

Glossary of Terms

This glossary is extracted from the International Financial Reporting Standards (IFRSs) including International Accounting Standards (IASs) issued by the IASB as at 31 December 2008. References are by Standard and paragraph number.

The glossary also includes extracts from the *Framework for the Preparation and Presentation of Financial Statements*. References to the *Framework* are preceded by F.

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

accounting policies	The specific principles, bases, conventions, rules and practices applied by an entity in preparing and presenting financial statements.	IAS 8.5
accounting profit	Profit or loss for a period before deducting tax expense.	IAS 12.5
accrual basis of accounting	The effects of transactions and other events are recognised when they occur (and not as cash or its equivalent is received or paid) and they are recorded in the accounting records and reported in the financial statements of the periods to which they relate.	F.22
accumulating compensated absences	Compensated absences that are carried forward and can be used in future periods if the current period's entitlement is not used in full.	IAS 19.13
acquiree	The business or businesses that the acquirer obtains control of in a business combination.	IFRS 3.A
acquirer	The entity that obtains control of the acquiree.	IFRS 3.A
acquisition date	The date on which the acquirer obtains control of the acquiree.	IFRS 3.A
active market	A market in which all the following conditions exist: (a) the items traded within the market are homogeneous; (b) willing buyers and sellers can normally be found at any time; and (c) prices are available to the public.	IAS 36.6, (IAS 38.8), IAS 41.8
active market	A financial instrument is regarded as quoted in an active market if quoted prices are readily and regularly available from an exchange, dealer, broker, industry group, pricing service or regulatory agency, and those prices represent actual and regularly occurring market transactions on an arm's length basis.	IAS 39.AG71
actuarial assumptions	An entity's unbiased and mutually compatible best estimates of the demographic and financial variables that will determine the ultimate cost of providing post-employment benefits.	IAS 19.72–73
actuarial gains and losses	(a) Experience adjustments (the effects of differences	IAS 19.7

between the previous actuarial assumptions and what has actually occurred); and

(b) the effects of changes in actuarial assumptions.

actuarial present value of promised retirement benefits	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
adjusting events after the reporting period	See ‘events after the reporting period’	
agricultural activity	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
agricultural produce	The harvested product of the entity’s biological assets.	IAS 41.5
amortisation (depreciation)¹	The systematic allocation of the depreciable amount of an asset over its useful life.	IAS 36.6, IAS 38.8
amortised cost of a financial asset or financial liability	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 minus any reduction (directly or through the use of an allowance account) for impairment or uncollectibility.	IAS 39.9
antidilution	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
asset	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, (F.49(a))
assets held by a long-term employee benefit fund	Assets (other than non-transferable financial instruments issued by the reporting entity) that: (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 (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: (i) the remaining assets of the fund are sufficient to meet all the related employee	IAS 19.7

¹ In the case of an intangible asset, the term ‘amortisation’ is generally used instead of ‘depreciation’. The two terms have the same meaning.

	benefit obligations of the plan or the reporting entity; or	
	(ii) the assets are returned to the reporting entity to reimburse it for employee benefits already paid.	
associate	An entity, including an unincorporated entity such as a partnership, over which the investor has significant influence and that is neither a subsidiary nor an interest in a joint venture.	IAS 28.2
available-for-sale financial assets	Those non-derivative financial assets that are designated as available for sale or are not classified as (a) loans and receivables, (b) held-to-maturity investments, or (c) financial assets at fair value through profit or loss.	IAS 39.9
basic earnings per share	Profit or loss attributable to ordinary equity holders of the parent entity (the numerator) divided by the weighted average number of ordinary shares outstanding during the period (the denominator).	IAS 33.10
biological asset	A living animal or plant.	IAS 41.5
biological transformation	The processes of growth, degeneration, production, and procreation that cause qualitative or quantitative changes in a biological asset.	IAS 41.5
borrowing costs	Interest and other costs that an entity incurs in connection with the borrowing of funds.	IAS 23.5
business	An integrated set of activities and assets that is capable of being conducted and managed for the purpose of providing a return in the form of dividends, lower costs or other economic benefits directly to investors or other owners, members or participants.	IFRS 3.A
business combination	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
capital	Under a financial concept of capital, such as invested money or invested purchasing power, the net assets or equity of the entity. The financial concept of capital is adopted by most entities. Under a physical concept of capital, such as operating capability, the productive capacity of the entity based on, for example, units of output per day.	F.102
capitalisation	Recognising a cost as part of the cost of an asset.	IAS 23.9
carrying amount	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
carrying amount	The amount at which an asset is recognised in the statement of financial position.	IAS 40.5, IAS 41.8

cash	Cash on hand and demand deposits.	IAS 7.6
cash equivalents	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
cash flows	Inflows and outflows of cash and cash equivalents.	IAS 7.6
cash-generating unit	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
cash-settled share-based payment transaction	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 the entity's shares or other equity instruments of the entity.	IFRS 2.A
cedant	The policyholder under a reinsurance contract.	IFRS 4.A
change in accounting estimate	An adjustment of the carrying amount of an asset or a liability, or the amount of the periodic consumption of an asset, that results from the assessment of the present status of, and expected future benefits and obligations associated with, assets and liabilities. Changes in accounting estimates result from new information or new developments and, accordingly, are not corrections of errors.	IAS 8.5
class of assets	A grouping of assets of a similar nature and use in an entity's operations.	IAS 16.37, IAS 36.127, IAS 38.119
class of financial instruments	Grouping of financial instruments that is appropriate to the nature of the information disclosed and that takes into account the characteristics of those financial instruments.	IFRS 7.6
close members of the family of an individual	Those family members who may be expected to influence, or be influenced by, that individual in their dealings with the entity. They may include: <ul style="list-style-type: none"> (a) the individual's domestic partner and children; (b) children of the individual's domestic partner; and (c) dependants of the individual or the individual's domestic partner. 	IAS 24.9
closing rate	The spot exchange rate at the end of the reporting period.	IAS 21.8
commencement of the lease term	The date from which the lessee is entitled to exercise its right to use the leased asset. It is the date of initial recognition of the lease (ie the recognition of the assets, liabilities, income or expenses resulting from the lease, as appropriate).	IAS 17.4
compensation	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:	IAS 24.9

- (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;
- (b) post-employment benefits such as pensions, other retirement benefits, post-employment life insurance and post-employment medical care;
- (c) other long-term employee benefits, including long-service leave or sabbatical leave, jubilee or other long-service benefits, long-term disability 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.

component of an entity Operations and cash flows that can be clearly distinguished, IFRS 5.A operationally and for financial reporting purposes, from the rest of the entity.

compound financial instrument A financial instrument that, from the issuer's perspective, IAS 32.28–29 contains both a liability and an equity element.

consolidated financial statements The financial statements of a group presented as those of a single economic entity. IAS 27.4, IAS 28.2

construction contract A contract specifically negotiated for the construction of an asset or a combination of assets that are closely interrelated or interdependent in terms of their design, technology and function or their ultimate purpose or use. IAS 11.3

constructive obligation An obligation that derives from an entity's actions where: IAS 37.10

- (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
- (b) as a result, the entity has created a valid expectation on the part of those other parties that it will discharge those responsibilities.

contingent asset 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

contingent consideration 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

contingent liability

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.

contingent rent

That portion of the lease payments that is not fixed in amount IAS 17.4 but is based on the future amount of a factor that changes other than with the passage of time (eg percentage of future sales, amount of future use, future price indices, future market rates of interest).

contingent share agreement

An agreement to issue shares that is dependent on the IAS 33.5 satisfaction of specified conditions.

contingently issuable ordinary shares

Ordinary shares issuable for little or no cash or other IAS 33.5 consideration upon the satisfaction of specified conditions in a contingent share agreement.

contract

An agreement between two or more parties that has clear IAS 32.13 economic consequences that the parties have little, if any, discretion to avoid, usually because the agreement is enforceable at law. Contracts may take a variety of forms and need not be in writing.

control (of an entity)

The power to govern the financial and operating policies of an IAS 24.9, IAS 27.4, IAS entity so as to obtain benefits from its activities. 28.2, (IAS 31.3), IFRS 3.A

corporate assets

Assets other than goodwill that contribute to the future cash IAS 36.6 flows of both the cash-generating unit under review and other cash-generating units.

