

IAS 34 *Interim Financial Reporting* (July 2014)

Condensed statement of cash flows

The Interpretations Committee received a request to clarify the application of the requirements regarding the presentation and content of the condensed statement of cash flows in the interim financial statements according to IAS 34.

The submitter observed that there are divergent views on the presentation and content of the condensed statement of cash flows. One view is that an entity should present a detailed structure of the condensed statement of cash flows showing cash flows by nature. Another view is that an entity may present a three line condensed statement of cash flows showing only a total for each of operating, investing and financing cash flow activities.

In this respect, the Interpretations Committee noted that to meet the requirements in paragraphs 10, 15 and 25 of IAS 34 a condensed statement of cash flows should include all information that is relevant in understanding the entity's ability to generate cash flows and the entity's needs to utilise those cash flows. It also noted that it did not expect that a three-line presentation alone would meet the requirements in IAS 34.

On the basis of this analysis, the Interpretations Committee determined that an Interpretation or an amendment to a Standard was not necessary. Consequently, the Interpretations Committee decided not to add this issue to its agenda.