IFRS Accounting

Staff paper

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IASB® meeting

Date	**September 2026**
Project	**Financial Instruments with Characteristics of Equity (FICE)**
Topic	**Obligations to purchase own equity instruments: Debit entry on initial recognition**
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Introduction

1. In this paper, the staff summarises the feedback on the proposals in the Exposure Draft *Financial Instruments with Characteristics of Equity* (the ED) related to the debit entry on initial recognition of obligations to purchase own equity instruments. We also provide our analysis and recommendations on this topic. At this meeting, we will ask the IASB whether it agrees with the staff recommendations in this paper.

2. This paper is structured as follows:

   (a) summary of staff recommendations;

   (b) question for the IASB;

   (c) feedback summary;

   (d) staff analysis; and

   (e) appendix A—illustrative example of alternative approach.

Summary of staff recommendations

3. The staff recommends that the IASB proceed to finalise the proposed requirements related to the debit entry on initial recognition, subject to some targeted refinements and drafting improvements. The targeted refinements are to clarify that:

   (a) an entity assesses whether an obligation issued over non-controlling interest (NCI) currently gives the entity access to the returns associated with an ownership interest in accordance with the requirements in IFRS 10 *Consolidated Financial Statements*.

   (b) if an obligation over NCI does not provide an entity with access to the returns associated with an ownership interest, the debit amount on initial recognition is deducted from NCI but does not lead to derecognition of NCI. An entity applies IFRS 18 *Presentation and Disclosure in Financial Statements* to determine whether presentation of the deduction from NCI as a separate line item in the statement of financial position and/or statement of changes in equity is necessary for the financial statements to provide a useful structured summary.

Question for the IASB

Question for the IASB
Do you agree with the staff's recommendations summarised in paragraph 3 of this paper?

Feedback summary

4. The ED proposed that, if an obligation to redeem an entity's own equity instruments does not provide access to the rights and returns associated with an ownership interest of the equity instruments to which the obligation relates, on initial recognition of the obligation those equity instruments would continue to be recognised. The initial

amount of the financial liability would, therefore, be removed from a component of equity other than NCI or issued share capital.

5. Many stakeholders commented on this proposal. Feedback was provided mainly in the context of NCI puts and in particular, those exercisable at fair value or a proxy of fair value.[1]

6. Some stakeholders (including standard-setters, preparers, regulators, accounting firms and accountancy bodies) agreed with the proposal. In their view, the proposed clarifications would reduce diversity in practice caused by the absence of specific application guidance in IAS 32 *Financial Instruments Presentation* and improve comparability.

7. However, most stakeholders across all the main stakeholder groups disagreed with the proposal to debit parent equity on initial recognition. Reasons mentioned for their disagreement included:

   (a) perceived double-counting in the statement of financial position. A primary concern is that recognising both a gross liability for the NCI put and the full amount of NCI in equity results in double-counting the rights of non-controlling shareholders. They said these rights are mutually exclusive—the holder has to right to receive either the net assets of the subsidiary or exercise the put option, but not both.

   (b) adverse effect on banks' regulatory capital ratios. Stakeholders from the banking sector said that when calculating own funds for regulatory purposes, only a portion of NCI is included while parent equity is included in full. They explained that reducing parent equity would therefore have a more detrimental impact on prudential own funds than the actual purchase of such NCI. They

[1] Please refer to Agenda Paper 5 for this meeting for explanations of the terms used to broadly indicate the portion of respondents that reported a particular view. The feedback analysis on specific matters is based on the comments specifically made on that matter. Therefore, the terms that are used to indicate the portion of respondents that expressed a view are based on the population of respondents who specifically commented on each topic.

said many banks currently recognise the initial debit amount related to the obligation to purchase own equity instruments against NCI.

(c) perceived conflict between the requirements in IAS 32 and IFRS 10. They acknowledged the proposal is consistent with the requirements in paragraphs B89 and B90 of IFRS 10 when NCI holders retain their rights to the returns associated with their ownership interests.[2] However, they consider this to be inconsistent with paragraph AG 29 of IAS 32, and paragraphs BC11 and BC68 of the Basis for Conclusions on IAS 32. They interpret these paragraphs to mean that when the entity assumes an obligation to purchase NCI, the NCI ceases to be equity instruments (and should therefore be derecognised) and ceases to meet the definition of NCI in Appendix A of IFRS 10.[3] Therefore, in their view, applying paragraph B89 of IFRS 10, no share of the subsidiary's net profit or loss for the period should be allocated to NCI holders. In addition, they said an entity presents a single financial liability in the consolidated financial statements and not both an equity instrument and a financial liability.

