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Accounting

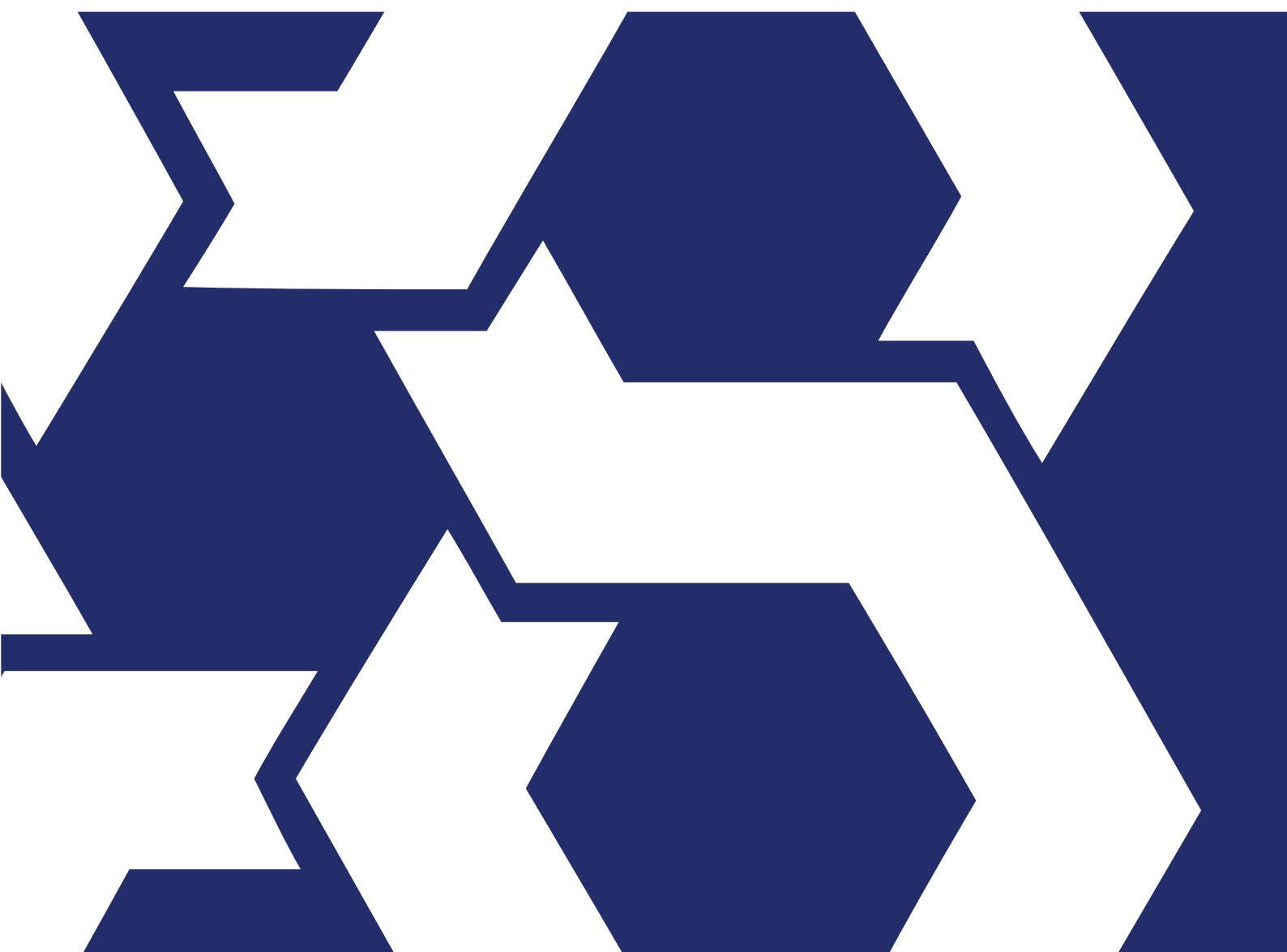
November 2025

# **Amendments to IAS 21**

IFRS<sup>®</sup> Accounting Standard

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## **Translation to a Hyperinflationary Presentation Currency**



**International Accounting Standards Board**

# **Translation to a Hyperinflationary Presentation Currency**

**Amendments to IAS 21**

*Translation to a Hyperinflationary Presentation Currency* is issued by the International Accounting Standards Board (IASB).

