NOTE 29
NEW ACCOUNTING STANDARDS

A) NEW AND AMENDED STANDARDS ADOPTED IN 2015

In 2015, no new standards have been adopted.

New requirements for disclosures are set out in IFRS 8 Operating Segments. The additional requirements take effect from 01.01.2015 and regard reporting of assessments about operating segments and reconciliation of assets on segment level against Company level. If multiple segments have been merged to form an aggregation of segments, a short description should disclose the various segments and the economic indicators which have been assessed to constitute economic similarities that justify an aggregation into one segment. Upon periodic reporting of segment assets to the chief operator (Group management), the disclosure must demonstrate a reconciliation of assets on segment level against assets on Company level.

Grieg Seafood has only one production segment, farmed salmon; hence, the amendment will not have any effect on the disclosure information.

IFRS 2 has been amended so that the vesting conditions for share-based remuneration are divided into conditions attached to respectively service and achievement. This will have no significant effect on the financial statements because the option schemes only have conditions attached to service.

B) NEW STANDARDS AND INTERPRETATIONS NOT YET ADOPTED

A series of new standards, amendments of standards and interpretations of existing standards are mandatory for future financial statements. Among those the Group has decided not to implement early, the essential are disclosed below.

IFRS 9 Financial instruments includes requirements for classification, measurement and recognition of financial assets and liabilities, as well as general hedge accounting. The complete version of IFRS 9 was issued in July 2014. It replaces the items of IAS 39 relating to similar issues. According to IFRS 9 financial assets are classified in three categories: Fair value through other comprehensive income, fair value through profit/loss, and amortised cost. The measurement category is determined on initial recognition of the asset. The classification depends on the entity's business model for managing its financial instruments and the characteristics of the cash flows of each instrument. Equity instruments should initially be measured at fair value through profit/loss. The company may opt to present value changes through other comprehensive income, but the option is irreversible as gain/loss from subsequent sales cannot be reclassified through profit/loss. Impairment due to credit risk should be recognised on basis of expected loss rather than the current model where losses must be incurred. Regarding financial obligations the standard materially proceeds with the requirements of IAS39. The biggest modification regards use of the fair value-option for financial obligations, in which case the amount of change in fair value attributable to changes in own credit risk should be presented in other comprehensive income.
IFRS 9 simplifies the requirements for hedge accounting by aligning hedge effectiveness more closely with the risk management and allow for increased assessment. Simultaneous hedge documentation is still required. The standard takes effect as from the fiscal year 2018, but earlier application is permitted. The Group still has not fully assessed the effects of IFRS 9.

IFRS15 Revenue from contracts with customers regards recognition of revenue.
The standard requires a separation of customer contracts into each performance obligation. A performance obligation can be a good or service. Revenue is recognised when control over a good or service is passed to a customer, and the customer has the ability to direct the use of and obtain the benefit from the good or service.

The standard replaces IAS 18 Revenue and IAS 11 Construction Contracts and related interpretations. The standard takes effect for the fiscal year 2017, but early implementation is permitted. The Group still has not fully assessed the effects of IFRS 15.

IAS 1 has been amended in order to allow the Company to consider to a greater degree whether information is essential or not. The amendment provides more flexibility and an opportunity to omit disclosure of information which the Company itself deems insignificant. This may entail less disclosure information on areas which the Company deems less significant.

There are no other standards or interpretations that still have not taken effect that are expected to materially impact the financial statement of the Group.