
IASB[®] meeting

Date	December 2022
Project	Financial Instruments with Characteristics of Equity (FICE)
Topic	Cover note
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This paper has been prepared for discussion at a public meeting of the International Accounting Standards Board (IASB). This paper does not represent the views of the IASB or any individual IASB member. Any comments in the paper do not purport to set out what would be an acceptable or unacceptable application of IFRS[®] Accounting Standards. The IASB's technical decisions are made in public and are reported in the IASB *Update*.

Purpose of this meeting

1. At this month's meeting, the staff will present the following agenda papers:
 - (a) Agenda Paper 5A *Presentation of equity instruments*; and
 - (b) Agenda Paper 5B *Presentation of financial liabilities*.
2. These papers ask for tentative decisions from the International Accounting Standards Board (IASB) related to the presentation of issued financial instruments applying IAS 32 *Financial Instruments: Presentation*.
3. Agenda Paper 5A considers concerns raised by stakeholders about the limited information an entity provides in its financial statements about equity instruments it has issued.
4. Agenda Paper 5B considers concerns raised by stakeholders relating to a subset of financial liabilities subsequently measured at fair value through profit or loss, applying IFRS 9 *Financial Instruments*. Stakeholders question the recognition of changes in the carrying amount of the financial liability in profit or loss when the financial liability contains a contractual obligation to pay the holder an amount based on the entity's performance or changes in the entity's net assets.
5. If the IASB tentatively agrees to require any additional disclosures, the staff will further consider how best to develop these disclosure requirements in a future meeting when we circle back on disclosures. At that future meeting, the staff also plan to consider more comprehensively whether any further disclosures are required as a result of the potential clarifications made to IAS 32 in the FICE project.