

Approved by the decree №I-130
dated “29” december 2007
Ministry of Finance of the Republic of Azerbaijan

**NATIONAL ACCOUNTING STANDARD
FOR COMMERCIAL ORGANISATIONS №15**

**“FINANCIAL INSTRUMENTS –
DISCLOSURE”**

CONTENTS

General provisions	3
Objective.....	3
Scope	3
Definitions	4
Presentation	8
Contingent settlement provisions.....	10
Compound financial instruments	10
Redeemed shares.....	11
Offsetting a financial asset and a financial liability.....	13
Effective date	14
NOTES	14
Appendix 1 - Comparison with IAS 32 Presentation of Financial Instruments	15

NASCO 15

“Financial Instruments – Disclosure”

General provisions

Purpose of the Standard

1. This standard has been prepared in accordance with the Accounting Law of the Republic of Azerbaijan and is based on International Accounting Standard No.32 – Financial Instruments - Disclosure.
2. This standard is intended for improving the quality of financial statements presented in accordance with National Accounting Standards for Commercial Organizations by:
 - (a) Ensuring that financial statements that have been prepared in accordance with National Accounting Standards comply with each applicable accounting standard;
 - (b) Providing guidance on the including minimum requirements for disclosure of financial instruments in the primary financial statement;
 - (c) Establishing practical requirements for disclosure on issues such as equity instruments, liability instruments, and financial instruments that contain features of both equity and debt.

Objective

3. The objective of this Standard is to establish principles for presenting financial instruments as liabilities or equity and for offsetting financial assets and financial liabilities. It applies to the classification of financial instruments into financial assets, financial liabilities and equity instruments; the classification of related interest, dividends, losses and gains; and the circumstances in which financial assets and financial liabilities should be offset.

Scope

4. This standard should be applied by commercial organizations specified by paragraph 10 of Accounting Law of Republic of Azerbaijan, taking into account additional provisions contained in the Rules of Bookkeeping.
5. In the case of contradiction between regulatory and legal acts on accounting currently in force and this National Accounting Standard the standard will be applied.
6. This standard shall be applied to the presentation of all financial statements which have been prepared in accordance with National Accounting Standards for Commercial Organizations.
7. This standard applies to commercial organisations, except public interest entities and subject of small entrepreneurship.

8. This standard applies to both the financial statements of enterprises and the consolidated financial statements of a group subject to the provisions of the relevant articles of the Accounting Law of the Republic of Azerbaijan.
9. This Standard shall be applied by all entities to all types of financial instruments except:
 - (a) those interests in subsidiaries, associates and joint ventures that are accounted for in accordance with NASCO 19 *Consolidated and Separate Financial Statements*, NASCO 20 *Investments in Associates* or NASCO 21 *Interests in Joint Ventures*
 - (b) contracts for contingent consideration in a business combination (see NASCO 18 *Business Combinations*). This exemption applies only to the acquirer.
 - (c) This Standard shall be applied to those contracts to buy or sell a non-financial item that can be settled net in cash or another financial instrument, or by exchanging financial instruments, as if the contracts were financial instruments, with the exception of contracts that were entered into and continue to be held for the purpose of the receipt or delivery of a non-financial item in accordance with the entity's expected purchase, sale or usage requirements.

Definitions

10. The following terms are used in this Standard with the meanings specified:

A *financial instrument* is any contract that creates a financial asset for one enterprise and a financial liability or equity instrument in another enterprise.

A *financial asset* is any asset that is:

- (a) cash;
- (b) an equity instrument of another enterprise;
- (c) a contractual right:
 - (i) to receive cash or another financial asset from another enterprise; or
 - (ii) to exchange financial assets or financial liabilities with another enterprise under conditions that are potentially favourable to the enterprise; or
- (d) a contract that will or may be settled in the enterprise's own equity instruments and is:
 - (i) a non-derivative for which the entity is or may be obliged to receive a variable number of the entity's own equity instruments; or
 - (ii) a derivative that will or may be settled other than by the exchange of a fixed amount of cash or another financial asset for a fixed number of the entity's own equity instruments. For this purpose the entity's own equity instruments do not include

instruments that are themselves contracts for the future receipt or delivery of the entity's own equity instruments.

