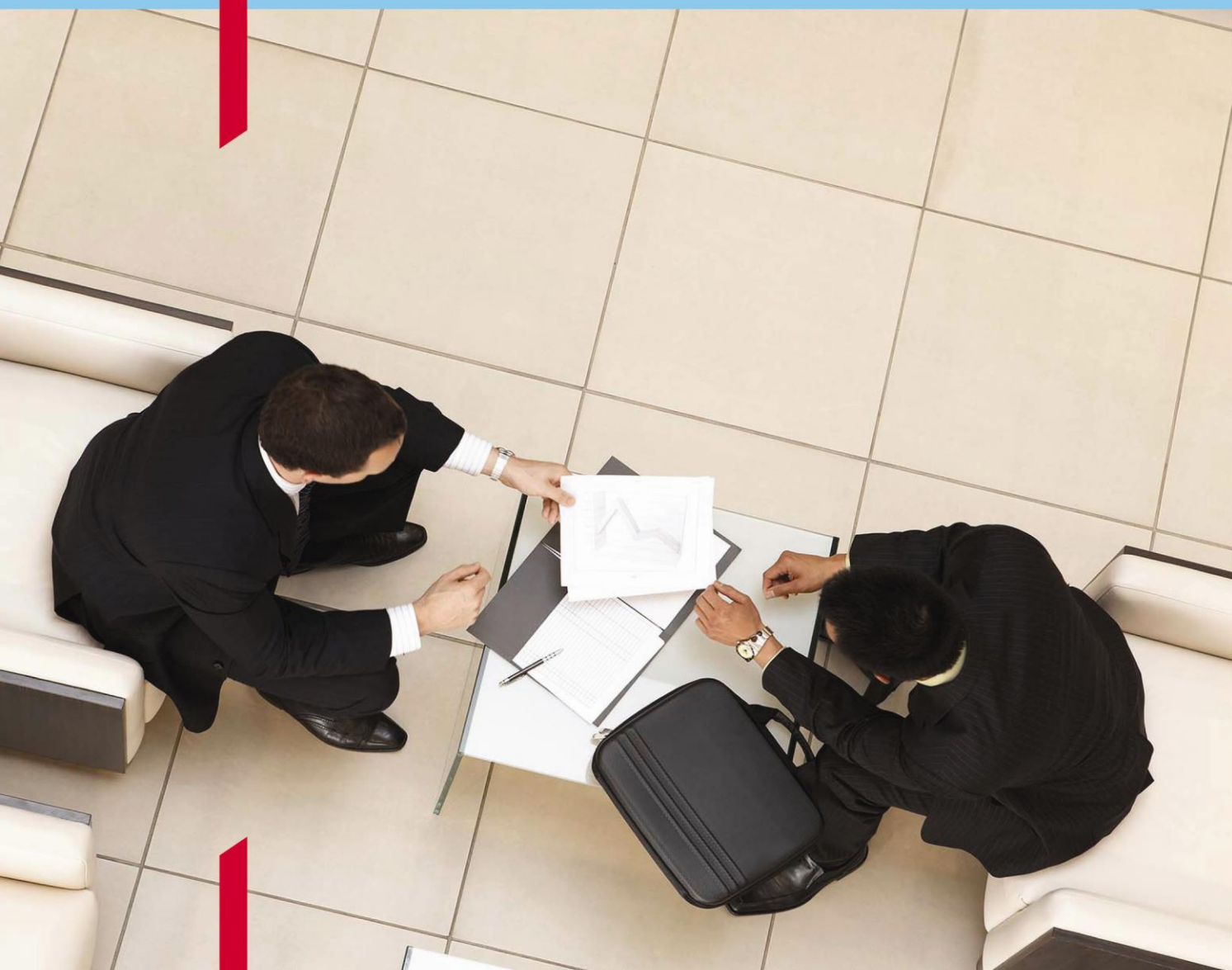


IFRS AT A GLANCE

IAS 28 *Investments in Associates*

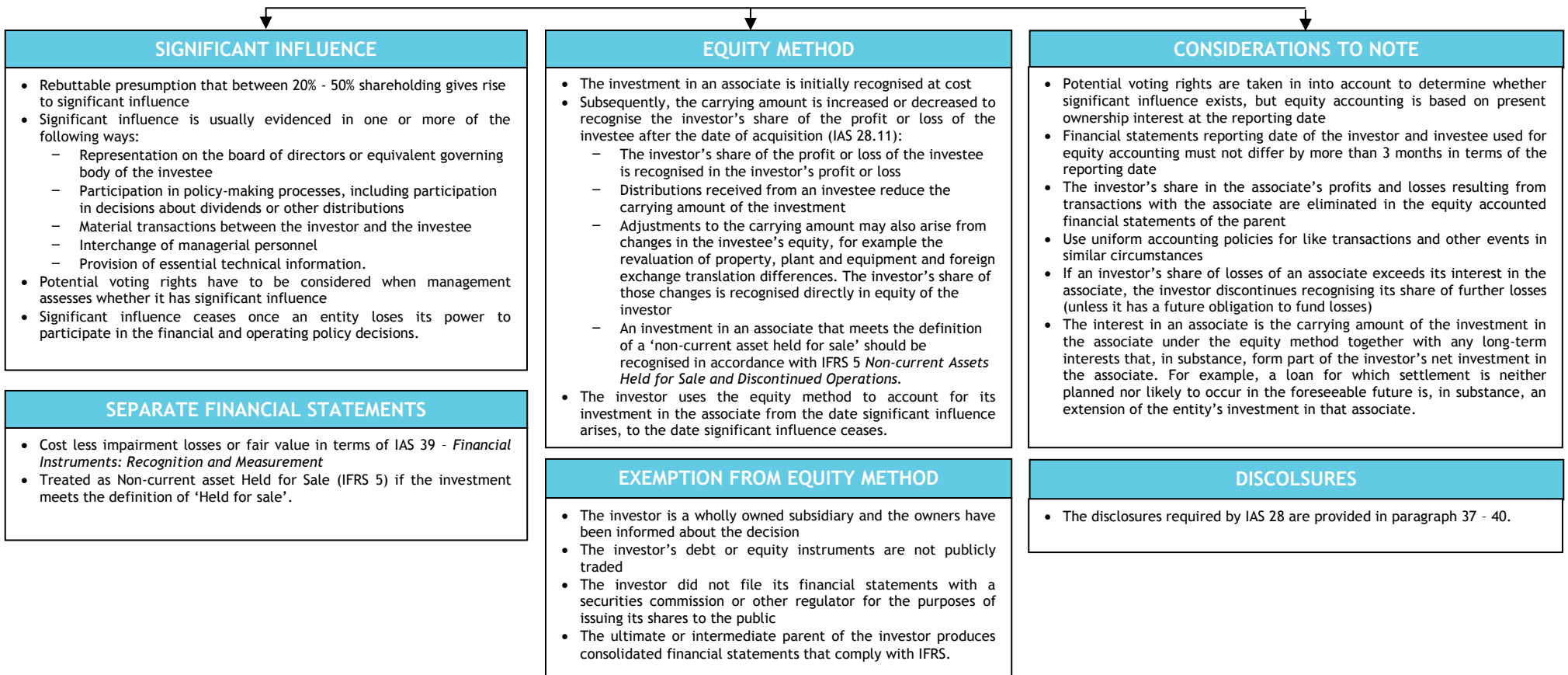


IAS 28 Investments in Associates

Superseded by IAS 28 Investments in Associates and Joint Ventures for periods beginning on or after 1 January 2013

SCOPE	DEFINITIONS	
<p>IAS 28 applies to all investments in associates except those held by venture capital organisations or mutual funds, unit trusts or similar entities that upon initial recognition designate them at fair value through profit and loss or as held for trading in accordance with IAS 39.</p>	<p>An associate is:</p> <ul style="list-style-type: none"> • An entity, including an unincorporated entity such as a partnership • Over which the investor has significant influence • That is neither a subsidiary nor an interest in a joint venture. <p>Significant influence is:</p> <ul style="list-style-type: none"> • Power to participate in financial & operating policy decisions of the investee • But is not control or joint control over those policies. 	<p>The equity method is:</p> <ul style="list-style-type: none"> • A method of accounting whereby the investment is initially recognised at cost • Adjusted thereafter for the post-acquisition change in the investor's share of net assets of the investee (IAS 28.2) • The profit or loss of the investor includes the investor's share of the profit or loss of the investee.

APPLICATION



For further information about how BDO can assist you and your organisation, please get in touch with one of our key contacts listed below. Alternatively, please visit <http://www.bdointernational.com/Services/Audit/Pages/default.aspx> where you can find full lists of regional and country contacts.

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