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## Amendments to IAS 21 *The Effects of Changes in Foreign Exchange Rates*

Paragraphs 39, 42, 44, 47 and 55 are amended. Paragraphs 41A–41B, 47A, 53A–53B, 54A and 60O–60P are added. New text is underlined and deleted text is struck through.

### Use of a presentation currency other than the functional currency

#### Translation to the presentation currency

...

39 When an entity's functional currency and presentation currency differ and are the currencies of non-hyperinflationary economies, the ~~The~~ results and financial position of ~~the an entity whose functional currency is not the currency of a hyperinflationary economy~~ shall be translated into the a different presentation currency using the following procedures:

- (a) assets and liabilities for each statement of financial position presented (ie including comparatives) shall be translated at the closing rate at the date of that statement of financial position;
- (b) income and expenses for each statement presenting profit or loss and other comprehensive income (ie including comparatives) shall be translated at exchange rates at the dates of the transactions; and
- (c) all resulting exchange differences shall be recognised in other comprehensive income.

...

41A When an entity's functional currency is the currency of a non-hyperinflationary economy but its presentation currency is the currency of a hyperinflationary economy, the results and financial position of the entity shall be translated into the presentation currency by translating all amounts (ie assets, liabilities, equity items, income and expenses, including comparatives) at the closing rate at the date of the most recent statement of financial position.

41B When the economy whose currency is the entity's presentation currency ceases to be hyperinflationary and the entity's functional currency continues to be the currency of a non-hyperinflationary economy, the entity shall no longer apply paragraph 41A and instead apply paragraph 39. The entity shall do so prospectively from the beginning of the reporting period in which the economy ceases to be hyperinflationary—ie the entity shall not retranslate amounts that arose before the beginning of the reporting period.

42 When an entity's functional currency and presentation currency differ and the entity's functional currency is the currency of a hyperinflationary economy, the ~~The~~ results and financial position of ~~the an entity whose functional currency is the currency of a hyperinflationary economy~~ shall be

translated into ~~the a different~~ presentation currency using the following procedures:

- (a) all amounts (ie assets, liabilities, equity items, income and expenses, including comparatives) shall be translated at the closing rate at the date of the most recent statement of financial position, except that
- (b) when amounts are translated into the currency of a non-hyperinflationary economy, comparative amounts shall be those that were presented as current year amounts in the relevant prior year financial statements (ie not adjusted for subsequent changes in the price level or subsequent changes in exchange rates).

...

### Translation of a foreign operation

- 44 Paragraphs 45–~~47A~~47, in addition to paragraphs 38–43, apply when the results and financial position of a foreign operation are translated into a presentation currency so that the foreign operation can be included in the financial statements of the reporting entity by consolidation or the equity method.

...

- 47 Any goodwill arising on the acquisition of a foreign operation and any fair value adjustments to the carrying amounts of assets and liabilities arising on the acquisition of that foreign operation shall be treated as assets and liabilities of the foreign operation. Thus they shall be expressed in the functional currency of the foreign operation and shall be translated at the closing rate in accordance with paragraphs 39, ~~41A~~ and 42.

- 47A When an entity's functional currency and presentation currency are the currency of a hyperinflationary economy (or are the currencies of different hyperinflationary economies) and the entity translates the results and financial position of a foreign operation whose functional currency is that of a non-hyperinflationary economy, the entity shall not apply paragraph 41A to the comparative amounts of that foreign operation. Instead, the entity shall restate the comparative amounts of that foreign operation included in the entity's previously issued financial statements by applying the general price index it applies to corresponding figures for the previous reporting period in accordance with paragraph 34 of IAS 29.