(d) potentially problematic application for entities with multiple components of equity. In their view, entities could debit a component of equity that has little relevance to financial instruments and ultimately result in presentation that is not useful for the decision-making of stakeholders.

(e) perceived failure to reflect the economic substance of the transaction. Some stakeholders said because the obligation to purchase NCI does not affect the interests of the owners of the parent in any way, recognising a reduction in

[2] Paragraph B89 of IFRS 10 requires the proportion of profit or loss and changes in equity allocated to the parent and non-controlling interests in preparing consolidated financial statements to be determined solely on the basis of existing ownership interests and does not reflect the possible exercise or conversion of potential voting rights and other derivatives, unless paragraph B90 applies. Paragraph B90 of IFRS 10 explains that in some circumstances an entity has, in substance, an existing ownership interest as a result of a transaction that currently gives the entity access to the returns associated with an ownership interest. In such circumstances, the proportion allocated to the parent and non-controlling interests in preparing consolidated financial statements is determined by taking into account the eventual exercise of those potential voting rights and other derivatives that currently give the entity access to the returns.

[3] Appendix A of IFRS 10 defines non-controlling interest as 'equity in a subsidiary not attributable, directly or indirectly, to a parent.'

parent equity (for the debit amount) would not provide relevant information about the amount of reserves attributable to owners of the parent.

8. Only a few users of financial statements commented on classification topics.[4] Some users of financial statements expressed concerns similar to those mentioned in paragraph 7(a) of this paper, particularly with regards to their calculation of the 'Enterprise Value to Equity Value bridge'. In the Enterprise Value to Equity Value bridge, equity investors deduct from enterprise value, the fair value of the debt, debt-like liabilities and NCI. They said that a lack of transparency about the liability for the NCI put, could lead to them erroneously including both the gross NCI balance and the liability for the NCI put in the calculation. They also noted that this could lead to an understatement in parent equity which would adversely impact their calculation of key performance metrics such as the price-to-book ratio.

9. Some stakeholders, including some of those that agreed with the proposal, asked how to determine whether an entity has access to the rights and returns associated with ownership and if this is meant to be consistent with the assessment in IFRS 10. In their view, it was not clear from the ED how the proposed requirements would interact with paragraphs B89–B90 of IFRS 10 which requires a substance-based assessment, or whether it would differ from a risks and rewards assessment.

10. In addition, a few stakeholders mentioned that the proposals do not explicitly cover how to account for the obligation to purchase NCI if an entity has access to the rights and returns associated with ownership. In particular, they said it was not clear whether in that case, NCI should be derecognised. In their view, an explicit requirement would be beneficial in preventing potential diversity in practice.

11. A few other stakeholders specifically asked for clarification with regards to the relationship between the proposal and IFRS 3 *Business Combinations*. They

[4] Agenda Paper 5A for the July 2024 IASB includes a summary of the feedback from users of financial statements on the proposals in the ED.

questioned if the proposal to debit parent equity or the alternative to debit NCI would have unintended consequences for business combination accounting.

12. As an alternative to the ED's proposal, stakeholders made several suggestions, including:

(a) recognising a deduction from NCI and presenting it either within NCI separately from the NCI balance (as described in paragraph AV5 of the Alternative View on the ED) or as a negative equity line item immediately below the NCI line item (ie NCI would be displayed on two line items).[5]

(b) derecognising NCI consistent with the wording in paragraph 23 of IAS 32 that the liability is 'reclassified from equity'. Some stakeholders specified if the present value of the redemption amount is higher than the carrying amount of NCI at initial recognition of the liability, any excess could be deducted from parent equity.

(c) distinguishing between NCI puts exercisable at fixed amounts (derecognise NCI and recognise gains or losses on liability in profit or loss) and NCI puts exercisable at fair value (continue to recognise NCI and recognise gains or losses on liability in equity). There were concerns that a 'one size fits all' approach would not be appropriate due to varying terms of the obligation to purchase own equity.

(d) distinguishing NCI subject to the put option from other NCI in the financial statements to alleviate double-counting concerns.

(e) maintaining the status quo by withdrawing the proposal. This would mean the IASB does not make an amendment to require particular accounting on initial recognition of the debit within equity.

