

Circular

ESMA Reviews the Application of IFRS 13

Fair Value Measurement Requirements

The European Securities and Markets Authority (ESMA) has published a report providing an overview of the implementation of IFRS 13 Fair Value Measurement by European issuers. The report assesses the level of compliance of IFRS financial statements with the requirements in IFRS 13 and the comparability amongst entities.

The report builds on a desktop review of the 2015 financial statements of a sample of 78 issuers from different industries and on the evidence from enforcement actions taken by European enforcers relating to financial years 2013, 2014 and 2015.

The requirements of IFRS 13 have, in general, been well incorporated by the issuers in the sample. ESMA, however, finds room for improvement in areas such as disclosures on fair value and the assessment when transaction or quoted prices do not represent fair value.

Next Steps

ESMA expects issuers and their auditors to consider the findings of this review when preparing and auditing the financial statements.

A copy of the said report can be accessed through the following [link](#).

Contacts

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