‘corridor’

A range around an entity’s best estimate of post-employment IAS 19.95 benefit obligations.

cost

The amount of cash or cash equivalents paid or the fair value IAS 16.6, IAS 38.8, IAS of the other consideration given to acquire an asset at the time 40.5 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.

cost of inventories

All costs of purchase, costs of conversion and other costs IAS 2.10 incurred in bringing the inventories to their present location and condition.

cost of purchase	All of the purchase price, import duties and other taxes (other IAS 2.11 than those subsequently recoverable by the entity from the taxing authorities), and transport, handling and other costs directly attributable to the acquisition of the item. Trade discounts, rebates and other similar items are deducted in determining the costs of purchase.
cost plus contract	A construction contract in which the contractor is reimbursed IAS 11.3 for allowable or otherwise defined costs, plus a percentage of these costs or a fixed fee.
costs of conversion	Costs directly related to the units of production, such as direct IAS 2.12 labour together with a systematic allocation of fixed and variable production overheads that are incurred in converting materials into finished goods.
costs of disposal	Incremental costs directly attributable to the disposal of an IAS 36.6 asset, excluding finance costs and income tax expense.
costs to sell	The incremental costs directly attributable to the disposal of IFRS 5.A (IAS 41.5) an asset (or disposal group), excluding finance costs and income tax expense.
credit risk	The risk that one party to a financial instrument will cause a IFRS 7.A financial loss for the other party by failing to discharge an obligation.
currency risk	The risk that the fair value or future cash flows of a financial IFRS 7.A instrument will fluctuate because of changes in foreign exchange rates.
current asset	<p>An entity shall classify an asset as current when: IAS 1.66, (IFRS 5.A)</p> <ul style="list-style-type: none"> (a) it expects to realise the asset or intends to sell or consume it in its normal operating cycle; (b) it holds the asset primarily for the purpose of trading; (c) it expects to realise the asset within twelve months after the reporting period (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. <p>An entity shall classify all other assets as non-current.</p>
current cost	<p>The amount of cash or cash equivalents that would have to be F.100(b) paid if the same or an equivalent asset was acquired currently.</p> <p>The undiscounted amount of cash or cash equivalents that would be required to settle an obligation currently.</p>
current liability	<p>An entity shall classify a liability as current when: IAS 1.69</p> <ul style="list-style-type: none"> (a) it expects to settle the liability in its normal operating cycle; (b) it holds the liability primarily for the purpose of trading;

- (c) the liability is due to be settled within twelve months after the reporting period; or
- (d) the entity does not have an unconditional right to defer settlement of the liability for at least twelve months after the reporting period.

An entity shall classify all other liabilities as non-current.

current service cost	The increase in the present value of the defined benefit obligation resulting from employee service in the current period. IAS 19.7
current tax	The amount of income taxes payable (recoverable) in respect of the taxable profit (tax loss) for a period. IAS 12.5
curtailment (of a defined benefit plan)	A curtailment occurs when an entity either: IAS 19.111 <ul style="list-style-type: none"> (a) is demonstrably committed to make a significant reduction in the number of employees covered by a plan; or (b) amends the terms of a defined benefit plan so that a significant element of future service by current employees will no longer qualify for benefits, or will qualify only for reduced benefits.
date of transition to IFRSs	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
deductible temporary differences	Temporary differences between the carrying amount of an asset or liability in the balance sheet 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
deemed cost	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
deferred tax assets	The amounts of income taxes recoverable in future periods in respect of: IAS 12.5 <ul style="list-style-type: none"> (a) deductible temporary differences; (b) the carryforward of unused tax losses; and (c) the carryforward of unused tax credits.
deferred tax liabilities	The amounts of income taxes payable in future periods in respect of taxable temporary differences. IAS 12.5
defined benefit liability	The net total of the following amounts: IAS 19.54 <ul style="list-style-type: none"> (a) the present value of the defined benefit obligation at the end of the reporting period; (b) plus any actuarial gains (less any actuarial losses) not recognised; (c) minus any past service cost not yet recognised; (d) minus the fair value at the end of the reporting

period of plan assets (if any) out of which the obligations are to be settled directly.

defined benefit obligation (present value of)	The present value, without deducting any plan assets, of IAS 19.7 expected future payments required to settle the obligation resulting from employee service in the current and prior periods.
defined benefit plans	Post-employment benefit plans other than defined IAS 19.7 contribution plans.
defined benefit plans	Retirement benefit plans under which amounts to be paid as IAS 26.8 retirement benefits are determined by reference to a formula usually based on employees' earnings and/or years of service.
defined contribution plans	Post-employment benefit plans under which an entity pays IAS 19.7 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.
defined contribution plans	Retirement benefit plans under which amounts to be paid as IAS 26.8 retirement benefits are determined by contributions to a fund together with investment earnings thereon.
demonstrably committed	<p>An entity is demonstrably committed to pay termination IAS 19.134 benefits when, and only when, an entity has a detailed formal plan for the termination and is without realistic possibility of withdrawal. The detailed plan shall include, as a minimum:</p> <ul style="list-style-type: none">(a) the location, function, and approximate number of employees whose services are to be terminated;(b) the termination benefits for each job classification or function; and(c) the time at which the plan will be implemented. Implementation shall begin as soon as possible and the period of time to complete implementation shall be such that material changes to the plan are not likely.
deposit component	A contractual component that is not accounted for as a IFRS 4.A derivative under IAS 39 and would be within the scope of IAS 39 if it were a separate instrument.
depreciable amount	The cost of an asset, or other amount substituted for cost (in IAS 16.6, (IAS 36.6, IAS 38.8) the financial statements), less its residual value.
depreciation (amortisation)²	The systematic allocation of the depreciable amount of an IAS 16.6, IAS 36.6 asset over its useful life.
derecognition (of a financial instrument)	The removal of a previously recognised financial asset or IAS 39.9 financial liability from an entity's statement of financial position.

