-style-type: none"> <li>(a) are held for use in the production or supply of goods or services, for rental to others, or for administrative purposes; and</li> <li>(b) are expected to be used during more than one period.</li> </ul>	IAS 16.6

## Glossary

<b>prospective application</b>	Prospective application of a change in accounting policy and of recognising the effect of a change in an accounting estimate, respectively, are: <ul style="list-style-type: none"><li>(a) applying the new accounting policy to transactions, other events and conditions occurring after the date as at which the policy is changed; and</li><li>(b) recognising the effect of the change in the accounting estimate in the current and future periods affected by the change.</li></ul>	IAS 8.5
<b>protective rights</b>	Rights designed to protect the interest of the party holding those rights without giving that party power over the entity to which those rights relate.	IFRS 10.A
<b>provision</b>	A liability of uncertain timing or amount.	IAS 37.10
<b>prudence</b>	The exercise of caution when making judgements under conditions of uncertainty. The exercise of prudence means that assets and income are not overstated and liabilities and expenses are not understated. Equally, the exercise of prudence does not allow for the understatement of assets or income or the overstatement of liabilities or expenses.	CF.2.16
<b>purchased or originated credit-impaired financial asset</b>	Purchased or originated financial asset(s) that are credit-impaired on initial recognition.	IFRS 9.A
<b>put options (on ordinary shares)</b>	Contracts that give the holder the right to sell ordinary shares at a specified price for a given period.	IAS 33.5
<b>puttable instrument</b>	A financial instrument that gives the holder the right to put the instrument back to the issuer for cash or another financial asset or is automatically put back to the issuer on the occurrence of an uncertain future event or the death or retirement of the instrument holder.	IAS 32.11
<b>qualifying asset</b>	An asset that necessarily takes a substantial period of time to get ready for its intended use or sale.	IAS 23.5
<b>qualifying insurance policy</b>	An insurance policy issued by an insurer that is not a related party (as defined in IAS 24) of the reporting entity, if the proceeds of the policy:	IAS 19.8

	<ul style="list-style-type: none"> <li>(a) can be used only to pay or fund employee benefits under a defined benefit plan;</li> <li>(b) are not available to the reporting entity's own creditors (even in bankruptcy) and cannot be paid to the reporting entity, unless either: <ul style="list-style-type: none"> <li>(i) the proceeds represent surplus assets that are not needed for the policy to meet all the related employee benefit obligations; or</li> <li>(ii) the proceeds are returned to the reporting entity to reimburse it for employee benefits already paid.</li> </ul> </li> </ul>	
<b>rate-regulated activities</b>	An entity's activities that are subject to rate regulation.	IFRS 14.A
<b>rate regulation</b>	A framework for establishing the prices that can be charged to customers for goods or services and that framework is subject to oversight and/or approval by a rate regulator.	IFRS 14.A
<b>rate regulator</b>	An authorised body that is empowered by statute or regulation to establish the rate or a range of rates that bind an entity. The rate regulator may be a third-party body or a related party of the entity, including the entity's own governing board, if that body is required by statute or regulation to set rates both in the interest of the customers and to ensure the overall financial viability of the entity.	IFRS 14.A
<b>reclassification adjustments</b>	Amounts reclassified to profit or loss in the current period that were recognised in other comprehensive income in the current or previous periods.	IAS 1.7
<b>reclassification date</b>	The first day of the first reporting period following the change in business model that results in an entity reclassifying financial assets.	IFRS 9.A
<b>recoverable amount</b>	The higher of an asset's (or cash generating unit's) fair value less costs of disposal and its value in use.	IAS 16.6, IAS 36.6, IFRS 5.A

