

## STAFF PAPER

July 2014

## IASB Meeting

Project	Disclosure Initiative
Paper topic	Cover paper
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**Purpose of this meeting**

1. At this meeting we are planning to discuss topics relating to the following projects in the Disclosure Initiative:
  - (a) Amendments to IAS 7 (implementation project); and
  - (b) Principles of Disclosure (research project).
2. In addition, we are planning to discuss whether the Disclosure Initiative as a whole, should establish a consultative group. Finally, although not entirely related to the Disclosure Initiative, we plan to ask for views on how the IASB should respond to calls for it to restart the suspended Financial Statement Presentation project.
3. This paper describes:
  - (a) the papers for this meeting;
  - (b) background to the Principles of Disclosure project papers; and
  - (c) next steps for the Disclosure Initiative.

**Papers for this meeting**

4. The papers for this meeting are listed in the table below:

AP	Title
<b>Disclosure Initiative – overall</b>	
11A	Establishing a consultative group
<b>Amendments to IAS 7</b>	
11B	Reconciliation of liabilities related to financing activities – Summary of feedback
11C	Disclosure about restrictions on cash and cash equivalents
11D	Summary of due process
<b>Principles of Disclosure project</b>	
11E	Cross-referencing
<b>Financial Statement Presentation</b>	
11F	Research Programme – Financial Statement Presentation

## Background to the Principles of Disclosure project papers

5. As previously discussed with the IASB<sup>1</sup>, the main focus of our research in the Principles of Disclosure project will be on those recommendations for improvements we have heard from constituents. Where possible, we will try and use the work previously done by the IASB and by others as a starting point for our discussions.
6. Papers on individual topics reflecting recommended improvements will be brought to the IASB in the second half of 2014. As a result we are now aiming to publish a Discussion Paper in the first half of 2015. See the Appendix for a draft outline of the topics that will be covered. These topics reflect the scope of the project discussed with the IASB in April.
7. It is also possible that during the discussions with the Board over the next few months, we will identify improvements to disclosure requirements that we think

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<sup>1</sup> AP11 April 2014

should be elevated to a Standards-level project immediately, such as proposals for narrow-focus amendments to Standards similar to the recent Disclosure Initiative project on IAS 1. Where this is the case we will seek the IASB's views.

### **Disclosure Initiative - Next steps**

8. In September, the Disclosure Initiative team currently plan to bring a number of papers to the IASB, including:
  - (a) Amendments to IAS 1 – a feedback summary and analysis arising from the recently issued Exposure Draft;
  - (b) Materiality – present the results of our research and ask the IASB whether additional guidance is needed;
  - (c) Significant accounting policies – proposals to amend IAS 1; and
  - (d) Principles of Disclosure – papers discussing the objectives and purpose of the notes.

## Appendix A—Principles of Disclosure – Proposed topics in the Discussion Paper

<b>1</b>	<b>Concepts for presentation and disclosure in financial statements</b>
	<i>Concepts to determine the content and placement of information in financial statements</i>
	Purpose of financial statements
	Purpose of primary financial statements
	Purpose of the notes
	Materiality
	<i>Concepts to determine how information is communicated</i>
	Faithful representation
	Comparability
	Understandability
<b>2</b>	<b>Applying the concepts across financial statements</b>
	Aggregation/disaggregation
	Grouping information/Cohesive depiction of entity's activities
<b>3</b>	<b>Applying the concepts to the notes</b>
	<i>Content of the notes</i>
	Improving objectives of note disclosures
	Materiality in the notes to the financial statements
	<i>Communication of information in the notes</i>
	Order of information
	Grouping information/Cohesive depiction of entity's activities
	Consistency/comparability of note disclosures
	Cross-referencing
	Format of information
<b>4</b>	<b>Non-IFRS information in financial statements</b>
<b>5</b>	<b>Implications of recommendations</b>