...

### Disclosure

...

- 53A When an entity applies paragraph 41A to translate its results and financial position or the results and financial position of a foreign operation, the entity shall disclose the fact that all amounts (ie assets, liabilities, equity items, income and expenses and, if not applying paragraph 47A,

comparatives) in its financial statements, or the results and financial position of its foreign operations, have been translated at the closing rate at the date of the most recent statement of financial position.

**53B** When an entity's functional currency is that of a hyperinflationary economy, and that entity applies paragraphs 41A and 47A to translate the results and financial position of its foreign operations, the entity shall disclose summarised financial information about its foreign operations that enables users of financial statements to assess the effect of these foreign operations on the entity's results and financial position. The entity shall label the comparative summarised financial information about its foreign operations to identify that the entity prepared the information by applying the general price index it applies to corresponding figures for the previous reporting period in accordance with paragraph 34 of IAS 29.

...

**54A** When an entity applies paragraph 41B, the entity shall disclose the fact that its presentation currency has ceased to be the currency of a hyperinflationary economy.

**55** When an entity presents its financial statements in a currency that is different from its functional currency, it shall describe the financial statements as complying with IFRSs only if they comply with all the requirements of IFRSs including the translation method set out in paragraphs 39, 41A, and 42 and 47A.

...

## Effective date and transition

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...

**60O** Translation to a Hyperinflationary Presentation Currency, issued in November 2025, added paragraphs 41A–41B, 47A, 53A–53B, 54A and 60P and amended paragraphs 39, 42, 44, 47 and 55. An entity shall apply those amendments for annual reporting periods beginning on or after 1 January 2027. Earlier application of the amendments is permitted. If an entity applies the amendments for an earlier period, it shall disclose that fact.

**60P** In applying *Translation to a Hyperinflationary Presentation Currency*:

(a) an entity, whose functional currency and presentation currency are the currency of a hyperinflationary economy (or are the currencies of different hyperinflationary economies) and that translates the results and financial position of foreign operations whose functional currency is that of a non-hyperinflationary economy, shall:

(i) apply the amendments from the beginning of the annual reporting period in which it first applies the amendments;

#### TRANSLATION TO A HYPERINFLATIONARY PRESENTATION CURRENCY

- (ii) restate the comparative amounts of its foreign operations included in the entity's previously issued financial statements by applying the general price index it applies to corresponding figures in accordance with paragraph 34 of IAS 29; and
  - (iii) disclose comparative summarised financial information about its foreign operations and label such information to identify that the entity prepared the information by applying (ii).
- (b) except as specified in (a), an entity shall apply the amendments retrospectively in accordance with IAS 8; and
- (c) an entity is not required to disclose the information that would otherwise be required by paragraph 28(f) of IAS 8. Similarly, an entity that applies IFRS 19 *Subsidiaries without Public Accountability: Disclosures* is not required to disclose the information that would otherwise be required by paragraph 178(f) of IFRS 19.



## Amendments to other IFRS Accounting Standards

### IFRS 19 *Subsidiaries without Public Accountability: Disclosures*

Paragraphs 219A–219B, 220A and A4A are added. New text is underlined.
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#### Disclosure requirements

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...

#### **IAS 21 *The Effects of Changes in Foreign Exchange Rates***

...

219A When an entity applies paragraph 41A of IAS 21 to translate its results and financial position or the results and financial position of a foreign operation, the entity shall disclose the fact that all amounts (ie assets, liabilities, equity items, income and expenses and, if not applying paragraph 47A of IAS 21, comparatives) in its financial statements, or the results and financial position of its foreign operations, have been translated at the closing rate at the date of the most recent statement of financial position.

219B When an entity's functional currency is that of a hyperinflationary economy, and that entity applies paragraphs 41A and 47A of IAS 21 to translate the results and financial position of its foreign operations, the entity shall disclose summarised financial information about its foreign operations. The entity shall label the comparative summarised financial information about its foreign operations to identify that the entity prepared the information by applying the general price index it applies to corresponding figures for the previous reporting period in accordance with paragraph 34 of IAS 29.

