

# STAFF PAPER

7 – 8 December 2015

## Accounting Standards Advisory Forum

Project	Disclosure Initiative		
Paper topic	Disclosure Initiative – next steps		
CONTACT(S)	Suzanne Morsfield	<a href="mailto:smorsfield@ifrs.org">smorsfield@ifrs.org</a>	+44 (0)20 7246 6442
	Prahalad Halgeri	<a href="mailto:phalgeri@ifrs.org">phalgeri@ifrs.org</a>	+44 (0)20 7246 6905

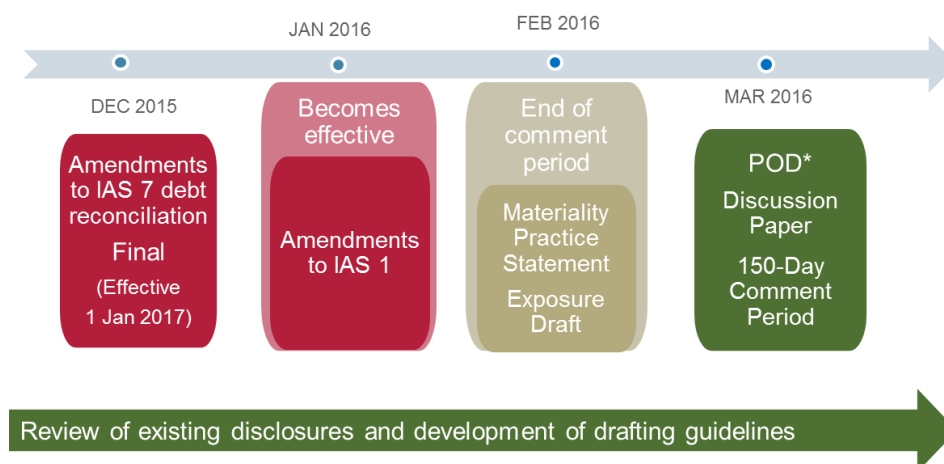
This paper has been prepared for discussion at a public meeting of the Accounting Standards Advisory Forum and does not represent the views of the IASB or any individual member of the IASB. Comments on the application of IFRSs do not purport to set out acceptable or unacceptable application of IFRSs. Technical decisions are made in public and reported in IASB *Update*.

### Objective

- The objective of this session is to provide a brief update on the next steps for the Disclosure Initiative (DI) projects. Looking forward, we have also included a discussion about our plans for how work on these projects will be co-ordinated. We would welcome ASAF members' views on these plans.

### Disclosure Initiative – next steps

- The diagram below sets out the next steps in the Disclosure Initiative that are coming up in the near future.



\*Principles of Disclosure (POD)

3. We are discussing the Materiality Practice Statement Exposure Draft with ASAF members at this meeting (see Agenda Reference 2) and have discussed the content of the Principles of Disclosure Discussion Paper with members in July 2015.<sup>1</sup>
4. Also in the December 2015 IASB meeting, we plan to discuss with the IASB the scope and content of project on the Standards-level Review of Disclosures. We also propose to discuss the same topic with the ASAF in April 2016.
5. Put simply, the objective of project on the Standards-level Review of Disclosures is for the IASB to write better disclosure guidance in Standards. The project is intended to respond to concerns that the way in which disclosure requirements are written contributes to the ‘disclosure problem’.
6. To achieve this objective, we plan to:
  - (a) identify improvements to disclosure requirements in existing Standards, and
  - (b) develop internal drafting guidelines for the IASB to use to help it when developing disclosure requirements in new and amended Standards.

We expect these two steps to be iterative to some degree.

7. This project will be informed by the principles being developed in the POD project. As a first step, the IASB is planning to include, in the POD Discussion Paper, proposed principles for drafting Standards and examples of how existing Standards could be re-drafted. The purpose of this example is to demonstrate and obtain feedback on how a set of principles could be used to draft disclosures requirements.

### **Disclosure Initiative—future steps**

8. We think it is important for the IASB to build on the feedback we receive to the POD Discussion Paper on the proposed principles that it will contain for drafting disclosure requirements. We think we can undertake this work as we develop our other DI projects.

---

<sup>1</sup> See <http://www.ifrs.org/Meetings/MeetingDocs/ASAF/2015/June/1507-ASAF-05A-DI-Content-DP.pdf>.

