

# AGENDA [as at 1 June 2018]

## Joint Capital Markets Advisory Committee and Global Preparers Forum meeting

DATE Thursday 14 June and Friday 15 June 2018

LOCATION IFRS Foundation (Boardroom), 30 Cannon Street, London, EC4M 6XH

### Thursday 14 June 2018

| Time          | Agenda item  | Agenda paper #    |
|---------------|--|-------------------|
| 10.10 – 10.15 | <b>Welcome and introductions</b>   |                   |
| 10.15 – 10.45 | <b>IASB® update</b>  | AP1<br>AP1A/ AP1B |
| 10.45 – 11.05 | <b>Targeted Standards Level Review of Disclosures project—Staff Presentation</b><br><b>To be discussed at this meeting:</b> <ul style="list-style-type: none"><li>• a list of nine IFRS Standards the International Accounting Standards Board (Board) is considering as potential candidates for a targeted Standards-level review of disclosures; and</li><li>• which one or two of the nine Standards the members would recommend the Board select for review of disclosure requirements.</li></ul>   | AP2/AP2A          |
|               | <b>Background:</b> <p>In the light of feedback received on the Principles of Disclosure Discussion Paper issued in 2017, the Board decided to undertake a Targeted Standards-level Review of Disclosures. In the first instance, the Board is developing guidance for the Board itself to use when developing and drafting disclosure requirements, and will then select one or two IFRS Standard(s) on which to test that guidance. This is expected to result in improvements to:</p> <ul style="list-style-type: none"><li>(a) the way the Board develops and drafts disclosure requirements in future; and</li><li>(b) the disclosure requirements in the selected test Standard(s).</li></ul> |                   |
| 11.05 – 11.10 | <b>Break (including transfer to breakout rooms)</b>  |                   |
| 11.10 – 11.55 | <b>Targeted Standards-level Review of Disclosures—Breakout Session</b><br><b>The breakout groups will discuss:</b> <ul style="list-style-type: none"><li>• a list of nine IFRS Standards which the Board are considering as potential candidates for a targeted Standards-level review of disclosure. For example, whether information typically disclosed in applying those nine Standards:<ul style="list-style-type: none"><li>○ meets all user information needs;</li><li>○ contains any excessive or unnecessary disclosure; and</li><li>○ has a cost of preparation that is justified by information benefits.</li></ul></li></ul>   | AP2               |

# AGENDA

## Joint CMAC / GPF meeting

| Time          | Agenda item  | Agenda paper # |
|---------------|--|----------------|
|               | <ul style="list-style-type: none"><li>• which one or two of the nine Standards the members would recommend the Board select for review of disclosure requirements.</li></ul>   |                |
| 11.55 – 12.00 | <b>Break (including transfer from breakout rooms)</b>  |                |
| 12.00 – 12.30 | <b>Targeted Standards Level Review of Disclosures project—Report Back</b>  | AP2            |
| 12.30 – 13.30 | <b>Lunch</b>   |                |
| 13.30 – 13.50 | <b>Primary Financial Statements Topic 1—Staff Presentation</b>   | AP3            |
|               | <b>To be discussed at this session:</b> <ul style="list-style-type: none"><li>• discussion on tension between comparability and flexibility in performance reporting; and specifically:<ul style="list-style-type: none"><li>○ presentation of earnings before interest, tax, depreciation and amortization (EBITDA) in the notes to the financial statements; and</li><li>○ disclosure of unusual or infrequently occurring income and expenses.</li></ul></li></ul>  |                |
|               | <b>Background:</b> <p>The Board is conducting a research project on the Primary Financial Statements. This project is examining potential targeted improvements to the structure and content of the primary financial statements with a particular focus on the statement(s) of financial performance and the statement of cash flows.</p> <p>One area the Board needs to consider is the tension between the needs for comparability and flexibility in performance reporting. We would like to seek the views of CMAC and GPF members on whether it would be helpful to define EBITDA as well as defining presentation of unusual or infrequently occurring income and expenses, in preparation for discussion with the Board on these topics.</p> |                |
| 13.50 – 13.55 | <b>Break (including transfer to breakout rooms)</b>  |                |
| 13.55 – 14.55 | <b>Primary Financial Statements Topic 1—Breakout Session</b>   | AP3            |
|               | <b>The breakout groups will discuss:</b> <ul style="list-style-type: none"><li>• various uses of EBITDA in practice;</li><li>• potential benefits of the Board defining the EBITDA measure; and</li><li>• various approaches to the disclosure of unusual or infrequently occurring income and expenses in practice; and</li></ul> <p>Potential benefits of the Board setting out requirements on disclosure of unusual or infrequently occurring income and expenses in the financial statements.</p>   |                |
| 14.55 – 15.00 | <b>Break (including transfer from breakout rooms)</b>  |                |
| 15.00 – 15.30 | <b>Primary Financial Statements Topic 1—Report Back</b>  | AP3            |