A *financial liability* is any liability that is:

- (a) a contractual obligation:
 - (i) to deliver cash or another financial asset to another entity; or
 - (ii) to exchange financial assets or financial liabilities with another entity under conditions that are potentially unfavourable to the entity; or
- (b) a contract that will or may be settled in the entity's own equity instruments and is:
 - (i) a non-derivative for which the entity is or may be obliged to deliver a variable number of the entity's own equity instruments; or
 - (ii) a derivative that will or may be settled other than by the exchange of a fixed amount of cash or another financial asset for a fixed number of the entity's own equity instruments. For this purpose the entity's own equity instruments do not include instruments that are themselves contracts for the future receipt or delivery of the entity's own equity instruments.

An *equity instrument* is any contract that contains a residual interest in the assets of an entity after deducting all of its liabilities.

Fair value is the amount for which an asset could be exchanged, or a liability settled, between knowledgeable, willing parties in an arm's length transaction.

A *derivative* is a financial instrument or other contract within the scope of this Standard with all three of the following characteristics:

- (a) its value changes in response to the change in a specified interest rate, financial instrument price, commodity price, foreign exchange rate, index of prices or rates, credit rating or credit index, or other variable, provided in the case of a non-financial variable that the variable is not specific to a party to the contract;
- (b) it requires no initial net investment or an initial net investment that is smaller than would be required for other types of contracts that would be expected to have a similar response to changes in market factors; and
- (c) it is settled at a future date.

A *financial asset or financial liability at fair value through profit or loss* is a financial asset or financial liability that meets either of the following conditions.

- (a) It is classified as held for trading. A financial asset or financial liability is classified as held for trading if it is:
 - (i) acquired or incurred principally for the purpose of selling or repurchasing it in the near term;

- (ii) part of a portfolio of identified financial instruments that are managed together and for which there is evidence of a recent actual pattern of short-term profit-taking; or
 - (iii) a derivative (except for a derivative that is a financial guarantee contract or a designated and effective hedging instrument).
- (b) On initial recognition it is designated by the entity at its fair value through profit or loss. An entity may use this designation only when doing so results in more relevant information, because either
- (i) it eliminates or significantly reduces a measurement or recognition inconsistency that would otherwise arise from measuring assets or liabilities or recognising the gains and losses on them on different bases; or
 - (ii) a group of financial assets, financial liabilities or both is managed and its performance is evaluated on a fair value basis, in accordance with a documented risk management or investment strategy, and information about the group is provided internally on that basis to the entity's key management personnel

Held-to-maturity investments are non-derivative financial assets with fixed or determinable payments and fixed maturity that an entity has the positive intention and ability to hold to maturity other than:

- (a) those that the entity upon initial recognition designates as at fair value through profit or loss;
- (b) those that the entity designates as available for sale; and
- (c) those that meet the definition of loans and receivables.

An entity shall not classify any financial assets as held to maturity if the entity has, during the current financial year or during the two preceding financial years, sold or reclassified more than an insignificant amount of held-to-maturity investments before maturity (more than insignificant in relation to the total amount of held-to-maturity investments) other than sales or reclassifications that:

- (i) are so close to maturity or the financial asset's call date (for example, less than three months before maturity) that changes in the market rate of interest would not have a significant effect on the financial asset's fair value;
- (ii) occur after the entity has collected substantially all of the financial asset's original principal through scheduled payments or prepayments; or
- (iii) are attributable to an isolated event that is beyond the entity's control, is non-recurring and could not have been reasonably anticipated by the entity.

Loans and receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market, other than:

- (a) those that the entity intends to sell immediately or in the near term, which shall be classified as held for trading, and those that the entity

upon initial recognition designates as at fair value through profit or loss;

- (b) those that the entity upon initial recognition designates as available for sale; or
- (c) those for which the holder may not recover substantially all of its initial investment, other than because of credit deterioration, which shall be classified as available for sale.

An interest acquired in a pool of assets that are not loans or receivables (for example, an interest in a mutual fund or a similar fund) is not a loan or receivable.

Available-for-sale financial assets are those non-derivative financial assets that are designated as available for sale or are not classified as (a) loans and receivables, (b) held-to-maturity investments or (c) financial assets at fair value through profit or loss.

A *financial guarantee contract* is a contract that requires the issuer to make specified payments to reimburse the holder for a loss it incurs because a specified debtor fails to make payment when due in accordance with the original or modified terms of a debt instrument

The *amortised cost of a financial asset or financial liability* is the amount at which the financial asset or financial liability is measured at initial recognition minus principal repayments, plus or minus the cumulative amortisation using the effective interest method of any difference between that initial amount and the maturity amount, and minus any reduction (directly or through the use of an allowance account) for impairment or uncollectibility.