...

220A When an entity applies paragraph 41B of IAS 21, the entity shall disclose the fact that its presentation currency has ceased to be the currency of a hyperinflationary economy.

...

## Appendix A—Effective date and transition

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### **Amendments to IAS 21 *The Effects of Changes in Foreign Exchange Rates***

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...

A4A      Translation to a Hyperinflationary Presentation Currency, issued in November 2025, amended IAS 21 *The Effects of Changes in Foreign Exchange Rates* and added paragraphs 219A–219B and 220A. The transition requirements for paragraphs 219A–219B and 220A are set out in paragraph 60P of IAS 21. An entity shall apply these amendments when it applies the amendments to IAS 21.

## IAS 29 *Financial Reporting in Hyperinflationary Economies*

Paragraphs 8 and 34 are amended. New text is underlined and deleted text is struck through.

### The restatement of financial statements

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...

- 8 The financial statements of an entity whose functional currency is the currency of a hyperinflationary economy, whether they are based on a historical cost approach or a current cost approach, shall be stated in terms of the measuring unit current at the end of the reporting period. The corresponding figures for the previous period required by IFRS 18 *Presentation and Disclosure in Financial Statements* and any information in respect of earlier periods shall also be stated in terms of the measuring unit current at the end of the reporting period. For the purpose of presenting comparative amounts in a different presentation currency, paragraphs 41A, 42(b), ~~and~~ 43 and 47A of IAS 21 *The Effects of Changes in Foreign Exchange Rates* apply.

...

### Corresponding figures

- 34 Corresponding figures for the previous reporting period, whether they were based on a historical cost approach or a current cost approach, are restated by applying a general price index so that the comparative financial statements are presented in terms of the measuring unit current at the end of the reporting period. Information that is disclosed in respect of earlier periods is also expressed in terms of the measuring unit current at the end of the reporting period. For the purpose of presenting comparative amounts in a different presentation currency, paragraphs 41A, 42(b), ~~and~~ 43 and 47A of IAS 21 apply.

**Approval by the IASB of *Translation to a Hyperinflationary Presentation Currency* issued in November 2025**

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*Translation to a Hyperinflationary Presentation Currency* was approved for issue by all 12 members of the International Accounting Standards Board.

Andreas Barckow

Chair

Linda Mezon-Hutter

Vice-Chair

Nick Anderson

Patrina Buchanan

Tadeu Cendon

Florian Esterer

Zach Gast

Hagit Keren

Bruce Mackenzie

Bertrand Perrin

Rika Suzuki

Robert Uhl

## **Amendments to the Basis for Conclusions on IAS 21 *The Effects of Changes in Foreign Exchange Rates***

Paragraphs BC66–BC89 and their heading and subheadings are added. For ease of reading, new text is not underlined.

### **Translation to a Hyperinflationary Presentation Currency**

#### **Background**

- BC66 In November 2025 the International Accounting Standards Board (IASB) amended the Standard to change the translation procedures for an entity whose presentation currency is that of a hyperinflationary economy. The amendments apply when the entity translates to such a presentation currency:
- (a) its results and financial position, and the entity's functional currency is that of a non-hyperinflationary economy; and
  - (b) the results and financial position of a foreign operation whose functional currency is that of a non-hyperinflationary economy.
- BC67 The application of requirements that existed before the amendments for the situations described in paragraph BC66(a)–(b) resulted in:
- (a) information that was not always useful for users of financial statements; and
  - (b) diversity in applying the requirements when an entity translated the results and financial position of a foreign operation whose functional currency was that of a non-hyperinflationary economy.
- BC68 In the IASB's view, the amendments improve the usefulness of the resulting information in a cost-effective manner and remove the diversity that existed before the amendments.