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

derivative	A financial instrument or other contract within the scope of IAS 39.9 IAS 39 (see paragraphs 2–7) with all three of the following characteristics: <ul style="list-style-type: none"> (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’); (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; and (c) it is settled at a future date.
derivative financial instruments	Financial instruments such as financial options, futures and IAS 32.AG15–AG16 forwards, interest rate swaps and currency swaps, which create rights and obligations that have the effect of transferring between the parties to the instrument one or more of the financial risks inherent in an underlying primary financial instrument. On inception, derivative financial instruments give one party a contractual right to exchange financial assets or financial liabilities with another party under conditions that are potentially favourable, or a contractual obligation to exchange financial assets or financial liabilities with another party under conditions that are potentially unfavourable. However, they generally do not result in a transfer of the underlying primary financial instrument on inception of the contract, nor does such a transfer necessarily take place on maturity of the contract. Some instruments embody both a right and an obligation to make an exchange. Because the terms of the exchange are determined on inception of the derivative instrument, as prices in financial markets change those terms may become either favourable or unfavourable.
development	The application of research findings or other knowledge to a IAS 38.8 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.
diluted earnings per share	Profit or loss attributable to ordinary equity holders of the IAS 33.31 parent entity (the numerator), divided by the weighted average number of ordinary shares outstanding during the period (the denominator), both adjusted for the effects of all dilutive potential ordinary shares.
dilution	A reduction in earnings per share or an increase in loss per IAS 33.5 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.
dilutive potential ordinary shares	Potential ordinary shares whose conversion to ordinary shares IAS 33.41 would decrease earnings per share or increase loss per share

	from continuing operations.	
direct insurance contract	An insurance contract that is not a reinsurance contract.	IFRS 4.A
direct method of reporting cash flows from operating activities	A method whereby major classes of gross cash receipts and gross cash payments are disclosed.	IAS 7.18(a)
discontinued operation	A component of an entity that either has been disposed of or is classified as held for sale and: <ul style="list-style-type: none"> (a) represents a separate major line of business or geographical area of operations, (b) is part of a single co-ordinated plan to dispose of a separate major line of business or geographical area of operations or (c) is a subsidiary acquired exclusively with a view to resale. 	IFRS 5.A
discretionary participation feature	A contractual right to receive, as a supplement to guaranteed benefits, additional benefits: <ul style="list-style-type: none"> (a) that are likely to be a significant portion of the total contractual benefits; (b) whose amount or timing is contractually at the discretion of the issuer; and (c) that are contractually based on: <ul style="list-style-type: none"> (i) the performance of a specified pool of contracts or a specified type of contract; (ii) realised and/or unrealised investment returns on a specified pool of assets held by the issuer; or (iii) the profit or loss of the company, fund or other entity that issues the contract. 	IFRS 4.A
disposal group	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 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.	IFRS 5.A
dividends	Distributions of profits to holders of equity investments in proportion to their holdings of a particular class of capital.	IAS 18.5
economic life	Either: <ul style="list-style-type: none"> (a) the period over which an asset is expected to be economically usable by one or more users; or (b) the number of production or similar units expected to be obtained from the asset by one or more users. 	IAS 17.4

effective interest method	A method of calculating the amortised cost of a financial asset IAS 39.9 or a financial liability (or group of financial assets or financial liabilities) and of allocating the interest income or interest expense over the relevant period.
effective interest rate	The rate that exactly discounts estimated future cash payments IAS 39.9 or receipts through the expected life of the financial instrument or, when appropriate, a shorter period to the net carrying amount of the financial asset or financial liability. When calculating the effective interest rate, an entity shall estimate cash flows considering all contractual terms of the financial instrument (for example, prepayment, call and similar options) but shall not consider future 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 IAS 18), 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 estimate reliably 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).
embedded derivative	A component of a hybrid (combined) instrument that also IAS 39.10 includes a non-derivative host contract—with the effect that some of the cash flows of the combined instrument vary in a way similar to a stand-alone derivative. An embedded derivative causes some or all of the cash flows that otherwise would be required by the contract to be modified according to 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. A derivative that is attached to a financial instrument but is contractually transferable independently of that instrument, or has a different counterparty from that instrument, is not an embedded derivative, but a separate financial instrument.
employee benefits	All forms of consideration given by an entity in exchange for IAS 19.7 service rendered by employees.
employees and others providing similar services	Individuals who render personal services to the entity and IFRS 2.A 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.
entity-specific value	The present value of the cash flows an entity expects to arise IAS 16.6, IAS 38.8 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.	
equity	The residual interest in the assets of the entity after deducting F.49(c) all its liabilities.	
equity instrument	A contract that evidences a residual interest in the assets of an IAS 32.11, IFRS 2.A entity after deducting all of its liabilities.	
equity instrument granted	The right (conditional or unconditional) to an equity IFRS 2.A instrument of the entity conferred by the entity on another party, under a share-based payment arrangement.	
equity interests	For the purposes of IFRS 3, equity interests is used broadly to IFRS 3.A mean ownership interests of investor-owned entities and owner, member or participant interests of mutual entities.	
equity method	A method of accounting whereby the investment is initially IAS 28.2 recognised at cost and adjusted thereafter for the post-acquisition change in the investor's share of net assets of the investee. The profit or loss of the investor includes the investor's share of the profit or loss of the investee.	
equity-settled share-based payment transaction	A share-based payment transaction in which the entity IFRS 2.A receives goods or services as consideration for equity instruments of the entity (including shares or share options).	
events after the reporting period	Those events, favourable and unfavourable, that occur IAS 10.3 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: <ul style="list-style-type: none"> (a) those that provide evidence of conditions that existed at the end of the reporting period (adjusting events after the reporting period); and (b) those that are indicative of conditions that arose after the reporting period (non-adjusting events after the reporting period). 	
exchange difference	The difference resulting from translating a given number of IAS 21.8 units of one currency into another currency at different exchange rates.	
exchange rate	The ratio of exchange for two currencies.	IAS 21.8
expenses	Decreases in economic benefits during the accounting period F.70(b) in the form of outflows or depletions of assets or incurrences of liabilities that result in decreases in equity, other than those relating to distributions to equity participants.	
experience adjustments	The effects of differences between previous actuarial IAS 19.7 assumptions and what has actually occurred.	
exploration and evaluation assets	Exploration and evaluation expenditures recognised as assets IFRS 6.A in accordance with the entity's accounting policy.	
exploration and evaluation expenditures	Expenditures incurred by an entity in connection with the IFRS 6.A exploration for and evaluation of mineral resources before the technical feasibility and commercial viability of extracting a mineral resource are demonstrable.	

exploration for and evaluation of mineral resources	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
fair value	The amount for which an asset could be exchanged, or a liability settled, between knowledgeable, willing parties in an arm's length transaction.	IAS 2.6, (IAS 16.6), IAS 17.4, IAS 18.7, (IAS 19.7), (IAS 20.3), IAS 21.8, IAS 32.11, (IAS 38.8), IAS 39.9, (IAS 40.5), IAS 41.8, IFRS 1.A, IFRS 3.A, IFRS 4.A, IFRS 5.A
fair value	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
fair value less costs to sell	The amount obtainable from the sale of an asset or cash-generating unit in an arm's length transaction between knowledgeable, willing parties, less the costs of disposal.	IAS 36.6
FIFO (first-in, first-out)	The assumption that the items of inventory that were purchased or produced first are sold first, and consequently the items remaining in inventory at the end of the period are those most recently purchased or produced.	IAS 2.27
finance lease	A lease that transfers substantially all the risks and rewards incidental to ownership of an asset. Title may or may not eventually be transferred.	IAS 17.4
financial asset	Any asset that is:	IAS 32.11
	(a) cash;	
	(b) an equity instrument of another entity;	
	(c) a contractual right:	
	(i) to receive cash or another financial asset from another entity; or	
	(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 asset or financial liability at fair value through profit or loss

A financial asset or financial liability that meets either of the IAS 39.9 following conditions.