# AGENDA

## Joint CMAC / GPF meeting

| Time  | Agenda item  | Agenda paper # |
|---|--|----------------|
| 15.30 – 15.50   | <b>Primary Financial Statements Topic 2—Staff Presentation</b><br><b>To be discussed at this session:</b> <ul style="list-style-type: none"><li>improving the usefulness of disaggregation in the financial statements</li></ul> <b>Background:</b> <p>The Board is conducting a research project on the Primary Financial Statements. This project is examining potential targeted improvements to the structure and content of the primary financial statements with a particular focus on the statement(s) of financial performance and the statement of cash flows.</p> <p>One area the Board needs to consider is improving disaggregation in the primary financial statements as well as the notes. We would like to seek the views of CMAC and GPF members on applying disaggregation and on the Board's tentative decisions in this area. We would also like to seek views on the possible introduction of templates for financial statements, in preparation for discussion with the Board on this topic.</p> | AP4            |
| <b>15.50 – 15.55 Break (including transfer to breakout rooms)</b>   |  |                |
| 15.55 – 16.40   | <b>Primary Financial Statements Topic 2—Breakout Session</b><br><b>The breakout groups will discuss:</b> <ul style="list-style-type: none"><li>applying the Board's proposals on nature vs function presentation in practice;</li><li>applying the Board's work on disaggregation characteristics in practice; and</li><li>how to maximise the effectiveness of the Board's possible work on templates for primary financial statements.</li></ul>   | AP4            |
| <b>16.40 – 16.45 Break (including transfer from breakout rooms)</b> |  |                |
| 16.45 – 17.15   | <b>Primary Financial Statements Topic 2—Report Back</b>  | AP4            |

# AGENDA

## Joint CMAC / GPF meeting

### JOINT CMAC / GPF MEETING

Friday 15 June 2017

| Time          | Agenda item   | Agenda paper # |
|---------------|---|----------------|
| 09.00 – 09.20 | <b>Business Combinations under Common Control—Staff Presentation</b><br><br><b>This meeting</b> will discuss approaches the staff is developing for transactions within the scope of the project.<br><br><b>Background:</b><br><br>IFRS Standards do not specify how to account for combinations of companies or businesses controlled by the same party. As a result, companies account for such transactions in different ways, which makes it difficult for investors and regulators to compare the effects of those transactions on companies' financial positions and performances. The Board is discussing whether it can develop requirements that would improve the comparability and transparency of accounting for combinations under common control to help investors compare and better understand information that companies provide in financial statements about such transactions. The Board expects to publish a Discussion Paper in the first half of 2019. | AP5            |
| 09.20 – 09.25 | <b>Break (including transfer to breakout rooms)</b>   |                |
| 09.25 – 10.10 | <b>Business Combinations under Common Control—Breakout Session</b><br><br><b>The breakout groups will discuss:</b> <ul style="list-style-type: none"><li>• whether different information about a business combination under common control should be provided depending on who the primary users of the reporting entity's financial statements are;</li><li>• what information about a business combination under common control would be useful for non-controlling shareholders and for lenders and creditors of the acquiring entity; and</li><li>• costs and operational complexity that would be involved in providing information under different approaches being developed by the staff for business combinations under common control.</li></ul>  | AP5            |
| 10.10 – 10.20 | <b>Break (including transfer from breakout rooms)</b>   |                |
| 10.20 – 10.35 | <b>Business Combinations Under Common Control—Report Back</b>   | AP5            |

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## Joint CMAC / GPF meeting

| Time          | Agenda item  | Agenda paper # |
|---------------|--|----------------|
| 10:35 – 10:55 | <p><b>Management Commentary—Staff Presentation</b></p> <p><b>Staff will provide a brief overview of:</b></p> <ul style="list-style-type: none"><li>• the scope of the project and purpose of management commentary;</li><li>• the key areas of content needed to support management commentary; and</li><li>• the different information types required to support this content.</li></ul> <p><b>Background:</b></p> <p>The update to IFRS Practice Statement 1 <i>Management Commentary</i> is an opportunity to address key developments and gaps in narrative reporting practice.</p> <p>This session looks at how management commentary can provide insight into a company's strategy for creating long-term shareholder value, its progress in implementing the strategy and the implications of that strategy for the company's future financial performance.</p> | AP6            |
| 10:55 – 11:00 | <b>Break (including transfer to breakout rooms)</b>  |                |
| 11:00 – 11:45 | <p><b>Management Commentary—Breakout Session</b></p> <p><b>The breakout groups will discuss:</b></p> <ul style="list-style-type: none"><li>• the different types of information needed to support management commentary;</li><li>• whether and how the existing practice can be improved; and</li><li>• what guidance is needed to support this.</li></ul> <p><i>Staff will use feedback from this session in considering how the principles-based Management Commentary Practice Statement can best support the provision of business-focused other financial information that meets users' needs.</i></p>  | AP6            |
| 11:45 – 11:55 | <b>Break (including transfer from breakout rooms)</b>  |                |
| 11:55 – 12:10 | <b>Management Commentary Practice Statement—Report Back</b>  | AP6            |