The *effective interest method* is a method of calculating the amortised cost of a financial asset or a financial liability (or group of financial assets or financial liabilities) and of allocating the interest income or interest expense over the relevant period. The *effective interest rate* is the rate that exactly discounts estimated future cash payments or receipts through the expected life of the financial instrument or, when appropriate, a shorter period to the net carrying amount of the financial asset or financial liability. When calculating the effective interest rate, an entity shall estimate cash flows considering all contractual terms of the financial instrument (for example, prepayment, call and similar options) but shall not consider future credit losses. The calculation includes all fees and points paid or received between parties to the contract that are an integral part of the effective interest rate, transaction costs, and all other premiums or discounts. There is a presumption that the cash flows and the expected life of a group of similar financial instruments can be estimated reliably. However, in those rare cases when it is not possible to estimate reliably the cash flows or the expected life of a financial instrument (or group of financial instruments), the entity shall use the contractual cash flows over the full contractual term of the financial instrument (or group of financial instruments).

Derecognition is the removal of a previously recognised financial asset or financial liability from an entity's balance sheet.

A *regular way purchase or sale* is a purchase or sale of a financial asset under a contract whose terms require delivery of the asset within the time frame established generally by regulation or convention in the marketplace concerned.

Transaction costs are costs that are directly attributable to the acquisition, issue or disposal of a financial asset or financial liability. Such costs would not have been incurred if the entity had not acquired, issued or disposed of the financial instrument.

A *firm commitment* is a binding agreement for the exchange of a specified quantity of resources at a specified price on a specified future date or dates.

A *forecast transaction* is an uncommitted but anticipated future transaction.

A *hedging instrument* is a designated derivative or (for a hedge of the risk of changes in foreign currency exchange rates only) a designated non-derivative financial asset or non-derivative financial liability whose fair value or cash flows are expected to offset changes in the fair value or cash flows of a designated hedged item.

A *hedged item* is an asset, liability, firm commitment, highly probable forecast transaction or net investment in a foreign operation that (a) exposes the entity to risk of changes in fair value or future cash flows and (b) is designated as being hedged

Hedge effectiveness is the degree to which changes in the fair value or cash flows of the hedged item that are attributable to a hedged risk are offset by changes in the fair value or cash flows of the hedging instrument

11. In this Standard, 'contract' and 'contractual' refer to an agreement between two or more parties that has clear economic consequences that the parties have little, if any, discretion to avoid, usually because the agreement is enforceable by law. Contracts, and thus financial instruments, may take a variety of forms and need not be in writing.

Presentation

Liabilities and equity

12. After a financial instrument has been issued, it will be recognised as a financial asset, a financial liability or an equity instrument in accordance with the contract of issue and in line with the definitions of financial asset, financial liability, and equity instrument.
13. When deciding if a financial instrument is either an equity instrument or a financial liability, the financial instrument will be classified as an equity instrument only when :

- a) there are no contractual obligations to give cash or other financial instrument to another entity or to swap financial assets or financial liabilities that have the potential to being of disadvantage to the issuer, and
- b) if it is possible that any obligations can be settled by equity of the issuer of the instrument, then if the instrument is a non-derivative the contract does not require a variable number of equity shares to be transferred, and if it is a derivative then it can only be settled by a fixed amount of cash or a fixed number of equity shares

Any contractual obligation that will or may result in the future receipt or delivery of the issuer's own equity shares, but does not meet conditions (a) and (b) above, is not an equity instrument.

No contractual obligation to deliver cash or another financial asset (paragraph 16(a))

- 14. A critical feature in identifying a financial liability rather than an equity instrument is the existence of a contractual obligation of the issuer of the financial instrument either to deliver cash or another financial asset to the owner (or holder) of the financial instrument or to exchange financial assets or financial liabilities with the holder that are potential to the disadvantage to the issuer.
- 15. The substance of a financial instrument, rather than its legal form, governs its classification on the entity's balance sheet. If some financial instruments take the legal form of equity but are liabilities in substance then such financial instruments are financial liabilities.
- 16. If an entity does not have an unconditional right to avoid delivering cash or another financial asset to settle a contractual obligation, the obligation is a financial liability.
- 17. A financial instrument that does not explicitly establish a contractual obligation to deliver cash or another financial asset may still establish an obligation indirectly through the terms and conditions of the contract.

