

Changes in this edition

This is a brief guide to the changes incorporated in this 2026 edition since the publication of *The Annotated IFRS® Standards—Required at 1 January 2025*.

Basis of preparation

This edition contains only IFRS Accounting Standards issued by the International Accounting Standards Board (IASB) as at 31 December 2025 that are required for accounting periods beginning on or after 1 January 2026 (that is, all Accounting Standards with an effective date on or before 1 January 2026).

Accounting Standards and amendments to Accounting Standards issued by 31 December 2025 with an effective date after 1 January 2026 are excluded from this edition; they will be reproduced in *IFRS® Accounting Standards—Issued at 1 January 2026* and in *The Annotated IFRS® Accounting Standards—Standards issued at 1 January 2026*.

The IFRS Accounting Standards in this edition have been annotated with extensive cross-references, explanatory notes and IFRS Interpretations Committee (Committee) agenda decisions to help users apply the Accounting Standards.

New in this edition

The documents and amendments in this edition are effective from 1 January 2026. They include the amendments to six Accounting Standards that were made by *Amendments to the Classification and Measurement of Financial Instruments*, *Annual Improvements to IFRS Accounting Standards—Volume 11*, and *Contracts referencing Nature-dependent Electricity*. This edition also includes amendments to IFRS Practice Statement 1 *Management Commentary*.

Disclosures about Uncertainties in the Financial Statements, which was issued in November 2025, has not been included in this edition.

The table and subsequent summary provide further details about the document and amendments.

Table—New requirements effective from 1 January 2026				
Standard/ amendment	When issued	Effective date (early application is possible unless otherwise noted)	Standards/ Interpretations amended	Standard withdrawn
<i>Amendments to the Classification and Measurement of Financial Instruments</i>	May 2024	1 January 2026	IFRS 7, IFRS 9, IFRS 19	
Amendments to IFRS 9 and IFRS 7				
<i>Annual Improvements to IFRS Accounting Standards—Volume 11</i>	July 2024	1 January 2026	IFRS 1, IFRS 7, IFRS 9, IFRS 10, IAS 7	

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Table—New requirements effective from 1 January 2026				
Standard/ amendment	When issued	Effective date (early application is possible unless otherwise noted)	Standards/ Interpretations amended	Standard withdrawn
<i>Contracts referencing Nature-dependent Electricity</i> Amendments to IFRS 9 and IFRS 7	December 2024	1 January 2026	IFRS 7, IFRS 9, IFRS 19	
IFRS Practice Statement 1 <i>Management Commentary</i>	June 2025	23 June 2025		IFRS Practice Statement 1 <i>Management Commentary</i> (issued Dec 2010)
<i>Disclosures about Uncertainties in the Financial Statements^(a)</i>	November 2025		IFRS 7, IFRS 18, IAS 1, IAS 8, IAS 36, IAS 37	

(a) These illustrative examples are not included in this edition.

Minor editorial corrections to Standards (including necessary updating) have also been made; a list of all such corrections is available at www.ifrs.org/issued-standards/editorial-corrections/.

Agenda decisions published since 1 January 2025 have been added as annotations to IFRS 9, IFRS 15, IFRS 17, IAS 7, IAS 29, IAS 37 and IAS 38.

New and revised Standards, IFRIC Interpretations and practice statements are available to IFRS Digital subscribers on the IFRS Standards Navigator at <https://www.ifrs.org/issued-standards/list-of-standards/>.

Amendments to Accounting Standards

Amendments to the Classification and Measurement of Financial Instruments

Amendments to the Classification and Measurement of Financial Instruments was issued in May 2024 in response to feedback received as part of the post-implementation review of the classification and measurement requirements in IFRS 9 *Financial Instruments* and related requirements in IFRS 7 *Financial Instruments: Disclosures*.

The amendments specify:

- when a financial liability settled using an electronic payment system can be deemed to be discharged before the settlement date;
- how to assess the contractual cash flow characteristics of financial assets with contingent features when the nature of the contingent event does not relate directly to changes in basic lending risks and costs; and

- new or amended disclosure requirements relating to investments in equity instruments designated at fair value through other comprehensive income and financial instruments with contingent features that do not relate directly to basic lending risks and costs.

Annual Improvements to IFRS Accounting Standards—Volume 11

Annual Improvements to IFRS Accounting Standards—Volume 11 contains the following amendments.

Accounting Standard	Subject of amendments
IFRS 1 <i>First-time Adoption of International Financial Reporting Standards</i>	Hedge accounting by a first-time adopter
IFRS 7 <i>Financial Instruments: Disclosures</i>	Gain or loss on derecognition
	Introduction
<i>Guidance on implementing IFRS 7 Financial Instruments: Disclosures</i>	Disclosure of deferred difference between fair value and transaction price
	Credit risk disclosures
IFRS 9 <i>Financial Instruments</i>	Derecognition of lease liabilities
	Transaction price
IFRS 10 <i>Consolidated Financial Statements</i>	Determination of a 'de facto agent'
IAS 7 <i>Statement of Cash Flows</i>	Cost method

Contracts Referencing Nature-dependent Electricity

Contracts Referencing Nature-dependent Electricity amends IFRS 9 *Financial Instruments* and IFRS 7 *Financial Instruments: Disclosures* to more faithfully reflect the effects of contracts referencing nature-dependent electricity on an entity's financial statements.

