



International Financial Reporting Standards

<http://www.iasplus.com/en/standards>



Fundamentals of IFRS.

Gradual replacement IAS (International Accounting Standards) on IFRS.

- **Purpose –**

Introduction clear (transparent) financial information for investors (actual and potential)

Transparency of financial reporting.



The primary purpose of the financial statements

To provide fair presentation of:

- financial position,
- financial condition.
- cash flows.

Fair presentation:

- fair presentation due to useful information (full disclosure),
- fair presentation means transparent.

Secondary objectives of the financial statements :

Fix the transparency through fair presentation of useful information (full disclosure) for decision-making purposes.



Signs of useful information

The relevance:

- pithiness
- Importance

Reliability:

- Fair representation
- Substance over form
- Objectiveness
- Caution
- Completeness

Comparability

Comprehensibility

Interconnectivity

Timeliness

Benefits and costs:

- balance of quality characteristics



BASIC ASSUMPTIONS

Accruals

Continuing operations