Settlement in the entity's own equity instruments

- 18. A contract is not an equity instrument solely because it may result in the receipt or delivery of a fixed number of the entity's own equity shares. An entity may have a contractual right or obligation to receive or deliver a number of its own shares or other equity instruments that varies so that the fair value of the entity's own equity instruments to be received or delivered equals the amount of the contractual right or obligation. Such a contractual right or obligation may be for a fixed amount or an amount that fluctuates in part or in full in response to changes in a variable other than the market price of the entity's own equity instruments. In such cases the financial instrument is not an equity instrument.
- 19. A contract that will be settled by the entity (receiving or) delivering a fixed number of its own equity instruments in exchange for a fixed amount of cash or another financial asset is an equity instrument. Changes in the fair value of a contract that are the result of variations in market interest rates that do not affect the amount of cash or other financial assets to be paid or received, or the number of equity instruments to be received or delivered, on settlement of the

contract will not affect the contract from being an equity instrument. Any consideration received is added directly to equity. Any consideration paid is deducted directly from equity. Changes in the fair value of an equity instrument are not recognised in the financial statements.

20. A contract that contains an obligation for an entity to purchase its own equity shares for cash or another financial asset creates a financial liability for the present value of the redemption amount. This is the case even if all other conditions in the contract would result in the financial instrument being classified as an equity instrument. When the financial liability is recognised, its fair value (the present value of the redemption amount) is reclassified from equity. If the contract expires without delivery, the carrying amount of the financial liability is reclassified to equity. An entity's contractual obligation to purchase its own equity instruments gives rise to a financial liability for the present value of the redemption amount even if the obligation to purchase is conditional on the holder of the financial instrument exercising a right to redeem.
21. A contract that will be settled by the entity delivering or receiving a fixed number of its own equity instruments in exchange for a variable amount of cash or another financial asset is a financial asset or financial liability.

Contingent settlement provisions

22. A financial instrument may require the entity to deliver cash or another financial asset, or otherwise to settle it in such a way that it would be a financial liability, in the event of the occurrence or non-occurrence of uncertain future events (or on the outcome of uncertain circumstances) that are beyond the control of both the issuer and the holder of the instrument. The issuer of such an instrument does not have the unconditional right to avoid delivering cash or another financial asset (or otherwise to settle it in such a way that it would be a financial liability). Therefore, it is a financial liability of the issuer unless:
 - (a) the part of the contingent settlement provision that could require settlement in cash or another financial asset (or otherwise in such a way that it would be a financial liability) is not genuine; or
 - (b) the issuer can be required to settle the obligation in cash or another financial asset (or otherwise to settle it in such a way that it would be a financial liability) only in the event of liquidation of the issuer.

Settlement options

23. When a derivative financial instrument gives one party to the contract a choice over how it is settled, it is a financial asset or a financial liability unless all of the settlement alternatives would result in it being an equity instrument.

Compound financial instruments

24. The issuer of a non-derivative financial instrument shall evaluate the terms of the financial instrument to determine whether it contains both a liability and an equity component. Such components shall be classified separately as financial liabilities, financial assets or equity instruments in the balance sheet.

25. An entity recognises separately the components of a financial instrument that (a) creates a financial liability of the entity and (b) grants an option to the holder of the instrument to convert it into an equity instrument of the entity.
26. Classification of the liability and equity components of a convertible instrument is not revised as a result of a change in the likelihood that a conversion option will be exercised, even when exercise of the option may appear to have become economically advantageous to some holders. The entity's contractual obligation to make future payments remains outstanding until it is extinguished through conversion, maturity of the instrument or some other transaction.
27. When the initial carrying amount of a compound financial instrument is allocated to its equity and liability components, the equity component is assigned the residual amount after deducting from the fair value of the instrument as a whole the amount separately determined for the liability component. The value of any derivative features embedded in the compound financial instrument other than the equity component is included in the liability component. The sum of the carrying amounts assigned to the liability and equity components on initial recognition is always equal to the fair value that would be ascribed to the instrument as a whole. No gain or loss arises from initially recognising the components of the instrument separately.
28. Under the approach described in paragraph 27 above, the issuer of a bond convertible into ordinary shares must first establish the carrying amount of the liability component by measuring the fair value of a similar liability (including any embedded non-equity derivative features) that does not have an associated equity component. The carrying amount of the equity instrument represented by the option to convert the instrument into ordinary shares is then found by deducting the fair value of the financial liability from the fair value of the compound financial instrument as a whole

