Notes to the Group annual financial statements
continued

for the year ended 31 May 2021

10. Accounting framework continued

10.3 Standards, amendments and interpretations not yet effective

At the date of authorisation of these annual financial statements, the following relevant standards, amendments and interpretations to existing standards were in issue but not yet effective. These will apply to the Group's accounting periods beginning on 1 June 2021 or later periods and have not been elected to be early adopted by the Group.

The following standards/amendments/interpretations are not anticipated to have a material impact on the Group, and are effective for annual periods beginning on 1 June 2021:

Standard(s)/ amendment(s)/ interpretation(s)/	Description of change	Effective date
Amendments to IFRS 9 ***'Financial Instruments',*** **IAS 39** ***'Financial Instruments: Recognition and Measurement',*** **IFRS 7** ***'Financial Instruments: Disclosures',*** **IFRS 4** ***'Insurance Contracts' and*** **IFRS 16** ***'Leases' – interest rate benchmark (IBOR) reform (Phase 2)***	The Phase 2 amendments address issues that arise from the implementation of the reform of an interest rate benchmark, including the replacement of one benchmark with an alternative one. The amendments will not have a material impact on the Group.	Accounting period beginning on or after 1 June 2021
Amendment to IAS 1 ***'Presentation of Financial Statements' on Classification of Liabilities as Current or Non-current***	The amendment clarifies that liabilities are classified as either current or non-current, depending on the rights that exist at the end of the reporting period. Classification is unaffected by expectations of the entity or events after the reporting date (for example, the receipt of a waiver or a breach of covenant). The amendment will not have a material impact on the Group.	Accounting period beginning on or after 1 June 2022
Amendment to IFRS 3, ***'Business combinations'***	The Board has updated IFRS 3, 'Business combinations', to refer to the 2018 Conceptual Framework for Financial Reporting, in order to determine what constitutes an asset or a liability in a business combination. In addition, the Board added a new exception in IFRS 3 for liabilities and contingent liabilities. The exception specifies that, for some types of liabilities and contingent liabilities, an entity applying IFRS 3 should instead refer to IAS 37, 'Provisions, Contingent Liabilities and Contingent Assets', or IFRIC 21, 'Levies', rather than the 2018 Conceptual Framework. The Board has also clarified that the acquirer should not recognise contingent assets, as defined in IAS 37, at the acquisition date. The amendment will not have a material impact on the Group.	Accounting period beginning on or after 1 June 2022

10. Accounting framework continued

10.3 Standards, amendments and interpretations not yet effective continued

Standard(s)/ amendment(s)/ interpretation(s)/	Description of change	Effective date
Amendments to IAS 16 ***'Property, Plant and Equipment' on Proceeds before Intended Use***	The amendment to IAS 16 prohibits an entity from deducting from the cost of an item of PPE any proceeds received from selling items produced while the entity is preparing the asset for its intended use (for example, the proceeds from selling samples produced when testing a machine to see if it is functioning properly). The proceeds from selling such items, together with the costs of producing them, are recognised in profit or loss. The amendments will not have a material impact on the Group.	Accounting periods beginning on or after 1 June 2022
Amendments to IAS 37 ***'Provisions, Contingent Liabilities and Contingent Assets' on Onerous Contracts – Cost of Fulfilling a Contract***	The amendment clarifies which costs an entity includes in assessing whether a contract will be loss-making. This assessment is made by considering unavoidable costs, which are the lower of the net cost of exiting the contract and the costs to fulfil the contract. The amendment clarifies the meaning of 'costs to fulfil a contract'. Under the amendment, costs to fulfil a contract include incremental costs and the allocation of other costs that relate directly to fulfilling the contract. The amendments will not have a material impact on the Group.	Annual periods beginning on or after 1 June 2022
Annual improvements cycle 2018 – 2020	These amendments include minor changes to: • IFRS 1, 'First time adoption of IFRS' has been amended for a subsidiary that becomes a first-time adopter after its parent. The subsidiary may elect to measure cumulative translation differences for foreign operations using the amounts reported by the parent at the date of the parent's transition to IFRS. • IFRS 9, 'Financial Instruments' has been amended to include only those costs or fees paid between the borrower and the lender in the calculation of "the 10% test" for derecognition of a financial liability. Fees paid to third parties are excluded from this calculation. • IFRS 16, 'Leases', amendment to the Illustrative Example 13 that accompanies IFRS 16 to remove the illustration of payments from the lessor relating to leasehold improvements. The amendment intends to remove any potential confusion about the treatment of lease incentives. The amendments will not have a material impact on the Group.	Annual periods beginning on or after 1 June 2022