## Glossary

<b>recognition</b>	The process of capturing for inclusion in the statement of financial position or the statement(s) of financial performance an item that meets the definition of one of the elements of financial statements—an asset, a liability, equity, income or expenses. Recognition involves depicting the item in one of those statements—either alone or in aggregation with other items—in words and by a monetary amount, and including that amount in one or more totals in that statement.	CF.5.1
<b>regular way purchase or sale</b>	A purchase or sale of a financial asset under a contract whose terms require delivery of the asset within the time frame established generally by regulation or convention in the marketplace concerned.	IFRS 9.A
<b>regulatory deferral account balance</b>	The balance of any expense (or income) account that would not be recognised as an asset or a liability in accordance with other Standards, but that qualifies for deferral because it is included, or is expected to be included, by the rate regulator in establishing the rate(s) that can be charged to customers.	IFRS 14.A
<b>reinsurance contract</b>	An insurance contract issued by one entity (the reinsurer) to compensate another entity for claims arising from one or more insurance contracts issued by that other entity (underlying contracts).	IFRS 17.A
<b>related party</b>	<p>A person or entity that is related to the entity that is preparing its financial statements (in IAS 24 referred to as the ‘reporting entity’).</p> <p>(a) A person or a close member of that person’s family is related to a reporting entity if that person:</p> <ul style="list-style-type: none"><li>(i) has control or joint control over the reporting entity;</li><li>(ii) has significant influence over the reporting entity; or</li><li>(iii) is a member of the key management personnel of the reporting entity or of a parent of the reporting entity.</li></ul>	IAS 24.9



- (b) An entity is related to a reporting entity if any of the following conditions applies:
- (i) The entity and the reporting entity are members of the same group (which means that each parent, subsidiary and fellow subsidiary is related to the others).
  - (ii) One entity is an associate or joint venture of the other entity (or an associate or joint venture of a member of a group of which the other entity is a member).
  - (iii) Both entities are joint ventures of the same third party.
  - (iv) One entity is a joint venture of a third entity and the other entity is an associate of the third entity.
  - (v) The entity is a post-employment benefit plan for the benefit of employees of either the reporting entity or an entity related to the reporting entity. If the reporting entity is itself such a plan, the sponsoring employers are also related to the reporting entity.
  - (vi) The entity is controlled or jointly controlled by a person identified in (a).
  - (vii) A person identified in (a)(i) has significant influence over the entity or is a member of the key management personnel of the entity (or of a parent of the entity).
  - (viii) The entity, or any member of a group of which it is a part, provides key management personnel services to the reporting entity or to the parent of the reporting entity.

## Glossary

<b>related party transaction</b>	A transfer of resources, services or obligations between a reporting entity and a related party, regardless of whether a price is charged.	IAS 24.9
<b>relevant activities</b>	For the purpose of IFRS 10, relevant activities are activities of the investee that significantly affect the investee's returns.	IFRS 10.A
<b>reload feature</b>	A feature that provides for an automatic grant of additional share options whenever the option holder exercises previously granted options using the entity's shares, rather than cash, to satisfy the exercise price.	IFRS 2.A
<b>reload option</b>	A new share option granted when a share is used to satisfy the exercise price of a previous share option.	IFRS 2.A
<b>remeasurement of the net defined benefit liability (asset)</b>	Comprises: (a) actuarial gains and losses; (b) the return on plan assets, excluding amounts included in net interest on the net defined benefit liability (asset); and (c) any change in the effect of the asset ceiling, excluding amounts included in net interest on the net defined benefit liability (asset).	IAS 19.8
<b>removal rights</b>	Rights to deprive the decision maker of its decision-making authority.	IFRS 10.A
<b>reportable segment</b>	An operating segment for which IFRS 8 requires information to be disclosed.	IFRS 8.11
<b>reporting entity</b>	An entity that is required, or chooses, to prepare general purpose financial statements.	CF.3.10
<b>research</b>	Original and planned investigation undertaken with the prospect of gaining new scientific or technical knowledge and understanding.	IAS 38.8
<b>residual value guarantee</b>	A guarantee made to a lessor by a party unrelated to the lessor that the value (or part of the value) of an underlying asset at the end of a lease will be at least a specified amount.	
<b>residual value (of an asset)</b>	The estimated amount that an entity would currently obtain from disposal of an asset, after deducting the estimated costs of disposal, if the asset were already of the age and in the condition expected at the end of its useful life.	IAS 16.6, (IAS 38.8)