Redeemed shares

29. If an entity reacquires its own equity instruments, those instruments (Redeemed shares) must be deducted from equity. No gain or loss shall be recognised in profit or loss on the purchase, sale, issue or cancellation of an entity's own equity instruments. Such redeemed shares may be acquired and held by the entity or by other members of the consolidated group. The amount paid or received shall be recognised directly in equity.
30. The amount of redeemed shares held is disclosed separately either on the face of the balance sheet or in the notes, in accordance with NASCO 1 *Presentation of Financial Statements*. An entity provides disclosure in accordance with NASCO 25 *Related Party Disclosures* if the entity reacquires its own equity instruments from related parties

Interest, dividends, losses and gains

31. Interest, dividends, losses and gains relating to a financial instrument or a component that is a financial liability shall be recognised as income or expense in profit or loss. Distributions to holders of an equity instrument shall be debited by the entity directly to equity, net of any related income tax

benefit. Transaction costs of an equity transaction shall be accounted for as a deduction from equity, net of any related income tax benefit.

32. The classification of a financial instrument as a financial liability or an equity instrument determines whether interest, dividends, losses and gains relating to that instrument are recognised as income or expense in profit or loss. Thus, dividend payments on shares wholly recognised as liabilities are recognised as expenses in the same way as interest on a bond. Similarly, gains and losses associated with redemptions or refinancings of financial liabilities are recognised in profit or loss. Dividend payments on shares that are classified as equity will be charged directly to the Changes in Equity Statement and redemptions or refinancings of equity instruments are recognised as changes in equity. Changes in the fair value of an equity instrument are not recognised in the financial statements.
33. When an enterprise incurs costs in issuing or acquiring its own equity instruments such as registration, fees paid for legal, accounting and other professional advice, and printing costs, these transaction costs are accounted for as a deduction from equity (net of any related income tax benefit) but only if they are additional costs directly attributable to the equity transaction and would have been avoided if the enterprise had not acquired or issued these shares.. The costs of a failed or abandoned equity transaction are recognised as an expense.
34. Transaction costs that relate to the issue of a compound financial instrument are allocated to the liability and equity components of the instrument in proportion to the allocation of proceeds. Transaction costs that relate jointly to more than one transaction are allocated to those transactions using a basis of allocation that is rational and consistent with similar transactions.
35. The amount of transaction costs accounted for as a deduction from equity in the period is disclosed separately under NASCO 1 *Presentation of Financial Statements*. The related amount of income taxes recognised directly in equity is included in the aggregate amount of current and deferred income tax credited or charged to equity that is disclosed under NASCO 3 and NASCO 4 .
36. Dividends classified as an expense will be presented in the income statement together with interest on other liabilities. In addition to the requirements of this Standard, disclosure of interest and dividends is subject to the requirements of NASCO 1 and NASCO 2.
37. Gains and losses related to changes in the carrying amount of a financial liability are recognised as income or expense in profit or loss even when they relate to an instrument that includes a right to the residual interest in the assets of the entity in exchange for cash or another financial asset. Any gain or loss arising from remeasurement of such an instrument must be shown separately on the face of the income statement.

Offsetting a financial asset and a financial liability

38. A financial asset and a financial liability shall be offset and the net amount presented in the balance sheet only when an entity:

- (a) has a legally enforceable right to set off the recognised amounts; and
- (b) intends either to settle on a net basis, or to realise the asset and settle the liability simultaneously.

In all other cases, a financial asset must not be offset against a financial liability.

39. A right of set-off is a debtor's legal right, by contract or otherwise, to settle or otherwise eliminate all or a portion of an amount due to a creditor by applying against that amount an amount due from the creditor. In unusual circumstances, a debtor may have a legal right to apply an amount due from a third party against the amount due to a creditor provided that there is an agreement between the three parties that clearly establishes the debtor's right of set-off. Before a set-off can be effected, an enterprise must always consider the relationship between debtor and creditor in terms of the legislation of Azerbaijan

40. The existence of an enforceable right to offset, by itself, is not a sufficient basis for offsetting. In addition to the enforceable right, an enterprise must also have the intention to exercise the right or to settle simultaneously both the liability and the asset. An intention by one or both parties to settle on a net basis without the legal right to do so is not sufficient to justify offsetting.

