

*IFRS-11 – Joint Arrangements* (March 2015)

**Joint Arrangements – Classification of joint arrangements: the assessment of ‘other facts and circumstances’ to specific fact patterns**

The Interpretations Committee discussed how ‘other facts and circumstances’ should be applied to some specific fact patterns. It identified four different cases and considered how particular features of those fact patterns would affect the classification of the joint arrangement when assessing other facts and circumstances.

The Interpretations Committee therefore noted that the economic benefits of the assets of the joint arrangement would relate to the cash flows arising from the parties’ rights to, and obligations for, the assets. Consequently, it noted that the assessment is based on the monetary value of the output, instead of physical quantities. On the basis of this analysis, the Interpretations Committee determined that, in the light of the existing IFRS requirements, sufficient guidance exists and that neither an Interpretation nor an amendment to a Standard was necessary. Consequently, the Interpretations Committee decided not to add these issues to its agenda.