

AGENDA

IFRS Taxonomy Consultative Group (ITCG)

DATE Wednesday 30 June 2021

LOCATION **Virtual meeting**

Time [UK]	Agenda item	Agenda Paper
11.00 – 11.05	Welcome and introductions This session introduces new members and provides background to the topics being discussed.	
11.05 – 11.50	Third Agenda Consultation The technical staff will provide an overview of the Request for Information <i>Third Agenda Consultation</i> and will seek ITCG members' feedback on three key aspects of the consultation: <ul style="list-style-type: none">• the strategic direction and balance of the Board's activities (including work on the IFRS Taxonomy and broader digital financial reporting);• the criteria for assessing the priority of financial reporting issues that could be added to the work plan; and• new financial reporting issues that could be given priority in the Board's work plan. Background In March 2021 the Board published the Request for Information <i>Third Agenda Consultation</i> . The Board is asking for stakeholder comments by 27 September 2021. Responses to this Request for Information will help shape the Board's thinking when determining how to prioritise its activities and what new projects to add to its work plan for 2022 to 2026.	1
11.50 – 12.00	Break	

Time [UK]	Agenda item	Agenda Paper
12.00 – 12.20	<p>Digital reporting implications for the Exposure Draft <i>Disclosure Requirements in IFRS Standards—A Pilot Approach</i></p> <p>The technical staff is seeking ITCG members' views on:</p> <ul style="list-style-type: none"> the likely effects of the proposed new approach to developing disclosure requirements in IFRS Standards on digital reporting; and the IFRS Taxonomy reference type for items of information included in IFRS Standards when applying the proposed new approach. <p>Background</p> <p>In March 2021, the Board published the Exposure Draft <i>Disclosure Requirements in IFRS Standards—A Pilot Approach</i>. The Board is asking for stakeholder comments by 21 October 2021. The Exposure Draft proposes a new approach to developing disclosure requirements in IFRS Standards and new disclosure requirements for IFRS 13 <i>Fair Value Measurement</i> and IAS 19 <i>Employee Benefits</i>—the Standards on which the Board is testing the proposed approach.</p> <p>Disclosure requirements developed using the proposed new approach are intended to enable companies, auditors and others to make more effective materiality judgements and thus provide disclosures that are more useful to investors. Applying the proposed new approach, the Board would enhance investor engagement to ensure that the Board has an in-depth understanding of investors' information needs and clearly explains those needs in the Standards. The proposals give greater prominence to the objective of disclosure requirements and require companies to comply with detailed disclosure objectives rather than requirements to disclose particular items of information. Companies would be required to apply judgement and focus on disclosing only material information.</p>	2
12.20 – 13.00	<p>Digital reporting implications for the Exposure Draft <i>Disclosure Requirements in IFRS Standards—A Pilot Approach</i></p> <p>Breakout discussion</p>	
13.00 – 13.30	<p>Break</p>	
13.30 – 14.00	<p>Digital reporting implications for the Exposure Draft <i>Disclosure Requirements in IFRS Standards—A Pilot Approach</i></p> <p>Feedback</p>	

AGENDA

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Time [UK]	Agenda item	Agenda Paper
14.00 – 14.45	<p>IFRS Taxonomy content—tagging implicitly reported concepts</p> <p>In this session, members will:</p> <ul style="list-style-type: none">• discuss whether lack of tagging of implicitly reported concepts hinders digital consumption of financial information; and• brainstorm possible solutions including possible changes to tagging practices (such as double tagging) and possible changes to how the Board drafts IFRS Standards. <p>Background</p> <p>The general improvements to the 2020 IFRS Taxonomy introduced guidance labels recommending double tagging for basic and diluted earnings per share when they are equal. At the February 2021 ITCG meeting, ITCG members suggested the staff perform further work to determine when double tagging is appropriate more broadly (see Agenda Paper 1 and meeting notes).</p> <p>During analysis the staff found that information that is implicitly reported in a paper-based report is often not tagged. As a consequence, such information is unavailable for users of the digital version of the report. For example, in a paper-based report some entities do not explicitly report total employee benefits expense but report all components of employee benefits, such as salaries and pensions. Using the context provided by a paper-based report, a user can often identify the components and calculate the total employee benefits expense. However, if the total is not tagged, it may be more difficult for a user of digital information to derive the total.</p>	3
14.45 – 14.55	Break	
14.55 – 15.35	<p>IFRS Taxonomy content—tagging comparative information reported in accordance with a superseded IFRS Standard</p> <p>The technical staff is seeking ITCG members' views on:</p> <ul style="list-style-type: none">• a proposal to delay the depreciation of elements pertaining to superseded IFRS Standards;• a proposed approach for easy identification of such elements; and• the use of expired elements in the current reporting period. <p>Background</p> <p>Current IFRS Taxonomy policy is to deprecate elements for a superseded IFRS Standard when a new or amended IFRS Standard becomes effective. Consequently, companies often need to create extensions to tag non-restated comparative information presented for some transition methods. The staff proposes to change policy to retain elements for a superseded IFRS Standard for three years after the new IFRS Standard becomes effective to allow preparers to use elements for the superseded IFRS Standard to tag such information.</p> <p>During analysis of tagged financial statements, the technical staff have observed a variety of tagging practices for information related to the transition to a new or amended IFRS Standard. This topic was first discussed with the ITCG in July 2020 during which members suggested the staff to perform additional analysis (see Agenda Paper 1 and meeting notes).</p>	4