<b>restructuring</b>	A programme that is planned and controlled by management, and materially changes either:  (a) the scope of a business undertaken by an entity; or  (b) the manner in which that business is conducted.	IAS 37.10
<b>retirement benefit plans</b>	Arrangements whereby an entity provides benefits for its employees on or after termination of service (either in the form of an annual income or as a lump sum) when such benefits, or the employer's contributions towards them, can be determined or estimated in advance of retirement from the provisions of a document or from the entity's practices. (See also 'post-employment benefit plans'.)	IAS 26.8
<b>retrospective application</b>	Applying a new accounting policy to transactions, other events and conditions as if that policy had always been applied.	IAS 8.5
<b>retrospective restatement</b>	Correcting the recognition, measurement and disclosure of amounts of elements of financial statements as if a prior period error had never occurred.	IAS 8.5
<b>return on plan assets (of an employee benefit plan)</b>	Interest, dividends and other revenue derived from the plan assets, together with realised and unrealised gains or losses on the plan assets, less:  (a) any cost of managing plan assets; and  (b) any tax payable by the plan itself, other than tax included in the actuarial assumptions used to measure the present value of the defined benefit obligation.	IAS 19.8
<b>revenue</b>	Income arising in the course of an entity's ordinary activities.	IFRS 15.A
<b>right-of-use asset</b>	An asset that represents a lessee's right to use an underlying asset for the lease term.	IFRS 16.A
<b>risk adjustment for non-financial risk</b>	The compensation an entity requires for bearing the uncertainty about the amount and timing of the cash flows that arises from non-financial risk as the entity fulfils insurance contracts.	IFRS 17.A

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<b>risk premium</b>	Compensation sought by risk-averse market participants for bearing the uncertainty inherent in the cash flows of an asset or a liability. Also referred to as a 'risk adjustment'.	IFRS 13.A
<b>separate financial statements</b>	Those presented by an entity in which the entity could elect, subject to the requirements in IAS 27, to account for its investments in subsidiaries, joint ventures and associates either at cost, in accordance with IFRS 9 <i>Financial Instruments</i> , or using the equity method as described in IAS 28 <i>Investments in Associates and Joint Ventures</i> .	IAS 27.4
<b>separate vehicle</b>	A separately identifiable financial structure, including separate legal entities or entities recognised by statute, regardless of whether those entities have a legal personality.	IFRS 11.A
<b>service condition</b>	A vesting condition that requires the counterparty to complete a specified period of service during which services are provided to the entity. If the counterparty, regardless of the reason, ceases to provide service during the vesting period, it has failed to satisfy the condition. A service condition does not require a performance target to be met.	IFRS 2.A
<b>service cost</b>	Comprises: (a) current service cost; (b) past service cost; and (c) any gain or loss on settlement.	IAS 19.8
<b>settlement (of employee benefit obligations)</b>	A transaction that eliminates all further legal or constructive obligation for part or all of the benefits provided under a defined benefit plan, other than a payment of benefits to, or on behalf of, employees that is set out in the terms of the plan and included in the actuarial assumptions.	IAS 19.8
<b>share-based payment arrangement</b>	An agreement between the entity or another group <sup>5</sup> entity or any shareholder of the group entity and another party (including an employee) that entitles the other party to receive	IFRS 2.A

<sup>5</sup> A 'group' is defined in Appendix A of IFRS 10 *Consolidated Financial Statements* as 'a parent and its subsidiaries'.