#### **The translation method**

- BC69 Before the amendments, entities in the situations described in paragraph BC66(a)–(b) (affected entities) were required to apply the translation procedures in paragraph 39 of the Standard. This paragraph requires an entity to translate assets and liabilities at the closing rate at the date of the statement of financial position, and income and expenses at the exchange rates at the dates of the transactions. When applied by the affected entities, these requirements would result in income and expenses not being expressed in terms of a measuring unit current at the end of the reporting period. Paragraphs 2 and 7 of IAS 29 *Financial Reporting in Hyperinflationary Economies* explain that in a hyperinflationary economy, financial statements are useful only if they are expressed in terms of a measuring unit current at the end of the reporting period.

- BC70 Consequently, the IASB amended the Standard to require affected entities to translate all amounts including comparative information (subject to the exception discussed in paragraphs BC78–BC82) using the closing rate at the date of the most recent statement of financial position. This translation method was already set out in paragraph 42 of the Standard and is applied by entities with a functional currency that is the currency of a hyperinflationary economy.
- BC71 IAS 29 requires an entity to restate its financial statements in terms of a measuring unit current at the end of the reporting period by applying a general price index. The IASB considered whether translating amounts using the closing rate would result in those amounts being expressed in terms of a current measuring unit. At a given point in time, exchange rates might not fully reflect differing price levels between the two economies to which the currencies relate. However, the IASB concluded that translating amounts using the closing rate would result in those amounts being expressed in terms of a current measuring unit because:
- (a) paragraph 17 of IAS 29 allows entities to estimate a general price index using movements in the exchange rate between the functional currency and a relatively stable foreign currency when a general price index is unavailable.
  - (b) some entities in the situation described in paragraph BC66(b), when applying the Standard before the amendments, first applied paragraph 39 and then restated current period income and expenses (and sometimes comparative amounts) using a general price index. These entities restated these amounts to express them in terms of a current measuring unit. However, these entities did not restate assets and liabilities which—applying paragraph 39—were translated using the closing rate at the date of the financial statements. The IASB saw this as evidence that the closing rate is accepted as a proxy for a current measuring unit, especially for non-monetary assets and liabilities.
- BC72 The IASB considered, but decided against, requiring or permitting entities in the situations described in paragraph BC66(b) to continue to first apply paragraph 39 of the Standard and then restate current period income and expenses using a general price index. The IASB observed that:
- (a) compared with the amendments, this alternative would be costlier for preparers to apply and more difficult for users of financial statements to understand.
  - (b) IAS 21 requires an entity to apply the same translation method in translating its results and financial position and those of a foreign operation to a different presentation currency. Whereas the entities described in paragraph BC66(b) could apply this alternative, requiring the entities described in paragraph BC66(a) to apply this alternative would be complex and would require the IASB to include those entities in the scope of IAS 29. If the entities described in paragraph BC66(b) were required to apply the alternative whereas the entities described in

paragraph BC66(a) were not, the result would be two different translation methods for similar situations.

- (c) as paragraph BC71(b) explains, this alternative would result in the current measuring unit for income and expenses (determined by using a general price index) being different from the current measuring unit for assets and liabilities (determined using the closing exchange rate). The IASB did not see a conceptual basis for such a difference.

BC73 The IASB observed that an entity applying the amendments would express all amounts subject to translation in terms of a current measuring unit and, therefore, it was unnecessary to consider the applicability of IAS 29.

BC74 Subject to the exception discussed in paragraphs BC78–BC82, the IASB concluded that the expected benefits of requiring affected entities to apply the translation method required by the amendments outweighed the expected costs because this method:

- (a) results in affected entities providing more useful information by presenting amounts subject to translation in terms of a current measuring unit.
- (b) removes diversity in accounting among entities in the situation described in paragraph BC66(b).
- (c) improves the comparability of financial statements presented in the currency of a hyperinflationary economy. Before the amendments, an entity whose functional currency was that of a hyperinflationary economy was required to restate its results and financial position in accordance with IAS 29. However, an entity whose functional currency was that of a non-hyperinflationary economy, but which presented its financial statements in the currency of a hyperinflationary economy, did not restate its results and financial position.
- (d) allows users of financial statements to translate with less effort amounts into the currency of a non-hyperinflationary economy. Some users said translating amounts in this way would assist in their analysis.
- (e) is not expected to result in affected entities incurring significant initial or continued implementation costs. The IASB views the translation method required by the amendments as simple to apply because:
  - (i) the closing rate at the date of the most recent statement of financial position would—subject to the exception discussed in paragraphs BC78–BC82—be applied to all amounts subject to translation.
  - (ii) the translation method required by the amendments is already set out in paragraph 42 of the Standard. When developing the amendments, the IASB was aware of practical challenges with applying this translation method. For example, the IASB was aware of the challenges in accounting for differences that might arise between an entity’s own amounts and the amounts

of its foreign operation for intragroup transactions. Nonetheless, the IASB noted that, because the translation method required by the amendments is already set out in the Standard, the amendments would result in no fundamental change to the principles in the Standard, nor would they add new complexities.

- (iii) the amendments would not change the way an entity measures underlying items, nor would they generate new exchange gains and losses.

### **When the economy ceases to be hyperinflationary**

- BC75 The IASB considered whether specific requirements were necessary if an economy whose currency is an entity's presentation currency becomes or ceases to be hyperinflationary and the entity's functional currency continues to be the currency of a non-hyperinflationary economy.
- BC76 If that economy becomes hyperinflationary, the entity would be in the scope of the amendments. Such an entity would no longer be required to apply paragraph 39 of the Standard and instead would be required to apply the translation method required by the amendments. The IASB concluded that specific requirements were unnecessary in this situation because entities would have, or would be able to access, the necessary information to apply the translation procedures without incurring undue costs.
- BC77 If that economy ceases to be hyperinflationary, the entity would be required to stop applying the translation method required by the amendments and, instead, apply paragraph 39 of IAS 21. Paragraph 39(b), for example, requires an entity to translate income and expenses at the 'exchange rates at the dates of the transactions'. In accordance with that paragraph, an entity would be required to determine exchange rates at the dates of transactions for which it had previously used only the closing rates. The IASB considered that this determination might be impracticable or unduly difficult for entities. Consequently, the IASB decided to require an entity to apply paragraph 39 prospectively to amounts arising after the beginning of the reporting period in which the economy ceases to be hyperinflationary. An entity would, therefore, not retranslate amounts arising before the beginning of the reporting period. This requirement is consistent with paragraph 38 of IAS 29. When an economy ceases to be hyperinflationary, paragraph 38 requires an entity to treat amounts expressed in terms of the current measuring unit at the end of the previous reporting period as the basis for the carrying amounts in its subsequent financial statements.

### **Exception to the translation method**

- BC78 In the Exposure Draft *Translation to a Hyperinflationary Presentation Currency* (published in July 2024), the IASB proposed that all affected entities described in paragraph BC66 translate all amounts subject to translation (including comparative amounts) using the closing rate at the date of the most recent statement of financial position. Stakeholders raised concerns about the costs



of applying this method to comparative information for an entity that applies IAS 29 and that applies this method to translate the results and financial position of a foreign operation. Such an entity would need to retranslate the comparative information of affected foreign operations and then reperform the procedures (for example, consolidation procedures) to prepare comparative information for its consolidated financial statements. Stakeholders also explained that if such entities would be required to translate comparative amounts using the closing rate, the comparative information and the composition of the resulting financial ratios could change from those reported previously—which could be difficult to explain to users of financial statements.