Management Commentary

IFRS Practice Statement 1 *Management Commentary* (issued in December 2010) was replaced by a revised Practice Statement issued on 23 June 2025.

Disclosures about Uncertainties in the Financial Statements

Disclosures about Uncertainties in the Financial Statements added illustrative examples to the guidance accompanying several IFRS Accounting Standards. The objective of these examples is to illustrate how an entity applies the requirements in the Standards to report the effects of uncertainties in its financial statements.

The illustrative examples are not an integral part of those Standards and, as such, do not have an effective date or transition requirements, however, the IASB expects an entity to be entitled to sufficient time to implement any changes to align the information disclosed in its financial statements with the illustrative examples. Determining how much time is sufficient is a matter of judgement that depends on an entity's particular facts and circumstances. Nonetheless, an entity would be expected to implement any changes on a timely basis.

These illustrative examples are not included in *The Annotated IFRS® Standards—Required at 1 January 2026* because they were published after the volumes were compiled, but they can be found on the IFRS Standards Navigator at <https://www.ifrs.org/issued-standards/list-of-standards/#amendments-and-new-standards>.

Disclosure of the possible effect of issued Accounting Standards that are not yet required

This edition does not include Accounting Standards that have an effective date later than 1 January 2026.

These Accounting Standards are relevant, however, even if an entity does not intend to adopt a requirement early. Paragraph 30 of IAS 8 *Accounting policies, Changes in Accounting Estimates and Errors* requires an entity to disclose ‘information relevant to assessing the possible impact that application of the new IFRS [Accounting Standard] will have on the entity’s financial statements in the period of initial application’.

The table shows amendments and Accounting Standards that have an effective date after 1 January 2026.

Table—Accounting Standards and amendments issued, but not effective, as at 1 January 2026				
Standard/ amendment	When issued	Effective date (early application is possible unless otherwise noted)	Standards/ Interpretations amended	Standard withdrawn
IFRS 18 <i>Presentation and Disclosure in Financial Statements</i>	April 2024	1 January 2027	IFRS 1, IFRS 3, IFRS 5, IFRS 6, IFRS 7, IFRS 8, IFRS 9, IFRS 12, IFRS 13, IFRS 14, IFRS 15, IFRS 16, IFRS 17, IAS 2, IAS 7, IAS 8, IAS 10, IAS 12, IAS 16, IAS 19, IAS 20, IAS 21, IAS 24, IAS 28, IAS 29, IAS 32, IAS 33, IAS 34, IAS 38, IAS 40, IAS 41, IFRIC 1, IFRIC 14, IFRIC 17, IFRIC 19, IFRIC 23, SIC-32	IAS 1
IFRS 19 <i>Subsidiaries without Public Accountability: Disclosures</i>	May 2024	1 January 2027	IFRS 1, IFRS 5, IFRS 13, IFRS 17, IFRS 18, IAS 32, IAS 34, IFRIC 14	
<i>Translation to a Hyperinflationary Presentation Currency</i> Amendments to IAS 21	November 2025	1 January 2027	IFRS 19, IAS 29	

The following summaries briefly describe the changes to be introduced by each of the Standards listed in the preceding table ‘Accounting Standards and amendments issued, but not effective, as at 1 January 2026’.

IFRS 18 Presentation and Disclosure in Financial Statements

IFRS 18 *Presentation and Disclosure in Financial Statements* was issued in April 2024 to replace IAS 1 *Presentation of Financial Statements*. IFRS 18 aims to improve financial reporting by: requiring additional defined subtotals in the statement of profit or loss; requiring disclosures about management-defined performance measures; and adding new principles for the aggregation and disaggregation of items. The IASB did not reconsider all aspects of IAS 1 when developing IFRS 18, but instead focused on the statement of profit or loss. The IASB retained some paragraphs from IAS 1 in IFRS 18 and moved some paragraphs from IAS 1 to IAS 8 *Basis of Preparation of Financial Statements* and IFRS 7 *Financial Instruments: Disclosures*.

IFRS 19 Subsidiaries without Public Accountability: Disclosures

IFRS 19 *Subsidiaries without Public Accountability: Disclosures* was issued in May 2024. IFRS 19 permits some subsidiaries to apply IFRS Accounting Standards with reduced disclosure requirements. These entities apply the requirements in other IFRS Accounting Standards except for their disclosure requirements. Instead, these entities apply the requirements in IFRS 19. IFRS 19 was amended in August 2025 to provide reduced disclosure requirements for new or amended IFRS Accounting Standards issued between February 2021 and May 2024.

Translation to a Hyperinflationary Presentation Currency

Translation to a Hyperinflationary Presentation Currency amends IAS 21 *The Effects of Changes in Foreign Exchange Rates* to introduce translation requirements for entities translating their financial statements, or the results and financial position of a foreign operation, from a functional currency that is the currency of a non-hyperinflationary economy to a presentation currency that is the currency of a hyperinflationary economy.