



## FASB | IASB Education Meeting

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# Statement of Cash Flows

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# Statement of Cash Flows Research Project

**Project Objective:** This research project will explore improvements to the statement of cash flows to provide additional decision-useful information for investors and other allocators of capital.

## General Feedback from Investor Survey in 2022

- Majority of investors agree that the current statement of cash flows provides information needed for analyzing changes in working capital; however, they noted an opportunity for targeted improvements
- Most support a reconciliation between changes in balance sheet line items and the corresponding changes in the statement of cash flows with strong support for reconciling revenue-related accounts (such as A/R, contract assets, and contract liabilities)
- “Cash received from customers” received the most support and was the highest priority disclosure

## Financial Institutions Feedback

- About half the respondents to the investor survey who follow financial institutions use the statement of cash flows in their analysis
- Some investors would support the Board exploring ways to make the cash flow statement more informative for financial institutions
- A majority supported a “cash interest received” disclosure

## Project Next Steps

- Continued stakeholder outreach and research efforts to identify project scope
- Evaluate the operability of certain additional disclosures
- Obtain feedback on a potential improved statement of cash flows for financial institutions