- BC79 For example, assume an entity (Parent P), whose functional currency and presentation currency are those of a hyperinflationary economy (HCU), consolidates the financial statements of a foreign operation (Subsidiary S) whose functional currency is that of a non-hyperinflationary economy (NHCU). Parent P applies IAS 29 in preparing its financial statements, including paragraph 34 that requires Parent P to restate comparative figures by applying a general price index. In doing so Parent P presents comparative information in terms of a measuring unit current at the end of the reporting period. In accordance with the proposed translation method, Parent P would have been unable to apply the change in the general price index to the comparative amounts of Subsidiary S. Parent P would have been required to apply the closing rate at the date of the most recent statement of financial position to those comparative amounts. Applying two different bases (the general price index and the closing rate) to the two sets of comparative information (Parent P's financial information denominated in HCU and Subsidiary S's financial information denominated in NHCU) would have required Parent P to reconsolidate Subsidiary S's financial statements to prepare the comparative information for its consolidated financial statements.
- BC80 Having considered the expected costs and benefits, the IASB decided to include an exception to the translation method in paragraph 41A of the Standard for affected entities that apply IAS 29 and are required to translate the results and financial position of a foreign operation in accordance with the amendments (see paragraph 47A).
- BC81 The IASB observed that the exception:
- (a) still results in useful and comparable information. Entities in the scope of the exception would:
    - (i) still present amounts subject to translation in terms of a current measuring unit—the foreign operation's current period information would be expressed using the closing rate and the comparative information would be expressed using a general price index; and
    - (ii) present and disclose information that results in the same financial ratios for the comparative reporting period as reported previously.

- (b) substantially reduces preparation costs and is simple to apply. An entity in the scope of the exception will apply the change in the general price index of the economy of the entity's functional currency to all comparative information and will not need to reperform consolidation (or other) procedures to prepare comparative information for its consolidated financial statements. Applying the exception might result in some challenges, for example, in explaining how an opening balance translated using a closing rate reconciles to the closing balance that was restated applying a general price index. However, such challenges already exist in applying IAS 21 and IAS 29 and are not created by these amendments.

BC82 The IASB considered whether to permit or require entities to apply the exception. One of the benefits of the translation method required by the amendments (see paragraph BC74(b)) was reducing diversity in practice. Permitting an entity to apply the exception would result in continued differences in accounting. Consequently, the IASB decided to require entities to apply the exception.

### Disclosures

BC83 Users of financial statements told the IASB that in analysing the financial statements of affected entities, they would find information useful if it allows them to translate amounts affected by the amendments to the currency of a non-hyperinflationary economy.

BC84 Accordingly, the IASB decided to require:

- (a) an affected entity to disclose the fact that: (i) amounts in its financial statements have been translated at the closing rate at the date of the most recent statement of financial position (paragraph 53A); and (ii) when applicable, its presentation currency has ceased to be the currency of a hyperinflationary economy (paragraph 54A). These requirements are expected to provide useful information about an entity's accounting policies, are similar to disclosure requirements in IAS 21 and IAS 29 that address similar situations, and are expected to keep the cost of disclosing the information low.
- (b) an entity whose functional currency is that of a hyperinflationary economy that applies the amendments to translate the results and financial position of a foreign operation to also disclose summarised financial information about its foreign operations (paragraph 53B).

BC85 The IASB considered the costs and benefits of requiring an entity to disclose summarised financial information about its foreign operations. The IASB concluded that the expected benefits of requiring an entity to do so would outweigh the expected costs because:

- (a) the information would help users of financial statements understand the composition of the amounts presented in an entity's financial statements. In this situation, the entity's foreign operations to which it applies the amendments have a functional currency that is the

currency of a non-hyperinflationary economy and a presentation currency that is the currency of a hyperinflationary economy. These foreign operations are likely to have different characteristics and a different risk profile from the entity's other operations. Summarised financial information about these foreign operations would help users of financial statements better understand the foreign operations' cash flows and provide useful information about the entity's commitments and obligations, and its solvency and liquidity.

- (b) the information is expected to be readily available to preparers of financial statements (for example, for consolidation purposes).

