

PRESS RELEASE

10 February 2015

For immediate release

IASB publishes proposals to clarify the way in which liabilities are classified

The International Accounting Standards Board (IASB) today published for public comment the Exposure Draft *Classification of Liabilities* (Proposed amendments to IAS 1), which clarifies how entities classify debt, particularly when it is coming up for renewal.

The proposed amendments are designed to improve presentation in financial statements by clarifying the criteria for the classification of a liability as either current or non-current. The proposed amendments do this by:

- (a) clarifying that the classification of a liability as either current or non-current is based on the entity's rights at the end of the reporting period; and
- (b) making clear the link between the settlement of the liability and the outflow of resources from the entity.

The proposals are open for public comment for 120 days. Comments on the proposed amendments should be sent to the IASB by **10 June 2015**. The Exposure Draft can be accessed from the [Open for comment](#) section of the IFRS website.

End

Notes to editors

- These are proposed clarifications to the classification of liabilities element of IAS 1 *Presentation of Financial Statements*.
- The proposals come out of an initiative identified and considered by the IFRS Interpretations Committee.

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About the IFRS Foundation

The IFRS Foundation is the oversight body of the International Accounting Standards Board (IASB). The IFRS Foundation, through the IASB, is committed to developing, in the public interest, a single set of high quality, global accounting standards that require transparent and comparable information in general purpose financial statements.

The Trustees of the IFRS Foundation promote the work of the IASB and the rigorous application of IFRS but are not involved in any technical matters relating to the Standards. This responsibility rests solely with the IASB.

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