

STAFF PAPER

October 2014

Project	Disclosure Initiative		
Paper topic	Principles of Disclosure: Cover Paper		
CONTACT(S)	Holger Obst	obst@drsc.de	+49 (0) 30 206412 29
	Kristy Robinson	krobinson@ifrs.org	+44 (0) 20 7246 6933

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1. At its October meeting, the IASB will be discussing three papers from the Principles of Disclosure project:
 - (a) Agenda Paper 11A(a)—Principles of Disclosure: purpose of the notes;
 - (b) Agenda Paper 11A(b)—Principles of Disclosure: communication principles; and
 - (c) Agenda Paper 11A(c)—Principles of Disclosure: cash flows.
2. Agenda Paper 11A(c) is a paper prepared by staff from the UK Financial Reporting Council.

Background

3. In April 2014 the IASB discussed the scope for the Principles of Disclosure research project. The objective of this project is to identify and develop principles for disclosure in IFRS that could form the basis of a disclosure Standard. This Standard will provide general guidance on the structure and format of financial statements that is applicable across IFRS.
4. The Principles of Disclosure research project will focus on reviewing the general requirements in IAS 1 *Presentation of Financial Statements*, IAS 7 *Statement of Cash Flows* and IAS 8 *Accounting Policies, Changes in Accounting Estimates and Errors*,

with a view to improving and ultimately replacing the presentation and disclosure parts of those Standards with a single disclosure Standard.

5. The project will consider the following areas:
 - (a) principles of disclosure for the notes, including:
 - (i) objectives; and
 - (ii) principles regarding the organisation, placement, format and linkage of information.
 - (b) information in a complete set of IFRS financial statements, including:
 - (i) presentation and disclosure of non-IFRS financial information; and
 - (ii) comparative information.
 - (c) cash flow reporting.
6. In September the IASB decided to include in the Principles of Disclosure project further research regarding the disclosure topics about restrictions on cash and cash equivalents and disclosure of significant accounting policies.

Next steps

7. In November we expect to discuss the following topics with the IASB:
 - (a) format and linkage of disclosures; and
 - (b) general principles of cross-referencing, which will be a follow-up paper to the discussion that the IASB had in July.
8. We expect to complete the discussion of the contents of a Discussion Paper on the Principles of Disclosure project early in 2015. As a result we are aiming to publish a Discussion Paper in the first half of 2015.