BC86 The IASB:

- (a) acknowledged that an entity might disclose summarised financial information about some foreign operations applying other requirements in IFRS Accounting Standards (for example, paragraph A20(b) of IAS 21, paragraphs B10 and B12 of IFRS 12 *Disclosure of Interests in Other Entities* and IFRS 8 *Operating Segments*). The IASB observed that an entity would not be required to duplicate information already disclosed applying another IFRS Accounting Standard.
- (b) observed that an entity would apply the principles of aggregation and disaggregation in IFRS 18 *Presentation and Disclosure in Financial Statements* when assessing how to disclose the information and concluded that specific requirements related to the amendments were not needed in this respect.

## Transition

BC87 Except for entities subject to the exception discussed in paragraphs BC78–BC82 (that is, an entity that applies IAS 29 and that also applies the translation method required by the amendments for foreign operations), the IASB decided to require an entity to apply the amendments retrospectively in accordance with IAS 8 *Basis of Preparation of Financial Statements*. In the IASB's view, the expected benefits of requiring an entity to do so would outweigh the expected costs because:

- (a) consistent application of the amendments throughout all periods presented would enhance the usefulness of information for users of financial statements.
- (b) the inputs necessary to apply the amendments retrospectively are expected to be readily available to entities at minimal or no additional cost. Those inputs are the applicable financial information, such as comparative amounts in the currency of a non-hyperinflationary economy and the closing rate at the date of the most recent statement of financial position.

- BC88 The IASB decided to require entities subject to the exception discussed in paragraphs BC78–BC82 not to apply the amendments retrospectively but to instead apply the amendments as set out in paragraph 60P(a). For such entities, the IASB concluded that the expected benefits of requiring retrospective application would not outweigh the expected costs. To apply the amendments retrospectively, these entities might have to, depending on the accounting applied before the amendments, retranslate the comparative information of affected foreign operations and then reperform procedures (for example, consolidation procedures) related to that comparative information for their consolidated financial statements. The IASB included the exception to address the cost concerns related to reperforming such procedures (see paragraph BC80). The IASB considered, but decided against, providing similar relief from retrospective application for first-time adopters that apply the exception discussed in paragraphs BC78–BC82. A first-time adopter has not previously prepared and presented comparative information applying IFRS Accounting Standards and, consequently, would not face similar challenges related to reperforming procedures to prepare comparative information.
- BC89 The IASB also decided not to require entities applying the amendments for the first time to disclose the information that would otherwise be required by paragraph 28(f) of IAS 8 (or paragraph 178(f) of IFRS 19). If an entity were required to apply these requirements, it would have to maintain two translation methods solely to meet this disclosure requirement.

## **Amendments to the bases for conclusions on other IFRS Accounting Standards**

### **Amendments to the Basis for Conclusions on IFRS 19 *Subsidiaries without Public Accountability: Disclosures***

Paragraph BC124 and its subheading are added. For ease of reading, this paragraph and its subheading have not been underlined.

#### **Maintaining IFRS 19**

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#### **Translation to a hyperinflationary presentation currency (paragraphs 219A–219B and 220A)**

BC124 In November 2025, the IASB issued *Translation to a Hyperinflationary Presentation Currency* that amends IAS 21 *The Effects of Changes in Foreign Exchange Rates*. The IASB decided to require an eligible subsidiary that applies IFRS 19 to disclose the information set out in paragraphs 219A–219B and 220A, which is the same information that entities not applying IFRS 19 are required to disclose. In the IASB’s view, the requirements satisfy the principles for developing disclosure requirements set out in paragraphs BC33–BC34. In particular:

- (a) the disclosure requirements in paragraphs 219A and 220A are expected to provide useful information about an eligible subsidiary’s accounting policies and the cost of disclosing the information is expected to be low.
- (b) the disclosure requirement in paragraph 219B is expected to provide useful information about an eligible subsidiary’s composition and risk profile. The IASB expects this information to be readily available to preparers (for example, for consolidation purposes).



# IFRS<sup>®</sup>

Foundation

Columbus Building  
7 Westferry Circus  
Canary Wharf  
London E14 4HD, UK

Tel **+44 (0) 20 7246 6410**

Email **customerservices@ifrs.org**

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