IFRIC 10
Interim financial reporting and impairment

REFERENCES

IAS 34	Interim financial reporting
IAS 36	Impairment of assets
IFRS 9	Financial instruments

ISSUE

IAS 34 requires an entity to use the same measurement methods both in its interim and annual financial statements.
IAS 36 specifies that the recognition of impairment losses on goodwill must not be reversed.
IFRS 9 indicates that an impairment that is recognized in profit or loss for an investment in an equity instrument that is classified as held for sale, must not be reversed in profit or loss.

Must an impairment of goodwill be recognized in the interim financial statements and can this loss be reversed if an impairment test carried out at the end of a subsequent annual reporting period indicates a higher amount?

POSITION ADOPTED

The entity must not reverse an impairment recognized during a previous period in respect of goodwill or an investment made, either in equity instruments, or financial assets recognized at cost.

The consensus requirement in IFRIC 10 must not be extended by analogy to other areas of potential conflicts between IAS 34 and other Standards.