- (a) It is classified as held for trading. A financial asset or financial liability is classified as held for trading if:
 - (i) it is acquired or incurred principally for the purpose of selling or repurchasing it in the near term;
 - (ii) on initial recognition it 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
 - (iii) it is a derivative (except for a derivative that is a financial guarantee contract or a designated and effective hedging instrument).
- (b) Upon initial recognition it is designated by the entity as at fair value through profit or loss. An entity may use this designation only when permitted by IAS 39 paragraph 11A (embedded derivatives) or when doing so results in more relevant information, because either
 - (i) it eliminates or significantly reduces a measurement or recognition inconsistency (sometimes referred to as 'an accounting mismatch') that would otherwise arise from measuring assets or liabilities or recognising the gains and losses on them on different bases; or
 - (ii) a group of financial assets, financial liabilities or both is managed and its performance is evaluated on a fair value basis, in accordance with a documented risk management or investment strategy, and information about the group is provided internally on that basis to the entity's key management personnel (as defined in IAS 24).

financial guarantee

A contract that requires the issuer to make specified payments IAS 39.9, IFRS 4.A to reimburse the holder for a loss it incurs because a specified

contract	debtor fails to make payment when due in accordance with the original or modified terms of a debt instrument.	
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
financial liability	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 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.	
financial position	The relationship of the assets, liabilities and equity of an entity, as reported in the balance sheet [statement of financial position].	F.47, IAS 1.54
financial risk	The risk of a possible future change in one or more of 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.	IFRS 4.A
financial statements	A complete set of financial statements comprises:	IAS 1.10, (F.7)

	(a)	a statement of financial position as at the end of the period;
	(b)	a statement of comprehensive income for the period;
	(c)	a statement of changes in equity for the period;
	(d)	a statement of cash flows for the period;
	(e)	notes, comprising a summary of significant accounting policies and other explanatory information; and
	(f)	a statement of financial position as at the beginning of the earliest comparative period when an entity applies an accounting policy retrospectively or makes a retrospective restatement of items in its financial statements, or when it reclassifies items in its financial statements.
financing activities		Activities that result in changes in the size and composition of IAS 7.6 the contributed equity and borrowings of the entity.
firm commitment		A binding agreement for the exchange of a specified quantity IAS 39.9 of resources at a specified price on a specified future date or dates.
firm purchase commitment		An agreement with an unrelated party, binding on both parties IFRS 5.A 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 that is sufficiently large to make performance highly probable.
first IFRS financial statements		The first annual financial statements in which an entity adopts IFRS 1.A International Financial Reporting Standards (IFRSs), by an explicit and unreserved statement of compliance with IFRSs.
first IFRS reporting period		The latest reporting period covered by an entity's first IFRS IFRS 1.A financial statements.
first-time adopter		An entity that presents its first IFRS financial statements. IFRS 1.A
fixed price contract		A construction contract in which the contractor agrees to a IAS 11.3 fixed contract price, or a fixed rate per unit of output, which in some cases is subject to cost escalation clauses.
fixed production overheads		Those indirect costs of production that remain relatively IAS 2.12 constant regardless of the volume of production, such as depreciation and maintenance of factory buildings and equipment, and the cost of factory management and administration.
forecast transaction		An uncommitted but anticipated future transaction. IAS 39.9
foreign currency		A currency other than the functional currency of the entity. IAS 21.8
foreign currency transaction		A transaction that is denominated in or requires settlement in IAS 21.20 a foreign currency.

foreign operation	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
forgivable loans	Loans which the lender undertakes to waive repayment of under certain prescribed conditions. IAS 20.3
functional currency	The currency of the primary economic environment in which the entity operates. IAS 21.8
funding (of post-employment benefits)	Contributions by an entity, and sometimes its employees, into an entity, or fund, that is legally separate from the reporting entity and from which the employee benefits are paid. IAS 19.49
funding (of retirement benefits)	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
future economic benefit	The potential to contribute, directly or indirectly, to the flow of cash and cash equivalents to the entity. The potential may be a productive one that is part of the operating activities of the entity. It may also take the form of convertibility into cash or cash equivalents or a capability to reduce cash outflows, such as when an alternative manufacturing process lowers the costs of production. F.53
gains	Increases in economic benefits and as such no different in nature from revenue. F.75
general purpose financial statements	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, F.6
going concern	The financial statements are prepared on a going concern basis unless management either intends to liquidate the entity or to cease trading, or has no realistic alternative but to do so. IAS 1.25, (F.23)
goodwill	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
government	Government, government agencies and similar bodies whether local, national or international. IAS 20.3
government assistance	Action by government designed to provide an economic benefit specific to an entity or range of entities qualifying under certain criteria. IAS 20.3
government grants	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
grant date	The date at which the entity and another party (including an IFRS 2.A

employee) agree to a share-based payment arrangement, being when the entity and the counterparty have a shared 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.

grants related to assets	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
grants related to income	Government grants other than those related to assets.	IAS 20.3
gross investment in the lease	The aggregate of: <ul style="list-style-type: none"> (a) the minimum lease payments receivable by the lessor under a finance lease, and (b) any unguaranteed residual value accruing to the lessor. 	IAS 17.4
group	A parent and all its subsidiaries.	IAS 21.8, IAS 27.4
group administration (employee benefit) plans	An aggregation of single employer plans combined to allow participating employers to pool their assets for investment purposes and reduce investment management and administration costs, but the claims of different employers are segregated for the sole benefit of their own employees.	IAS 19.33
group of biological assets	An aggregation of similar living animals or plants.	IAS 41.5
guaranteed benefits	Payments or other benefits to which a particular policyholder or investor has an unconditional right that is not subject to the contractual discretion of the issuer.	IFRS 4.A
guaranteed element	An obligation to pay guaranteed benefits, included in a contract that contains a discretionary participation feature.	IFRS 4.A
guaranteed residual value	<ul style="list-style-type: none"> (a) For a lessee, that part of the residual value that is guaranteed by the lessee or by a party related to the lessee (the amount of the guarantee being the maximum amount that could, in any event, become payable); and (b) for a lessor, that part of the residual value that is guaranteed by the lessee or by a third party unrelated to the lessor that is financially capable of discharging the obligations under the guarantee. 	IAS 17.4
harvest	The detachment of produce from a biological asset or the cessation of a biological asset's life processes.	IAS 41.5

hedge effectiveness	The degree to which changes in the fair value or cash flows of IAS 39.9 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–AG113).
hedged item	An asset, liability, firm commitment, highly probable forecast IAS 39.9 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).
hedging instrument	A designated derivative or (for a hedge of the risk of changes IAS 39.9 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).
held for trading	See ‘financial asset or financial liability at fair value through IAS 39.9 profit or loss’.
held-to-maturity investments	<p>Non-derivative financial assets with fixed or determinable IAS 39.9 payments and fixed maturity that an entity has the positive intention and ability to hold to maturity (see IAS 39 paragraphs AG16–AG25) other than:</p> <ul style="list-style-type: none"> (a) those that the entity upon initial recognition designates as at fair value through profit or loss; (b) those that the entity designates as available for sale; and (c) those that meet the definition of loans and receivables. <p>An entity shall not classify any financial assets as held to maturity if the entity has, during the current financial year or during the two preceding financial years, sold or reclassified more than an insignificant amount of held-to-maturity investments before maturity (more than insignificant in relation to the total amount of held-to-maturity investments) other than sales or reclassifications that:</p> <ul style="list-style-type: none"> (i) are so close to maturity or the financial asset’s call date (for example, less than three months before maturity) that changes in the market rate of interest would not have a significant effect on the financial asset’s fair value; (ii) occur after the entity has collected substantially all of the financial asset’s original principal through scheduled payments or prepayments; or (iii) are attributable to an isolated event that is beyond the entity’s control, is non-recurring and could not have been reasonably anticipated by the entity.
highly probable	Significantly more likely than probable. IFRS 5.A
hire purchase contract	The definition of a lease includes contracts for the hire of an IAS 17.6

asset that contain a provision giving the hirer an option to acquire title to the asset upon the fulfilment of agreed conditions. These contracts are sometimes known as hire purchase contracts.