	<p>(a) cash or other assets of the entity for amounts that are based on the price (or value) of equity instruments (including shares or share options) of the entity or another group entity, or</p> <p>(b) equity instruments (including shares or share options) of the entity or another group entity,</p> <p>provided the specified vesting conditions, if any, are met.</p>	
<b>share-based payment transaction</b>	<p>A transaction in which the entity</p> <p>(a) receives goods or services from the supplier of those goods or services (including an employee) in a share-based payment arrangement, or</p> <p>(b) incurs an obligation to settle the transaction with the supplier in a share-based payment arrangement when another group entity receives those goods or services.</p>	IFRS 2.A
<b>share option</b>	A contract that gives the holder the right, but not the obligation, to subscribe to the entity's shares at a fixed or determinable price for a specific period of time.	IFRS 2.A
<b>short-term employee benefits</b>	Employee benefits (other than termination benefits) that are expected to be settled wholly before twelve months after the end of the annual reporting period in which the employees render the related service.	IAS 19.8
<b>short-term lease</b>	A lease that, at the commencement date, has a lease term of 12 months or less. A lease that contains a purchase option is not a short-term lease.	IFRS 16.A
<b>significant influence</b>	The power to participate in the financial and operating policy decisions of the investee but is not control or joint control of those policies.	IAS 28.3
<b>spot exchange rate</b>	The exchange rate for immediate delivery.	IAS 21.8
<b>stand-alone selling price (of a good or service)</b>	The price at which an entity would sell a promised good or service separately to a customer.	IFRS 15.A

## Glossary

<b>structured entity</b>	<p>An entity that has been designed so that voting or similar rights are not the dominant factor in deciding who controls the entity, such as when any voting rights relate to administrative tasks only and the relevant activities are directed by means of contractual arrangements.</p> <p>Paragraphs B22–B24 of IFRS 12 provide further information about structured entities.</p>	IFRS 12.A
<b>sublease</b>	A transaction for which an underlying asset is re-leased by a lessee ('intermediate lessor') to a third party, and the lease ('head lease') between the head lessor and lessee remains in effect.	IFRS 16.A
<b>subsidiary</b>	An entity that is controlled by another entity.	IFRS 10.A
<b>tax base of an asset or liability</b>	The amount attributed to that asset or liability for tax purposes.	IAS 12.5
<b>tax expense (tax income)</b>	<p>The aggregate amount included in the determination of profit or loss for the period in respect of current tax and deferred tax.</p> <p>Tax expense (tax income) comprises current tax expense (current tax income) and deferred tax expense (deferred tax income).</p>	IAS 12.5, IAS 12.6
<b>taxable profit (tax loss)</b>	The profit (loss) for a period, determined in accordance with the rules established by the taxation authorities, upon which income taxes are payable (recoverable).	IAS 12.5
<b>taxable temporary differences</b>	Temporary differences that will result in taxable amounts in determining taxable profit (tax loss) of future periods when the carrying amount of the asset or liability is recovered or settled.	IAS 12.5
<b>temporary differences</b>	<p>Differences between the carrying amount of an asset or liability in the statement of financial position and its tax base. Temporary differences may be either:</p> <p>(a) taxable temporary differences; or</p> <p>(b) deductible temporary differences.</p>	IAS 12.5
<b>termination benefits</b>	<p>Employee benefits provided in exchange for the termination of an employee's employment as a result of either:</p> <p>(a) an entity's decision to terminate an employee's employment before the normal retirement date; or</p>	IAS 19.8