[5] In paragraph AV5 of the Alternative View on the ED, Mr Uhl disagrees with this proposal and believes the debit entry should be presented aspart of non-controlling interests—for example, as a separate component presented after non-controlling interests and within a subtotal for net non-controlling interests.

(f) decoupling NCI puts from the FICE project and dealing with it separately or as part of a wider project considering potential changes to other IFRS Accounting standards including IFRS 3 and IFRS 10. Stakeholders noted that there are no new arguments that would help resolve the diversity in practice within the FICE project.

Staff analysis

13. The staff notes that the issue of which component of equity to debit on initial recognition has been a long-standing cause of diversity in practice and the feedback summarised in paragraphs 5–12 of this paper confirms that this is still the case. We therefore do not agree with suggestions to withdraw the proposals or separate this matter from the scope of the FICE project to address it separately.

14. Based on this feedback, the staff thinks the main areas of the proposal requiring further consideration, are:

(a) perceived inconsistency between IAS 32 and IFRS 10;

(b) assessing whether an obligation provides access to returns associated with an ownership interest;

(c) presentation of the initial debit amount; and

(d) miscellaneous matters.

Perceived inconsistency between the requirements in IAS 32 and IFRS 10

15. In developing the ED proposals for initial recognition of the amount in equity, the IASB considered the requirements in IFRS 10 related to NCI. The requirements in IFRS 10 (particularly paragraph B96) are clear that the carrying amount of NCI is to be adjusted when the proportion of equity held by NCI changes—when a forward purchase contract is settled or a written put option is exercised. Similarly, when a transaction gives an entity access to the returns associated with an ownership interest,

the portion allocated to the parent and NCI is adjusted accordingly. Paragraph B91 of IFRS 10 is clear that when a transaction currently gives an entity access to the returns associated with an ownership interest in a subsidiary, the instruments containing potential voting rights are not subject to the requirements of IFRS 9. The staff therefore thinks the requirements in IFRS 10 are sufficient to enable entities to determine how to account for the initial recognition of the obligation to purchase NCI if an entity has access to the returns associated with an ownership interest.

16. Paragraph B91 of IFRS 10 is also clear that when a transaction does not currently give an entity access to the returns associated with an ownership interest, such instruments are accounted for in accordance with IFRS 9 (and by implication IAS 32).

17. The ED therefore proposed that in such situations, when initially recognising a financial liability for an obligation to purchase own equity instruments, the corresponding amount is debited against the parent's ownership interests.

18. As explained in paragraph BC78 of the Basis for Conclusions on the ED, in the IASB's view this approach does not lead to double-counting because:

    (a) NCI represent current ownership interests that have not yet been extinguished; not potential ownership interests;

    (b) the right of NCI holders to sell their interest to the entity is an additional right exercisable at the discretion of the holder and does not replace any of their current rights or ownership interests; and

    (c) the amount debited against equity (the present value of the redemption amount) does not represent the amount by which NCI will be reduced upon settlement or exercise of the contract and is not subsequently remeasured.

19. The staff continues to agree with the IASB's reasons and explanations provided in the ED. We do not agree with stakeholders that there is a perceived inconsistency between the requirements in IAS 32 and IFRS 10. We acknowledge that the wording in some paragraphs in the Basis for Conclusions on IAS 32 might not be particularly clear.

However, we do not think paragraph BC11 of the Basis for Conclusions on IAS 32 could be read to require NCI to be derecognised in all obligations over NCI on the basis that they cease to be equity instruments.

20. Firstly, the Basis for Conclusions accompanies, but is not part of, IAS 32. As such it does not contain authoritative requirements and statements in the Basis for Conclusions cannot override any requirements in the Standard. The staff also notes that paragraph BC11 appears to refer to a particular type of financial instrument, rather than all obligation over own equity. For example, that paragraph refers to an obligation to purchase own shares establishing 'a maturity date for the shares that are subject to the contract', which might be the case in the context of some fixed price forward purchase contracts. However, an entity would still be required to apply the requirements in IFRS 10 to determine whether the entity has current access to the returns associated with ownership interest. It cannot just be assumed that the requirements in IFRS 10 are met.

21. We also note that paragraph BC68 specifically relates to instruments classified as equity applying paragraphs 16A–16D of IAS 32 (puttable financial instruments or instruments containing obligations to deliver a pro rata share of the net assets of the entity only on liquidation). As the requirements for obligations over own equity do not apply to these instruments, this paragraph is not relevant to this matter.

