

**Long-term Interests in Associates
and Joint Ventures**

(Amendments to LKAS 28)

Amendments to LKAS 28 *Investments in Associates and Joint Ventures*

Paragraphs 14A and 45G–45K are added and paragraph 41 is deleted. Deleted text is struck through.

Equity method

- 14A An entity also applies SLFRS 9 to other financial instruments in an associate or joint venture to which the equity method is not applied. These include long-term interests that, in substance, form part of the entity's net investment in an associate or joint venture (see paragraph 38). An entity applies SLFRS 9 to such long-term interests before it applies paragraph 38 and paragraphs 40–43 of this Standard. In applying SLFRS 9, the entity does not take account of any adjustments to the carrying amount of long-term interests that arise from applying this Standard.

Application of the equity method

- ...
- 41 ~~[Deleted] The entity applies the impairment requirements in SLFRS 9 to its other interests in the associate or joint venture that are in the scope of SLFRS 9 and that do not constitute part of the net investment.~~
- ...

Effective date and transition

- ...
- 45G *Long-term Interests in Associates and Joint Ventures*, issued in December 2017, added paragraph 14A and deleted paragraph 41. An entity shall apply those amendments retrospectively in accordance with LKAS 8 for annual reporting periods beginning on or after 1 January 2019, except as specified in paragraphs 45H–45K. Earlier application is permitted. If an entity applies those amendments earlier, it shall disclose that fact.
- 45H An entity that first applies the amendments in paragraph 45G at the same time it first applies SLFRS 9 shall apply the transition requirements in SLFRS 9 to the long-term interests described in paragraph 14A.
- 45I An entity that first applies the amendments in paragraph 45G after it first applies SLFRS 9 shall apply the transition requirements in SLFRS 9 necessary for applying the requirements set out in paragraph 14A to long-term interests. For that purpose, references to the date of initial application in SLFRS 9 shall be read as referring to the beginning of the annual reporting period in which the entity first applies the amendments (the date of initial application of the amendments). The entity is not required to restate prior periods to reflect the application of the amendments. The entity may restate prior periods only if it is possible without the use of hindsight.
- 45J When first applying the amendments in paragraph 45G, an entity that applies the temporary exemption from SLFRS 9 in accordance with SLFRS 4 *Insurance Contracts* is not required to restate prior periods to reflect the application of the amendments. The entity may restate prior periods only if it is possible without the use of hindsight.

- 45K If an entity does not restate prior periods applying paragraph 45I or paragraph 45J, at the date of initial application of the amendments it shall recognise in the opening retained earnings (or other component of equity, as appropriate) any difference between:
- (a) the previous carrying amount of long-term interests described in paragraph 14A at that date; and
 - (b) the carrying amount of those long-term interests at that date.