

**IFRS 1 *First-time Adoption of International Financial Reporting Standards* — Repeat application of IFRS 1** (September 2010)

The Committee received a request identifying an entity that had previously reported in accordance with IFRSs to meet foreign listing requirements, and had applied IFRS 1. However, the entity then delisted and no longer presents its financial statements in accordance with IFRSs, instead reporting only in accordance with its national GAAP. In a subsequent reporting period, the reporting requirements in the entity's local jurisdiction change from national GAAP to IFRSs, and the entity is again required to present its financial statements in accordance with IFRSs. The request asks the Committee to clarify how the entity should transition back to reporting in accordance with IFRSs, and specifically whether it can apply IFRS 1 for a second time. The Committee observed that the scope of IFRS 1 requires an entity to apply the standard in its first IFRS financial statements. Paragraph 3 of IFRS 1 provides examples of when an entity's financial statements are considered to be its first IFRS financial statements. These examples are based upon assessing whether the entity's most recent previous financial statements were presented in accordance with IFRSs.

The Committee noted that an entity is required to apply IFRS 1 for a second time in the circumstances described. However, the Committee observed that the scope of IFRS 1 should be made clearer. Consequently, the Committee decided not to add this issue to its agenda. However, the Committee decided to recommend that the Board should clarify the guidance relating to the repeat application of IFRS 1 as part of *Annual Improvements*