

# IFRS AT A GLANCE

IFRIC 10 *Interim Financial Reporting  
and Impairment*





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Effective Date  
Periods beginning on or after 1 November 2006

## ISSUE

IFRIC 10 addresses the following issue:

- Should an entity reverse impairment losses recognised in an interim period on goodwill and investments in equity instruments and in financial assets carried at cost if a loss would not have been recognised, or a smaller loss would have been recognised, had an impairment assessment been made only the end of a subsequent reporting period?

## SCOPE

IFRIC 10 addresses the interaction between the requirements of IAS 34 *Interim Financial Reporting* and the recognition of impairment losses on goodwill in IAS 36 *Impairment of Assets* and certain financial assets in IAS 39 *Financial Instruments: Recognition and Measurement*, and the effect of that interaction on subsequent interim and annual financial statements.

## CONSENSUS

- An entity does not reverse an impairment loss recognised in a previous interim period in respect of goodwill or an investment in either an equity instrument or a financial asset carried at cost
- An entity does not extend this consensus by analogy to other areas of potential conflict between IAS 34 and other IFRSs.

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