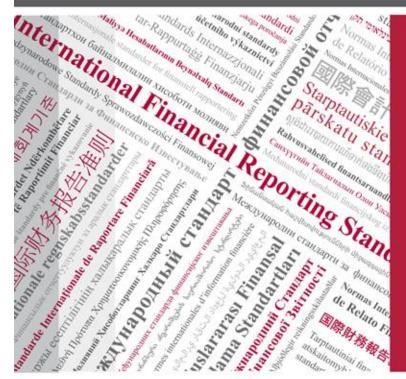
International Financial Reporting Standards



Conceptual Framework: Presentation and disclosure

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Preview of questions

Presentation

- Do you think that the distinction between profit or loss and OCI is useful? If so why?
- How would you define profit or loss and/or OCI?

Disclosures

- How would you describe the boundary between financial statements and other financial reporting?
- What broad types/groups of disclosures would you expect to see in the notes to the financial statements?



Presentation and disclosure section of the Conceptual Framework Discussion Paper

- IASB meetings:
 - January 2013 education session
 - Analysis of current and proposed OCI items
 - March 2013 discussion of first draft
- Given the papers for the March IASB meeting have not yet been finalised, this presentation will provide a highlevel overview of what will be discussed.



March 2013 discussion

Overview of what will be covered

- Presentation overall
- Profit or loss and OCI
- Disclosures

Overview of questions that will be asked

- Do you think that the distinction between profit or loss and OCI is useful?
- How would you define



Presentation overall

- Meaning of terms
 - Presentation
 - Disclosure
- Financial reporting, financial statements, primary financial statements, notes
- Primary financial statements
 - Purpose of individual statements
 - Cohesiveness
 - Offsetting



Profit or loss and OCI

- Starting point is that comprehensive income is presented in two sections or two statements reflecting:
 - Profit or loss and OCI
- Financial performance
 - All items in the statement of comprehensive income provide some information about financial performance
 - Propose not to define



Profit or loss and OCI cont.

- Distinguish between profit or loss and OCI
 - Analysis of items currently presented in OCI
 - Develop distinguishing principles and broad concepts
- Bridging items
 - OCI acts as the "bridge" between a measurement basis in the balance sheet and a different basis in profit or loss
 - eg debt instruments designated under IFRS 9
- Mismatched remeasurements
 - OCI acts as a "holding area" for interrelated items of income/expense recognised in different periods
 - eg effective cash flow hedges



Question 1

- (a) Do you think that the distinction between profit or loss and OCI is useful? Why?
- (b) If so, how would you define profit or loss and/or other comprehensive income?



Disclosures

- Objective of disclosures (notes)
- Boundary between financial statements and other financial reporting
 - Forward-looking information versus information about current and past conditions, transactions and events
 - Information about the entity and its (recognised and unrecognised):
 - Resources
 - Claims
 - Transactions and other changes in resources and claims
 - Relevant and a faithful representation (neutral)



Disclosures cont.

- Types of disclosure may include:
 - Disaggregation
 - Methods and assumptions
 - Risk and business model
- Other issues
 - Materiality
 - unlikely to amend current Conceptual Framework guidance
 - work on materiality outside of this project may be considered



Question 2

- (a) How would you describe the boundary between financial statements and other financial reporting?
- (b) Do you agree with the broad types of disclosures? If not, would you categorise them differently or add another type?



Thank you