historical cost

A measurement basis according to which assets are recorded at the amount of cash or cash equivalents paid or the fair value of the consideration given to acquire them at the time of their acquisition. Liabilities are recorded at the amount of proceeds received in exchange for the obligation, or in some circumstances (for example, income taxes), at the amounts of cash or cash equivalents expected to be paid to satisfy the liability in the normal course of business. F.100(a)

hyperinflation

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. IAS 29.2–3

Hyperinflation is indicated by characteristics of the economic environment of a country which include, but are not limited to, the following:

- (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.
- (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.
- (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.
- (d) interest rates, wages and prices are linked to a price index.
- (e) the cumulative inflation rate over three years is approaching, or exceeds, 100%.

identifiable

An asset is identifiable if it either: IFRS 3.A

- (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
- (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.

impairment loss

The amount by which the carrying amount of an asset exceeds its recoverable amount. IAS 16.6, (IAS 36.6), IAS 38.8

impracticable

Applying a requirement is impracticable when the entity IAS 1.7, (IAS 8.5)

cannot apply it after making every reasonable effort to do so.

imputed rate of interest	The more clearly determinable of either: (a) the prevailing rate for a similar instrument of an issuer with a similar credit rating; or (b) a rate of interest that discounts the nominal amount of the instrument to the current cash sales price of the goods or services.	IAS 18.11
inception of a lease	The earlier of the date of the lease agreement and the date of commitment by the parties to the principal provisions of the lease.	IAS 17.4
income	Increases in economic benefits during the accounting period in the form of inflows or enhancements of assets or decreases of liabilities that result in increases in equity, other than those relating to contributions from equity participants.	F.70(a)
incremental borrowing rate of interest (lessee's)	The rate of interest the lessee would have to pay on a similar lease or, if that is not determinable, the rate that, at the inception of the lease, the lessee would incur to borrow over a similar term, and with a similar security, the funds necessary to purchase the asset.	IAS 17.4
indirect method of reporting cash flows from operating activities	A method whereby profit or loss is adjusted for the effects of transactions of a non-cash nature, any deferrals or accruals of past or future operating cash receipts or payments, and items of income or expense associated with investing or financing cash flows.	IAS 7.18(b)
initial direct costs	Incremental costs that are directly attributable to negotiating and arranging a lease, except for such costs incurred by manufacturer or dealer lessors.	IAS 17.4
insurance asset	An insurer's net contractual rights under an insurance contract.	IFRS 4.A
insurance contract	A contract under which one party (the insurer) 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. (See IFRS 4 Appendix B for guidance on this definition.)	IFRS 4.A
insurance liability	An insurer's net contractual obligations under an insurance contract.	IFRS 4.A
insurance risk	Risk, other than financial risk, transferred from the holder of a contract to the issuer.	IFRS 4.A
insured event	An uncertain future event that is covered by an insurance contract and creates insurance risk.	IFRS 4.A
insurer	The party that has an obligation under an insurance contract to compensate a policyholder if an insured event occurs.	IFRS 4.A
intangible asset	An identifiable non-monetary asset without physical substance.	IAS 38.8, IFRS 3.A

interest cost (for an employee benefit plan)	The increase during a period in the present value of a defined benefit obligation which arises because the benefits are one period closer to settlement. IAS 19.7
interest rate implicit in the lease	The discount rate that, at the inception of the lease, causes the aggregate present value of (a) the minimum lease payments and (b) the unguaranteed residual value to be equal to the sum of (i) the fair value of the leased asset and (ii) any initial direct costs of the lessor. IAS 17.4
interest rate risk	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
interim financial report	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
interim period	A financial reporting period shorter than a full financial year. IAS 34.4
International Financial Reporting Standards (IFRSs)	Standards and Interpretations adopted by the International Accounting Standards Board (IASB). They comprise: IAS 1.7, IAS 8.5, IFRS 1.A (a) International Financial Reporting Standards; (b) International Accounting Standards; and (c) Interpretations developed by the International Financial Reporting Interpretations Committee (IFRIC) or the former Standing Interpretations Committee (SIC).
intrinsic value	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, ³ on a share with a fair value of CU20, has an intrinsic value of CU5. IFRS 2.A
inventories	Assets: IAS 2.6, IAS 2.8 (a) held for sale in the ordinary course of business; (b) in the process of production for such sale; or (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. In the case of a service provider, inventories include the costs of the service, as described in IAS 2 paragraph 19, for which

³ Monetary items are denominated in 'currency units (CU)'.

	the entity has not yet recognised the related revenue (see IAS 18).	
investing activities	The acquisition and disposal of long-term assets and other investments not included in cash equivalents.	IAS 7.6
investment property	Property (land or a building—or part of a building—or both) held (by the owner or by the lessee under a finance lease) to earn rentals or for capital appreciation or both, rather than for: <ul style="list-style-type: none"> (a) use in the production or supply of goods or services or for administrative purposes; or (b) sale in the ordinary course of business. 	IAS 40.5
investor in a joint venture	A party to a joint venture that does not have joint control over that joint venture.	IAS 31.3
joint control	The contractually agreed sharing of control over an economic activity.	IAS 24.9
joint control	The contractually agreed sharing of control over an economic activity; it exists only when the strategic financial and operating decisions relating to the activity require the unanimous consent of the parties sharing control (the venturers).	IAS 28.2, IAS 31.3
joint venture	A contractual arrangement whereby two or more parties undertake an economic activity that is subject to joint control.	IAS 31.3
jointly controlled entity	A joint venture that involves the establishment of a corporation, partnership or other entity in which each venturer has an interest. The entity operates in the same way as other entities, except that a contractual arrangement between the venturers establishes joint control over the economic activity of the entity.	IAS 31.24
key management personnel	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
lease	An agreement whereby the lessor conveys to the lessee in return for a payment or series of payments the right to use an asset for an agreed period of time.	IAS 17.4
lease term	The non-cancellable period for which the lessee has contracted to lease the asset together with any further terms for which the lessee has the option to continue to lease the asset, with or without further payment, when at the inception of the lease it is reasonably certain that the lessee will exercise the option.	IAS 17.4
legal obligation	An obligation that derives from: <ul style="list-style-type: none"> (a) a contract (through its explicit or implicit terms); (b) legislation; or (c) other operation of law. 	IAS 37.10

lessee's incremental borrowing rate of interest	The rate of interest the lessee would have to pay on a similar IAS 17.4 lease or, if that is not determinable, the rate that, at the inception of the lease, the lessee would incur to borrow over a similar term, and with a similar security, the funds necessary to purchase the asset.
liability	A present obligation of the entity arising from past events, the IAS 37.10, F.49(b) settlement of which is expected to result in an outflow from the entity of resources embodying economic benefits.
liability adequacy test	An assessment of whether the carrying amount of an IFRS 4.A insurance liability needs to be increased (or the carrying amount of related deferred acquisition costs or related intangible assets decreased), based on a review of future cash flows.
liquidity	The availability of cash in the near future after taking account F.16 of financial commitments over this period.
liquidity risk	The risk that an entity will encounter difficulty in meeting IFRS 7.A obligations associated with financial liabilities.
loans and receivables	<p>Non-derivative financial assets with fixed or determinable IAS 39.9 payments that are not quoted in an active market, other than:</p> <ul style="list-style-type: none"> (a) those that the entity intends to sell immediately or in the near term, which shall be classified as held for trading, and those that the entity upon initial recognition designates as at fair value through profit or loss; (b) those that the entity upon initial recognition designates as available for sale; or (c) those for which the holder may not recover substantially all of its initial investment, other than because of credit deterioration, which shall be classified as available for sale. <p>An interest acquired in a pool of assets that are not loans or receivables (for example, an interest in a mutual fund or a similar fund) is not a loan or receivable.</p>
loans payable	Financial liabilities other than short-term trade payables on IFRS 7.A normal credit terms.
losses	Decreases in economic benefits and as such no different in F.79 nature from other expenses.
market condition	A condition upon which the exercise price, vesting or IFRS 2.A exercisability of an equity instrument depends that is related to the market price of the entity's equity instruments, such as attaining a specified share price or a specified amount of intrinsic value of a share option, or achieving a specified target that is based on the market price of the entity's equity instruments relative to an index of market prices of equity instruments of other entities.
market risk	The risk that the fair value or future cash flows of a financial IFRS 7.A 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.