41. When an enterprise has a right of set-off, but does not intend to settle net or to realise the asset and settle the liability simultaneously, the enterprise must disclose, in the Note to the Accounts, the existence of this right together with the fact that the right to offset has not been exercised.

42. The realisation of a financial asset and settlement of a financial liability are treated as simultaneous only when the transactions occur at the same moment. Any time delay between realization of the financial asset and settlement of the financial liability, no matter how brief that delay is, means that the financial asset and financial liability have not been realized simultaneously.

43. The conditions set out in paragraph 38 are not satisfied and offsetting is not permitted when any of the following circumstances exist:

- (a) several different financial instruments are used to copy the features of a single financial instrument (a 'synthetic instrument');
- (b) financial assets and financial liabilities arise from financial instruments having the same primary risk exposure but involve different parties to the contracts;
- (c) financial or other assets are pledged as collateral for non-recourse financial liabilities;

- (d) financial assets are set aside in trust by a debtor for the purpose of discharging an obligation without those assets having been accepted by the creditor in settlement of the obligation;
 - (e) obligations incurred as a result of events giving rise to losses are expected to be recovered from a third party by virtue of a claim made under an insurance contract.
44. An entity that undertakes a number of financial instrument transactions all with the same other entity, may enter into what is called a 'master netting arrangement' with that other single entity. Such an agreement provides for a single net settlement of all financial instruments covered by the agreement in the event of default on, or termination of, any one contract. A master netting arrangement commonly creates a right of set-off that becomes enforceable and affects the realisation or settlement of individual financial assets and financial liabilities only following a specified event of default or in other circumstances not expected to arise in the normal course of business. A master netting arrangement does not provide a basis for offsetting unless both of the criteria in paragraph 38 are satisfied.

Effective date

45. This National Accounting Standard becomes operative only after appropriate decree issued by the Ministry of Finance of Republic of Azerbaijan.

NOTES

1. Very unusually, IAS 32 requires that the Appendix to the standard should be seen as integral to the IAS (normally Appendices are **not** integral to the Standard). The Appendix to IAS provides guidance on the application of certain parts of the IAS. It is recommended that a similar Appendix **should not** be attached to the NASCO. The reason is that the separate document Explanation and Recommendations will be produced and that will provide extensive guidance. To include much of that in an Appendix to the NASCO would just be a repetition. Besides, in terms of the Accounting Law, the Explanations and Recommendations document is an integral part of the whole NASCO package.
2. IAS 32 contains many highly complex concepts and makes reference to a large number of equally complex financial instruments. It would be very difficult to explain these concepts and financial instruments in relatively simple and more understandable terms. However, it is very unlikely that only the largest of enterprises that are required to apply NASCOs will have such complex financial instruments and will have to apply this NASCO. If an enterprise does issue such complex financial instruments then it is reasonable to assume that these enterprises will already understand the complex terms and concepts. As such, it is recommended that no attempt be made to simplify all of the concepts contained in IAS 32

Appendix 1 - Comparison with IAS 32 Presentation of Financial Instruments

This National Accounting Standard for Commercial Organisations (NASCO) 15 – Presentation of Financial Instruments is drawn primarily from International Accounting Standard (IAS) 32 (2006) – Presentation of Financial Instruments. The main differences between NASCO 15 and IAS 32 are as follows:

- The general provisions set out in paragraph 1 of the NASCO has been added and relates the Standard to the Accounting Law of the Republic of Azerbaijan
- Paragraphs 3 and 4 of the NASCO defines the scope of the organisations required to apply the Standard as set out in the Accounting Law of the Republic of Azerbaijan
- IAS 32 contains a number of illustrative examples and introductions. In line with established policy, all examples have been removed from NASCO 15 and will be covered in the Explanations document
- Some paragraphs of NASCO 15 have used simpler phrases (in English) to make the meaning clearer
- IAS 32 has an extensive appendix on Application Guidance. This is not part of NASCO as the Explanations document will cover this
- IAS 32 has as an Appendix further definitions. All definitions are contained within the NASCO
- Some paragraphs in IAS 32 have been omitted in the NASCO as they refer to other IASs for which there are no plans yet for an equivalent NASCO