22. We also note that paragraph AG29 of IAS 32 explains generally how instruments are classified and treated in the consolidated financial statements emphasising the perspective of the group and its obligations to holders outside the group. The consolidated financial statements should reflect the contracts and transactions entered into by the group as a whole. The NCI holder has the right to receive its share of the net assets of the subsidiary but it also has the right to exercise the put option. The staff does not think anything in this paragraph specifically precludes recognising both the carrying amount of NCI in equity and the NCI put liability.

Assessing access to returns associated with ownership

23. Paragraph B90 of IFRS 10 explains that when an entity has in substance an existing ownership interest as a result of a transaction that currently gives the entity access to the returns associated with ownership, the proportion allocated to parent and NCI is determined by taking into account the eventual exercise of that access to returns. In other words, when an instrument provides the parent with current access, the allocations of profit or loss and changes in equity in the consolidated financial statements are adjusted accordingly.

24. Therefore, the ED requires when issuing obligations over NCI, the entity needs to assess whether the instrument is in substance transferring the ownership interest to the entity. If it does, an entity applies paragraphs B90 and B96 of IFRS 10, which might lead to no NCI being recognised in equity in the consolidated financial statements. However, when an instrument does not provide that current access, the allocation of profit or loss and changes in equity is based on the existing ownership interest applying paragraph B89 of IFRS 10.

25. The staff notes that the assessment of access to ownership interest is required regardless of the type of instrument issued or whether the instrument is exercisable at a fixed price or a price approximating fair value. The ED's proposal did not intend to change the way the IFRS 10 assessment is performed. Draft paragraph AG27B of IAS 32 referred to whether the rights and returns have 'legally or in substance' been transferred. We therefore think the assessment is consistent with that in IFRS 10 (see concern in paragraph 9 of this paper). However, we think it would be good to align the wording in IAS 32 in this regard with that of IFRS 10 to avoid any potential misunderstanding.

26. We also note that in applying paragraphs B89 and B90 of IFRS 10, the accounting will depend on the specific terms of the obligation to purchase own equity instruments. Therefore, the IASB is not suggesting a 'one-size-fits-all' approach.

27. During outreach with stakeholders, the staff tried to understand whether the type of exercise price affected stakeholders' views on the proposals. Some stakeholders are of the view that if the exercise price is fixed, the key risks and rewards of the instruments are deemed to have transferred as the parent bears the full risk of the subsidiary's performance. In contrast, if the option is puttable at fair value, stakeholders consider the NCI holder to remain fully exposed to changes in the economic resources of the subsidiary ie, continues to have equity-type exposure and the risks and rewards of ownership of the underlying shares still reside with the NCI holder.

28. However, the staff thinks the assessment should be made applying the requirements in IFRS 10 and considering all facts and circumstances because the exercise price is not the sole determining factor. Therefore, developing further criteria or application guidance on factors to consider in such an assessment would be beyond the scope of the FICE project.

29. The staff therefore recommends clarifying that an entity assesses whether an obligation issued over NCI currently gives the entity access to the returns associated with an ownership interest in accordance with the requirements in IFRS 10.

Presentation of the debit amount on initial recognition

30. Having considered the feedback and concerns raised by stakeholders, the staff agrees that presenting the debit amount on initial recognition as a deduction from parent equity could lead to inappropriate accounting outcomes or consequences. However, we continue to be of the view that by derecognising NCI, other equally significant concerns arise related to the effects on recognising subsequent dividends, earnings per share calculations, profit allocations, and re-recognition of NCI upon expiry of the put option.

31. Taking into account the scope of the FICE project and the suggestions made by stakeholders (described in paragraph 12 of this paper), the staff thinks there is merit in exploring an approach based on paragraph AV5 of the Alternative View on the ED.

32. Therefore, instead of presenting the debit amount on initial recognition as a deduction from the parent's equity, the amount is deducted from NCI. The NCI balance would thus be presented as the net of two gross amounts.[6] In other words, the debit amount will lead to a reduction in the NCI carrying amount, but does not constitute derecognition ie, extinguishment of NCI and is not similar to offsetting as described in IAS 32.