master netting arrangement An arrangement providing for an entity that undertakes a number of financial instrument transactions with a single counterparty to make a single net settlement of all financial instruments covered by the agreement in the event of default on, or termination of, any one contract. IAS 32.50

matching of costs with revenues A process in which expenses are recognised in the income statement [statement of comprehensive income] on the basis of a direct association between the costs incurred and the earning of specific items of income. This process involves the simultaneous or combined recognition of revenues and expenses that result directly and jointly from the same transactions or other events. However, the application of the matching concept does not allow the recognition of items in the balance sheet [statement of financial position] which do not meet the definition of assets or liabilities. F.95

material Omissions or misstatements of items are material if they could, individually or collectively, influence the economic decisions that users make on the basis of the financial statements. Materiality depends on the size and nature of the omission or misstatement judged in the surrounding circumstances. The size or nature of the item, or a combination of both, could be the determining factor. IAS 1.7, IAS 8.5

materiality Information is material if its omission or misstatement could influence the economic decisions of users taken on the basis of the financial statements. F.30

measurement The process of determining the monetary amounts at which the elements of the financial statements are to be recognised and carried in the balance sheet [statement of financial position] and income statement [statement of comprehensive income]. F.99

measurement date The date at which the fair value of the equity instruments granted is measured for the purposes of IFRS 2. 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

minimum lease payments The payments over the lease term that the lessee is or can be required to make, excluding contingent rent, costs for services and taxes to be paid by and reimbursed to the lessor, together with: IAS 17.4

- (a) for a lessee, any amounts guaranteed by the lessee or by a party related to the lessee; or
- (b) for a lessor, any residual value guaranteed to the lessor by:
 - (i) the lessee;
 - (ii) a party related to the lessee; or
 - (iii) a third party unrelated to the lessor that is financially capable of discharging the

obligations under the guarantee.

minority interest	See 'non-controlling interest'
monetary assets	Money held and assets to be received in fixed or determinable IAS 38.8 amounts of money.
monetary items	Units of currency held and assets and liabilities to be received IAS 21.8 or paid in a fixed or determinable number of units of currency.
monetary items	Money held and items to be received or paid in money. IAS 29.12
multi-employer (benefit) plans	Defined contribution plans (other than state plans) or defined IAS 19.7 benefit plans (other than state plans) that: <ul style="list-style-type: none">(a) pool the assets contributed by various entities that are not under common control; and(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.
mutual entity	An entity, other than an investor-owned entity, that provides IFRS 3.A 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.
net assets available for benefits	The assets of a plan less liabilities other than the actuarial IAS 26.8 present value of promised retirement benefits.
net investment in a foreign operation	The amount of the reporting entity's interest in the net assets IAS 21.8 of that operation.
net investment in the lease	The gross investment in the lease discounted at the interest IAS 17.4 rate implicit in the lease.
net realisable value	The estimated selling price in the ordinary course of business IAS 2.6–7 less the estimated costs of completion and the estimated costs necessary to make the sale. 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.
neutrality	Freedom from bias of the information contained in financial F.36 statements.
non-adjusting events after the reporting period	See 'events after the reporting period'
non-cancellable lease	A lease that is cancellable only: IAS 17.4

	<ul style="list-style-type: none"> (a) upon the occurrence of some remote contingency; (b) with the permission of the lessor; (c) if the lessee enters into a new lease for the same or an equivalent asset with the same lessor; or (d) upon payment by the lessee of such an additional amount that, at inception of the lease, continuation of the lease is reasonably certain.
non-controlling interest	The equity in a subsidiary not attributable, directly or indirectly, to a parent. IAS 27.4, IFRS 3.A
non-current asset	An asset that does not meet the definition of a current asset. IFRS 5.A
normal capacity of production facilities	The production expected to be achieved on average over a number of periods or seasons under normal circumstances, taking into account the loss of capacity resulting from planned maintenance. IAS 2.13
notes	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
obligating event	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
obligation	A duty or responsibility to act or perform in a certain way. Obligations may be legally enforceable as a consequence of a binding contract or statutory requirement. Obligations also arise, however, from normal business practice, custom and a desire to maintain good business relations or act in an equitable manner. F.60
offsetting	See 'set-off, legal right of'
onerous contract	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
opening IFRS statement of financial position	An entity's statement of financial position at the date of transition to IFRSs. IFRS 1.A
operating activities	The principal revenue-producing activities of an entity and other activities that are not investing or financing activities. IAS 7.6
operating cycle	The time between the acquisition of assets for processing and their realisation in cash or cash equivalents. IAS 1.68
operating lease	A lease other than a finance lease. IAS 17.4
operating segment	An operating segment is a component of an entity: <ul style="list-style-type: none"> (a) that engages in business activities from which it IFRS 8

	<p>may earn revenues and incur expenses (including revenues and expenses relating to transactions with other components of the same entity),</p> <p>(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</p> <p>(c) for which discrete financial information is available.</p>	
options, warrants and their equivalents	Financial instruments that give the holder the right to purchase ordinary shares.	IAS 33.5
ordinary equity holders	Holders of ordinary shares.	IAS 33.5–9
ordinary share	An equity instrument that is subordinate to all other classes of equity instruments.	IAS 33.5
originated loans and receivables	See 'loans and receivables'	
other comprehensive income	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
other long-term employee benefits	Employee benefits (other than post-employment benefits and termination benefits) that are not due to be settled within twelve months after the end of the period in which the employees render the related service.	IAS 19.7
other price risk	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
owner-occupied property	Property held (by the owner or by the lessee under a finance lease) for use in the production or supply of goods or services or for administrative purposes.	IAS 40.5
owners	Holders of instruments classified as equity.	IAS 1.7
owners	In IFRS 3 owners is used broadly to include holders of interests of investor-owned entities and owners or members of, or participants in, mutual entities.	IFRS 3.A
parent	An entity that has one or more subsidiaries.	IAS 27.4
participants	The members of a retirement benefit plan and others who are entitled to benefits under the plan.	IAS 26.8
past due	A financial asset is past due when a counterparty has failed to make a payment when contractually due.	IFRS 7.A
past service cost	The change in the present value of the defined benefit obligation for employee service in prior periods, resulting in	IAS 19.7

	the current period from the introduction of, or changes to, post-employment benefits or other long-term employee benefits. Past service cost may be either positive (when benefits are introduced or changed so that the present value of the defined benefit obligation increases) or negative (when existing benefits are changed so that the present value of the defined benefit obligation decreases).	
percentage of completion method	The recognition of revenue and expenses by reference to the IAS 11.25 stage of completion of a contract. Under this method contract revenue is matched with the contract costs incurred in reaching the stage of completion, resulting in the reporting of revenue, expenses and profit which can be attributed to the proportion of work completed.	
performance	The relationship of the income and expenses of an entity, as reported in the income statement [statement of comprehensive income].	F.47
plan assets (of an employee benefit plan)		IAS 19.7
	(a) Assets held by a long-term employee benefit fund; and	
	(b) qualifying insurance policies.	
policyholder	A party that has a right to compensation under an insurance contract if an insured event occurs.	IFRS 4.A
post-employment benefits	Employee benefits (other than termination benefits) which are payable after the completion of employment.	IAS 19.7
post-employment benefit plans	Formal or informal arrangements under which an entity provides post-employment benefits for one or more employees.	IAS 19.7
potential ordinary share	A financial instrument or other contract that may entitle its holder to ordinary shares.	IAS 33.5
presentation currency	The currency in which the financial statements are presented.	IAS 21.8
present value	A current estimate of the present discounted value of the future net cash flows in the normal course of business.	F.100(d)
present value of a defined benefit obligation	See 'defined benefit obligation (present value of)'	IAS 19.7
previous GAAP	The basis of accounting that a first-time adopter used immediately before adopting IFRSs.	IFRS 1.A
primary financial instruments	Financial instruments, such as receivables, payables and equity securities, that are not derivative financial instruments.	IAS 32.AG15
prior period errors	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:	IAS 8.5
	(a) was available when financial statements for those periods were authorised for issue; and	