	(b) an employee's decision to accept an offer of benefits in exchange for the termination of employment.	
<b>total comprehensive income</b>	The change in equity during a period resulting from transactions and other events, other than those changes resulting from transactions with owners in their capacity as owners.	IAS 1.7
<b>transaction costs</b>	The costs to sell an asset or transfer a liability in the principal (or most advantageous) market for the asset or liability that are directly attributable to the disposal of the asset or the transfer of the liability and meet both of the following criteria:  (a) They result directly from and are essential to that transaction.  (b) They would not have been incurred by the entity had the decision to sell the asset or transfer the liability not been made (similar to costs to sell, as defined in IFRS 5).	IFRS 13.A
<b>transaction costs (financial instruments)</b>	Incremental costs that are directly attributable to the acquisition, issue or disposal of a financial asset or financial liability (see paragraph B5.4.8 of IFRS 9). An incremental cost is one that would not have been incurred if the entity had not acquired, issued or disposed of the financial instrument.	IFRS 9.A
<b>transaction price (for a contract with a customer)</b>	The amount of consideration to which an entity expects to be entitled in exchange for transferring promised goods or services to a customer, excluding amounts collected on behalf of third parties.	IFRS 15.A
<b>transport costs</b>	The costs that would be incurred to transport an asset from its current location to its principal (or most advantageous) market.	IFRS 13.A
<b>unconsolidated financial statements</b>	Financial statements of a reporting entity that is the parent alone.	CF.3.11
<b>underlying asset</b>	An asset that is the subject of a lease, for which the right to use that asset has been provided by a lessor to a lessee.	IFRS 16.A
<b>underlying items</b>	Items that determine some of the amounts payable to a policyholder. Underlying items can comprise any items; for example, a reference portfolio of assets, the net assets of the entity,	IFRS 17.A

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	or a specified subset of the net assets of the entity.	
<b>unearned finance income</b>	The difference between: (a) the gross investment in the lease; and (b) the net investment in the lease.	IFRS 16.A
<b>unguaranteed residual value</b>	That portion of the residual value of the underlying asset, the realisation of which by a lessor is not assured or is guaranteed solely by a party related to the lessor.	IFRS 16.A
<b>unit of account</b>	The level at which an asset or a liability is aggregated or disaggregated in an IFRS for recognition purposes.	IFRS 13.A
<b>unit of account</b>	The right or the group of rights, the obligation or the group of obligations, or the group of rights and obligations, to which recognition criteria and measurement concepts are applied.	CF.4.48
<b>unobservable inputs</b>	Inputs for which market data are not available and that are developed using the best information available about the assumptions that market participants would use when pricing the asset or liability.	IFRS 13.A
<b>useful financial information</b>	Financial information that is useful to primary users of general purpose financial reports in making decisions relating to providing resources to the reporting entity. To be useful, financial information must be relevant and faithfully represent what it purports to represent.	CF.1.2, CF.2.4
<b>useful life</b>	Either: (a) the period over which an asset is expected to be available for use by an entity; or (b) the number of production or similar units expected to be obtained from the asset by the entity.	IAS 16.6, IAS 36.6, IAS 38.8, IFRS 16.A
<b>users (of general purpose financial reports)</b>	See primary users (of general purpose financial reports).	–
<b>value in use</b>	The present value of estimated future cash flows expected to arise from the continuing use of an asset and from its disposal at the end of its useful life.	IFRS 5.A



<b>value in use</b>	The present value of the future cash flows expected to be derived from an asset or cash generating unit.	IAS 36.6
<b>variable lease payments</b>	The portion of payments made by a lessee to a lessor for the right to use an underlying asset during the lease term that varies because of changes in facts or circumstances occurring after the commencement date, other than the passage of time.	IFRS 16.A
<b>vest</b>	To become an entitlement. Under a share-based payment arrangement, a counterparty's right to receive cash, other assets or equity instruments of the entity vests when the counterparty's entitlement is no longer conditional on the satisfaction of any vesting conditions.	IFRS 2.A
<b>vested benefits</b>	Benefits, the rights to which, under the conditions of a retirement benefit plan, are not conditional on continued employment.	IAS 26.8
<b>vesting conditions</b>	A condition that determines whether the entity receives the services that entitle the counterparty to receive cash, other assets or equity instruments of the entity, under a share-based payment arrangement. A vesting condition is either a service condition or a performance condition.	IFRS 2.A
<b>vesting period</b>	The period during which all the specified vesting conditions of a share-based payment arrangement are to be satisfied.	IFRS 2.A
<b>weighted average number of ordinary shares outstanding during the period</b>	The number of ordinary shares outstanding at the beginning of the period, adjusted by the number of ordinary shares bought back or issued during the period multiplied by a time weighting factor.	IAS 33.20