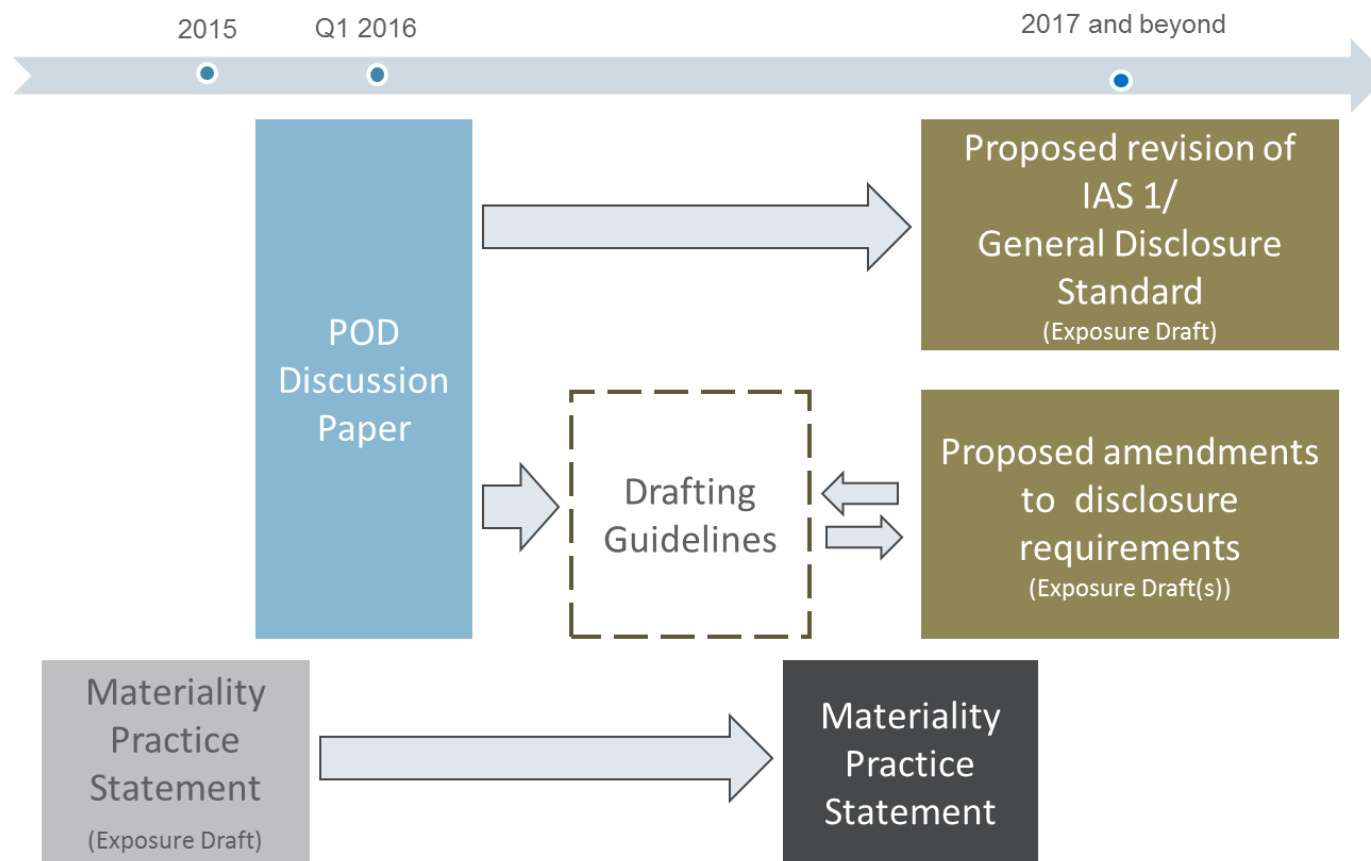
9. For this purpose, we propose to use the feedback received on the POD Discussion Paper to do two things:
- (a) develop an Exposure Draft ('the POD ED') proposing either a revision to IAS 1 *Presentation of Financial Statements* or a new General Disclosure Standard as determined by the IASB at a future meeting ;  
and
  - (b) develop drafting guidelines for the IASB to assist in developing disclosures requirements in new or amended Standards.
10. Currently we propose (subject to our discussion with the IASB in December 2015) to use these guidelines to review the disclosure guidance in a targeted Standard or Standards. The IASB may decide to target specific standards and/or specific disclosure issues across all Standards. Proposed amendments to targeted Standards would be developed and exposed in parallel with the POD ED.
11. Appendix A illustrates a roadmap of how we propose to progress with the DI project.

**Question to the ASAF**

Do you have any comments on the Disclosure Initiative's next and future steps?

## APPENDIX A

### Disclosure Initiative – Roadmap of future steps



The IASB is the independent standard-setting body of the IFRS Foundation, a not-for-profit corporation promoting the adoption of IFRSs. For more information visit [www.ifrs.org](http://www.ifrs.org)