	(b) could reasonably be expected to have been obtained and taken into account in the preparation and presentation of those financial statements.	
	Such errors include the effects of mathematical mistakes, mistakes in applying accounting policies, oversights or misinterpretations of facts, and fraud.	
probable	More likely than not.	IFRS 5.A, (IAS 37.23)
profit	The residual amount that remains after expenses (including capital maintenance adjustments, where appropriate) have been deducted from income. Any amount over and above that required to maintain the capital at the beginning of the period is profit.	F.105, F.107
profit or loss	The total of income less expenses, excluding the components of other comprehensive income.	IAS 1.7
projected unit credit method	An actuarial valuation method that sees each period of service as giving rise to an additional unit of benefit entitlement and measures each unit separately to build up the final obligation (sometimes known as the accrued benefit method pro-rated on service or as the benefit/years of service method).	IAS 19.64–66
property, plant and equipment	Tangible items that: <ul style="list-style-type: none"> (a) are held for use in the production or supply of goods or services, for rental to others, or for administrative purposes; and (b) are expected to be used during more than one period. 	IAS 16.6
proportionate consolidation	A method of accounting and reporting whereby a venturer's share of each of the assets, liabilities, income and expenses of a jointly controlled entity is combined line by line with similar items in the venturer's financial statements or reported as separate line items in the venturer's financial statements.	IAS 31.3
prospective application	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"> (a) applying the new accounting policy to transactions, other events and conditions occurring after the date as at which the policy is changed; and (b) recognising the effect of the change in the accounting estimate in the current and future periods affected by the change. 	IAS 8.5
provision	A liability of uncertain timing or amount.	IAS 37.10
prudence	The inclusion of a degree of caution in the exercise of the judgements needed in making the estimates required under conditions of uncertainty, such that assets or income are not overstated and liabilities or expenses are not understated.	F.37
put options (on ordinary shares)	Contracts that give the holder the right to sell ordinary shares at a specified price for a given period.	IAS 33.5

puttable instrument	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
qualifying asset	An asset that necessarily takes a substantial period of time to get ready for its intended use or sale. IAS 23.5
qualifying insurance policy	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 19.7 <ul style="list-style-type: none"> (a) can be used only to pay or fund employee benefits under a defined benefit plan; (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"> (i) the proceeds represent surplus assets that are not needed for the policy to meet all the related employee benefit obligations; or (ii) the proceeds are returned to the reporting entity to reimburse it for employee benefits already paid.
realisable value	The amount of cash or cash equivalents that could currently be obtained by selling an asset in an orderly disposal. F.100(c)
reclassification adjustments	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
recognition	The process of incorporating in the balance sheet [statement of financial position] or income statement [statement of comprehensive income] an item that meets the definition of an element and satisfies the following criteria for recognition: F.82–83 <ul style="list-style-type: none"> (a) it is probable that any future economic benefit associated with the item will flow to or from the entity; and (b) the item has a cost or value that can be measured with reliability.
recoverable amount	The higher of an asset's (or cash-generating unit's) fair value less costs to sell and its value in use. IAS 16.6, IAS 36.6, IFRS 5.A
regular way purchase or sale	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. IAS 39.9
reinsurance assets	A cedant's net contractual rights under a reinsurance contract. IFRS 4.A
reinsurance contract	An insurance contract issued by one insurer (the reinsurer) to compensate another insurer (the cedant) for losses on one or more contracts issued by the cedant. IFRS 4.A

reinsurer	The party that has an obligation under a reinsurance contract IFRS 4.A to compensate a cedant if an insured event occurs.
related party	<p>A party is related to an entity if: IAS 24.9</p> <ul style="list-style-type: none"> (a) directly, or indirectly through one or more intermediaries, the party: <ul style="list-style-type: none"> (i) controls, is controlled by, or is under common control with, the entity (this includes parents, subsidiaries and fellow subsidiaries); (ii) has an interest in the entity that gives it significant influence over the entity; or (iii) has joint control over the entity; (b) the party is an associate (as defined in IAS 28) of the entity; (c) the party is a joint venture in which the entity is a venturer (see IAS 31); (d) the party is a member of the key management personnel of the entity or its parent; (e) the party is a close member of the family of any individual referred to in (a) or (d); (f) the party is an entity that is controlled, jointly controlled or significantly influenced by, or for which significant voting power in such entity resides with, directly or indirectly, any individual referred to in (d) or (e); or (g) the party is a post-employment benefit plan for the benefit of employees of the entity, or of any entity that is a related party of the entity.
related party transaction	A transfer of resources, services or obligations between IAS 24.9 related parties, regardless of whether a price is charged.
relevance	Information has the quality of relevance when it influences F.26 the economic decisions of users by helping them evaluate past, present or future events or confirming, or correcting, their past evaluations.
reliability	Information has the quality of reliability when it is free from F.31 material error and bias and can be depended upon by users to represent faithfully that which it either purports to represent or could reasonably be expected to represent.
reload feature	A feature that provides for an automatic grant of additional IFRS 2.A share options whenever the option holder exercises previously granted options using the entity's shares, rather than cash, to satisfy the exercise price.
reload option	A new share option granted when a share is used to satisfy the IFRS 2.A exercise price of a previous share option.
reportable segment	An operating segment for which IFRS 8 requires information IFRS 8.11 to be disclosed.

reporting entity	An entity for which there are users who rely on the financial statements as their major source of financial information about the entity.	F.8
research	Original and planned investigation undertaken with the prospect of gaining new scientific or technical knowledge and understanding.	IAS 38.8
residual value (of an asset)	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)
restructuring	A programme that is planned and controlled by management and materially changes either: <ul style="list-style-type: none"> (a) the scope of a business undertaken by an entity; or (b) the manner in which that business is conducted. 	IAS 37.10
retirement benefit plans	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
retrospective application	Applying a new accounting policy to transactions, events and conditions as if that policy had always been applied.	IAS 8.5
retrospective restatement	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
return on plan assets (of an employee benefit plan)	Interest, dividends and other revenue derived from the plan assets, together with realised and unrealised gains or losses on the plan assets, less any costs of administering the plan (other than those included in the actuarial assumptions used to measure the defined benefit obligation) and less any tax payable by the plan itself.	IAS 19.7
revaluation	Restatement of assets and liabilities.	F.81
revalued amount of an asset	The fair value of an asset at the date of a revaluation less any subsequent accumulated depreciation and subsequent accumulated impairment losses.	IAS 16.31
revenue	The gross inflow of economic benefits during the period arising in the course of the ordinary activities of an entity when those inflows result in increases in equity, other than increases relating to contributions from equity participants.	IAS 18.7
reverse acquisition	An acquisition where the acquirer is the entity whose interests have been acquired and the issuing entity is the acquiree. This might be the case when, for example, a private entity arranges to have itself 'acquired' by a smaller public entity as a means of obtaining a stock exchange listing.	IFRS 3.B19

