

FAQ – Currency Translation

- Quick version:
 - SFP (Balance Sheet) – assets and liabilities are converted to functional (presentation) currency at end of year rates.
 - SOCI (Income Statement) and SCF (Cash Flows) – flow items are converted at the rates at the time of the transaction or if not significantly different an average rate over the period.
 - The difference is taken into OCI to balance things out – yes a PLUG!
- Brief tutorial with references:
 - <https://www.ifrsbox.com/foreign-currency-consolidation-example-ifrs/>