

SIC Interpretation 29 *Service Concession Arrangements: Disclosures* is issued by the International Accounting Standards Board (the Board).

IFRS Standards together with their accompanying documents are issued by the International Accounting Standards Board (the “Board”).

**Disclaimer:** To the extent permitted by applicable law, the Board and the IFRS Foundation (Foundation) expressly disclaim all liability howsoever arising from this publication or any translation thereof whether in contract, tort or otherwise (including, but not limited to, liability for any negligent act or omission) to any person in respect of any claims or losses of any nature including direct, indirect, incidental or consequential loss, punitive damages, penalties or costs.

Information contained in this publication does not constitute advice and should not be substituted for the services of an appropriately qualified professional.

#### **Copyright © IFRS Foundation**

All rights reserved. Reproduction and use rights are strictly limited. Contact the Foundation for further details at [licences@ifrs.org](mailto:licences@ifrs.org).

Copies of IASB publications may be obtained from the Foundation’s Publications Department. Please address publication and copyright matters to:

IFRS Foundation Publications Department  
30 Cannon Street, London, EC4M 6XH, United Kingdom.  
Tel: +44 (0)20 7332 2730 Fax: +44 (0)20 7332 2749  
Email: [publications@ifrs.org](mailto:publications@ifrs.org) Web: [www.ifrs.org](http://www.ifrs.org)



The IFRS Foundation logo, the IASB logo, the IFRS for SMEs logo, the “Hexagon Device”, “IFRS Foundation”, “eIFRS”, “IAS”, “IASB”, “IFRS for SMEs”, “IASs”, “IFRS”, “IFRSs”, “International Accounting Standards” and “International Financial Reporting Standards”, “IFRIC” and “IFRS Taxonomy” are **Trade Marks** of the IFRS Foundation.

## Basis for Conclusions

---

*[The original text of paragraphs 8 and 9 has been marked up to reflect the revision of IAS 1 in 2003 and 2007 and the issue of IFRIC 12 in 2006: new text is underlined and deleted text is struck through]*

- 8 Paragraph 15 of the *Framework*<sup>1</sup> states that the economic decisions taken by users of financial statements require an evaluation of the ability of the entity to generate cash and cash equivalents and of the timing and certainty of their generation. Paragraph 21 of the *Framework*<sup>2</sup> states that financial statements also contain notes and supplementary schedules and other information. For example, they may contain additional information that is relevant to the needs of users about the items in the statement of financial position ~~balance sheet~~ and statement of comprehensive income ~~statement~~. They may also include disclosures about the risks and uncertainties affecting the entity and any resources and obligations not recognised in the statement of financial position ~~balance sheet~~.
- 9 A service concession arrangement often has provisions or significant features that warrant disclosure of information necessary to assist in assessing the amount, timing and certainty of future cash flows, and the nature and extent of the various rights and obligations involved. The rights and obligations associated with the services to be provided usually involve a high level of public involvement (eg to provide electricity to a city). Other obligations could include significant acts such as building an infrastructure asset (eg power plant) and delivering that asset to the ~~Concession Provider~~ grantor at the end of the concession period.

*The text of paragraph 10 has been marked up to reflect the revision of IAS 1 in 2007. Previous amendments to the paragraph, reflecting the revision of IAS 1 in 2003, have been incorporated into the text to avoid confusion with the new amendments in 2007.*

- 10 IAS 1.112(c)–103(e) requires an entity's notes to provide additional information that is not presented elsewhere in the financial statements, ~~on the face of the balance sheet, income statement, statement of changes in equity or cash flow statement,~~ but is relevant to an understanding of any of them. The definition of notes in IAS 1.74 indicates that notes provide narrative descriptions or disaggregations of items disclosed in the statement of financial position ~~balance sheet~~, statement of comprehensive income, separate income statement (if presented), statement of changes in equity and statement of cash flows, ~~statement~~ as well as information about items that do not qualify for recognition in those statements.

## Date of consensus

---

May 2001

---

<sup>1</sup> superseded by Chapter 1 of the *Conceptual Framework*. References to the *Framework* are to IASB's *Framework for the Preparation and Presentation of Financial Statements*, adopted by the IASB in 2001. In September 2010 the IASB replaced the *Framework* with the *Conceptual Framework for Financial Reporting*.

<sup>2</sup> superseded by Chapter 3 of the *Conceptual Framework*. References to the *Framework* are to IASB's *Framework for the Preparation and Presentation of Financial Statements*, adopted by the IASB in 2001. In September 2010 the IASB replaced the *Framework* with the *Conceptual Framework for Financial Reporting*.