rewards associated with a leased asset	Rewards may be represented by the expectation of profitable operation over the asset's economic life and of gain from appreciation in value or realisation of a residual value. IAS 17.7
risks associated with a leased asset	Risks include possibilities of losses from idle capacity or technological obsolescence and of variations in return because of changing economic conditions. IAS 17.7
sale and leaseback transaction	The sale of an asset and the leasing back of the same asset. The lease payment and the sale price are usually interdependent because they are negotiated as a package. IAS 17.58
separate financial statements	Those presented by a parent, an investor in an associate or a venturer in a jointly controlled entity, in which the investments are accounted for on the basis of the direct equity interest rather than on the basis of the reported results and net assets of the investees. IAS 27.4, IAS 28.2, IAS 31.3
set-off, legal right of	A debtor's legal right, by contract or otherwise, to settle or otherwise eliminate all or a portion of an amount due to a creditor by applying against that amount an amount due from the creditor. IAS 32.45
settlement (of employee benefit obligations)	A transaction that eliminates all further legal or constructive obligation for part or all of the benefits provided under a defined benefit plan, for example, when a lump-sum cash payment is made to, or on behalf of, plan participants in exchange for their rights to receive specified post-employment benefits. IAS 19.112
settlement date	The date that a financial asset is delivered to or by an entity. IAS 39.AG56
settlement value	The undiscounted amounts of cash or cash equivalents expected to be paid to satisfy the liabilities in the normal course of business. F.100(c)
share-based payment arrangement	An agreement between the entity and another party (including an employee) to enter into a share-based payment transaction, which thereby entitles the other party to receive cash or other assets of the entity for amounts that are based on the price of the entity's shares or other equity instruments of the entity, or to receive equity instruments of the entity, provided the specified vesting conditions, if any, are met. IFRS 2.A
share-based payment transaction	A transaction in which the entity receives goods or services as consideration for equity instruments of the entity (including shares or share options), or acquires goods or services by incurring liabilities to the supplier of those goods or services for amounts that are based on the price of the entity's shares or other equity instruments of the entity. IFRS 2.A
share option	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
short seller	An entity that sells financial assets that it has borrowed and does not yet own. IAS 39.AG15

short-term employee benefits	Employee benefits (other than termination benefits) that are due to be settled within twelve months after the end of the period in which the employees render the related service.	IAS 19.7
significant influence	The power to participate in the financial and operating policy decisions of an entity, but not control over those policies. Significant influence may be gained by share ownership, statute or agreement.	IAS 24.9, (IAS 28.2), (IAS 31.3)
solvency	The availability of cash over the longer term to meet commitments as they fall due.	F.16
spot exchange rate	The exchange rate for immediate delivery.	IAS 21.8
state (employee benefit) plan	Employee benefit plans established by legislation to cover all entities (or all entities in a particular category, for example a specific industry) and operated by national or local government or by another body (for example an autonomous agency created specifically for this purpose) which is not subject to control or influence by the reporting entity.	IAS 19.37
subsidiary	An entity, including an unincorporated entity such as a partnership, that is controlled by another entity (known as the parent).	IAS 27.4, IAS 28.2
substance over form	The principle that transactions and other events are accounted for and presented in accordance with their substance and economic reality and not merely their legal form.	F.35, (IAS 8.7–10)
tax base of an asset or liability	The amount attributed to that asset or liability for tax purposes.	IAS 12.5
tax expense (tax income)	The aggregate amount included in the determination of profit or loss for the period in respect of current tax and deferred tax. Tax expense (tax income) comprises current tax expense (current tax income) and deferred tax expense (deferred tax income).	IAS 12.5, IAS 12.6
taxable profit (tax loss)	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
taxable temporary differences	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
temporary differences	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: <ul style="list-style-type: none"> (a) taxable temporary differences; or (b) deductible temporary differences. 	IAS 12.5
termination benefits	Employee benefits payable as a result of either: <ul style="list-style-type: none"> (a) an entity's decision to terminate an employee's employment before the normal retirement date; or (b) an employee's decision to accept voluntary 	IAS 19.7

redundancy in exchange for those benefits.

total comprehensive income	The change in equity during a period resulting from IAS 1.7 transactions and other events, other than those changes resulting from transactions with owners in their capacity as owners.
trade date	The date that an entity commits itself to purchase or sell an IAS 39.AG55 asset.
transaction costs (financial instruments)	Incremental costs that are directly attributable to the IAS 39.9 acquisition, issue or disposal of a financial asset or financial liability (see IAS 39 paragraph AG13). An incremental cost is one that would not have been incurred if the entity had not acquired, issued or disposed of the financial instrument.
transitional liability (defined benefit plans)	For an entity on first adopting IAS 19: IAS 19.154 (a) the present value of the obligation at the date of adoption; (b) minus the fair value, at the date of adoption, of plan assets (if any) out of which the obligations are to be settled directly; (c) minus any past service cost that shall be recognised in later periods.
treasury shares	An entity's own equity instruments, held by the entity or other IAS 32.33 members of the consolidated group.
unbundle	Account for the components of a contract as if they were IFRS 4.A separate contracts.
understandability	Information provided in financial statements has the quality of F.25 understandability when it is comprehensible to users who have a reasonable knowledge of business and economic activities and accounting and a willingness to study the information with reasonable diligence.
unearned finance income	The difference between: IAS 17.4 (a) the gross investment in the lease, and (b) the net investment in the lease.
unguaranteed residual value	That portion of the residual value of the leased asset, the IAS 17.4 realisation of which by the lessor is not assured or is guaranteed solely by a party related to the lessor.
useful life	The estimated remaining period, from the commencement of IAS 17.4 the lease term, without limitation by the lease term, over which the economic benefits embodied in the asset are expected to be consumed by the entity.
useful life	Either: IAS 16.6, IAS 36.6, IAS 38.8 (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.

value in use	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
value in use	The present value of the future cash flows expected to be derived from an asset or cash-generating unit. IAS 36.6
variable production overheads	Those indirect costs of production that vary directly, or nearly directly, with the volume of production, such as indirect materials and indirect labour. IAS 2.12
venturer	A party to a joint venture that has joint control over that joint venture. IAS 31.3
vest	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
vested benefits	Benefits, the rights to which, under the conditions of a retirement benefit plan, are not conditional on continued employment. IAS 26.8
vested employee benefits	Employee benefits that are not conditional on future employment. IAS 19.7
vesting conditions	The conditions that determine 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. Vesting conditions are either service conditions or performance conditions. Service conditions require the counterparty to complete a specified period of service. Performance conditions require the counterparty to complete a specified period of service and specified performance targets to be met (such as a specified increase in the entity's profit over a specified period of time). A performance condition might include a market condition. IFRS 2.A
vesting period	The period during which all the specified vesting conditions of a share-based payment arrangement are to be satisfied. IFRS 2.A
warrant	A financial instrument that gives the holder the right to purchase ordinary shares. IAS 33.5
weighted average cost formula	Under this formula, the cost of each item is determined from the weighted average of the cost of similar items at the beginning of a period and the cost of similar items purchased or produced during the period. The average may be calculated on a periodic basis, or as each additional shipment is received, depending upon the circumstances of the entity. IAS 2.27
weighted average number of ordinary shares outstanding during the period	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