33. Therefore, as the allocation of profits between the parent and NCI is not affected, the NCI carrying amount will continue to be adjusted with the NCI holders' share of net profit and equity. In addition, there is no need to limit the debit amount to the carrying amount of NCI because NCI is not derecognised. This is similar to the requirement in paragraph B94 of IFRS 10 which requires total comprehensive income to be attributed to NCI even if this results in the NCI having a deficit balance.

34. See Appendix A of this paper for an illustrative example of such approach using a simplified fact pattern.

35. In our view, the benefits of this approach would include:

(a) resolving the main concerns raised by stakeholders about perceived double-counting in the statement of financial position, better reflecting the substance of the transaction;

(b) being very similar to the approach proposed in the ED, albeit the deduction will be against NCI;

(c) providing transparency, and therefore useful information to users of the financial statements about instruments issued by the entity that could affect the ownership of subsidiaries in future;

(d) keeping track of amounts attributable to NCI because NCI is not derecognised;

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[6] The net presentation of two gross amounts is akin to the presentation of financial and non-financial assets after any impairment allowances.

(e) not affecting parent equity, thus preserving regulatory capital or other capital maintenance ratios;

(f) reducing diversity in practice; and

(g) not resulting in additional costs to preparers, compared to the proposals in the ED.

36. The staff notes that paragraph 41(c) of IFRS 18 requires an entity to aggregate or disaggregate items to present line items in the primary financial statements that fulfil the role of the primary financial statements in providing useful structured summaries. Therefore, entities are required to present additional line items if such presentations are necessary for a primary financial statement to provide a useful structured summary. In addition, paragraph 42 of IFRS 18 requires an entity to disaggregate items whenever the resulting information is material. If, applying paragraph 41(c) of IFRS 18, an entity does not present material information in the primary financial statements, it shall disclose the information in the notes.

37. The staff thinks that, applying IFRS 18, entities would be required to apply judgement when determining whether to present the debit to NCI as a separate line item in the statement of financial position and/or statement of changes in equity or to disclose the material information in the notes. We therefore do not think additional presentation requirements would need to be included in either IFRS 18 or IAS 32.

Feedback from consultative groups

38. The staff discussed this alternative approach (described in paragraph 32 of this paper) with some of the IASB's consultative groups using an example that illustrated how additional line items could be presented in the statement of financial position.[7] Consultative Group members were asked whether in their views, this alternative would address stakeholder concerns and provide useful information to users of financial statements.

[7] See Agenda Paper 1 of the July 2026 ASAF meeting and Agenda Paper 1 of the July 2026 FICG meeting.

39. Most ASAF members generally supported this alternative approach as a practical response to stakeholder concerns that would in their view, better reflect the economics of the transaction. They observed that it would also improve transparency in the financial statements and address stakeholder concerns about perceived double-counting in the statement of financial position. One member said that users of financial statements in their jurisdiction considered the alternative approach to be decision-useful because of the enhanced transparency. However, some other stakeholders questioned whether the presentation faithfully represents the NCI or whether issues could instead be addressed through disclosures.

40. An ASAF member said that the alternative approach does not go far enough and argued that when an entity assumes an obligation to repurchase own shares, those shares cease to be equity instruments and therefore NCI should be derecognised. Another member also preferred derecognising NCI but would accept the alternative approach because it achieves the same objective.

41. All the FICG members that commented on the alternative approach broadly supported it as better reflecting the economics and addressing concerns about perceived double-counting.

42. One FICG member suggested the information could be disclosed in the notes to the financial statements rather than adding multiple NCI-related lines on the face of the statement of financial position. Another FICG member highlighted possible regulatory capital implications and questioned how regulators would view the proposed NCI presentation.

Staff conclusion

43. Based on the staff's analysis and the positive feedback from consultative groups in paragraphs 30-42 of this paper, the staff thinks the alternative approach (of presenting NCI as the net of two gross amounts) would address most stakeholder concerns and achieve an appropriate balance of benefits to users of financial statements compared to costs to preparers. The staff therefore recommends clarifying that if an obligation over

NCI does not provide an entity with access to the returns associated with an ownership interest, the debit amount on initial recognition is deducted from NCI but does not lead to derecognition of NCI. An entity applies IFRS 18 to determine whether presentation of the deduction from NCI as a separate line item in the statement of financial position and/or statement of changes in equity is necessary for the financial statements to provide a useful structured summary.

Miscellaneous matters

Application to business combinations

44. With regards to stakeholder questions in paragraph 11 of this paper, the staff notes that IFRS 3 is applied consistent with the requirements of IFRS 10, and the assessment an entity makes about its ownership interest. Therefore, the proposals would also be applied to NCI puts issued as part of a business combination transaction and could affect the business combination accounting.

45. However, the staff further notes that clarifying the accounting on acquisition of a business would be outside the scope of the FICE project. We therefore do not think the IASB should provide any further clarifications of the implications on the business combination accounting of issuing obligations to purchase own equity instruments.

Application to obligations to purchase own equity other than NCI

46. The staff also considered whether any further clarifications are needed with regards to obligations to purchase own equity instruments other than NCI, for example, obligations to buy back an entity's own shares.

47. The proposals in the ED applied to all obligations to purchase own equity, resulting in the clarification that if an entity does not have access to returns associated with ownership, the debit amount on initial recognition would be recognised in equity against a component other than NCI or 'issued share capital'.

48. Stakeholder feedback indicates that the use of issued share capital and other equity accounts often depends on legal requirements in that jurisdiction and that issued share capital is not a term used in IFRS Accounting Standards.

49. In the case of obligations to purchase own equity instruments other than NCI, the staff does not think the IASB needs to provide any clarification about the initial debit entry for these instruments. There are no specific requirements in IFRS Accounting Standards for the presentation of an entity's own equity instruments. Even in the case where the entity reacquires its own equity instruments (ie, when the option is exercised), paragraph 33 of IAS 32 requires those instruments to be 'deducted from equity'. Some instruments like ordinary shares, are subject to corporate law and local requirements and prescribing how to present the debit amount on initial recognition for obligations to purchase these instruments would not be appropriate.

50. Although the proposals in the ED equally applied to all obligations to purchase own equity, if the IASB finalises the presentation of the debit amount on initial recognition as discussed in this paper, there will be no need for requirements other than for obligations over NCI. We are of the view that the requirements in IFRS 18 are sufficient for an entity to determine the appropriate presentation of such amounts in the financial statements.

Appendix A—Illustrative example of alternative approach

A1. The staff developed an illustrative example which compares the proposed approach in the ED (ED approach) and the alternative approach (described in paragraph 32 of this paper) for recognising NCI put options in the statement of financial position. The example also includes the effects on the statement of profit or loss for completeness.

IFRS Accounting

Illustrative example—Simplified fact pattern

- The parent owns 90% of a single subsidiary
- The subsidiary has total assets of CU10,000 and no liabilities (therefore CU9,000 represents the parent's 90% share of equity and CU1,000 represents the NCI holder's 10% share of equity
- The parent writes a put option which allows the NCI holder to sell its 10% holding to the parent anytime for the fair value of the shares at a future exercise date. The fair value of the shares held by the NCI holder is CU1,200 when the put option is issued and CU1,300 at the reporting date
- The subsidiary's net profit for the year is CU500 (parent's share is CU450 and NCI holder's share is CU50)
- The parent does not have current access to the returns associated with 10% ownership interest

To isolate the impact of the NCI put liability, this example does not include any other assets, liabilities, income, expenses or equity from the parent's separate financial statements

A2. The ED approach was to record the debit entry on initial recognition against the parent's share of equity.

ED approach—effect on consolidated financial statements at reporting date

Statement of financial position

Total assets	10,500
NCI put liability	1,300
Total liabilities	1,300
Parent share of equity	8,150
NCI share of equity	1,050
Total equity	9,200
Total liabilities and equity	10,500

Statement of profit or loss

Subsidiary's profit for the year	500
Remeasurement of NCI put liability	-100
Consolidated profit for the year	400
Attributable to owners of the parent	350
Attributable to NCI holder	50

Parent share of equity = 9000-1200+350

NCI share of equity = 1000+50

A3. The alternative approach discussed in this paper is illustrated below with the use of additional line items in the statement of financial position.

Potential alternative approach

Statement of financial position

Total assets	10,500
NCI put liability	1,300
Total liabilities	1,300
Parent share of equity	9,350
NCI share of equity	1,050
NCI subject to put option	- 1,200
NCI share of equity after considering put option	- 150
Total equity	9,200
Total liabilities and equity	10,500

Statement of profit or loss

Subsidiary's profit for the year	500
Remeasurement of NCI put liability	-100
Consolidated profit for the year	400
Attributable to owners of the parent	350
Attributable to NCI holder	50

This alternative presentation in the statement of financial position was mentioned in AV5 of the Alternative View on the ED