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STAFF PAPER

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IASB® meeting

Project	**Disclosure Initiative: Targeted Standards-level Review of Disclosures**
Paper topic	Feedback summary—Guidance for the Board

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Purpose of the paper

1. This paper analyses the feedback from comment letters on the proposed Guidance for developing disclosure requirements in IFRS Accounting Standards (Accounting Standards) in future, set out in paragraphs DG1–DG13 of the Exposure Draft *Disclosure Requirements in IFRS Standards—A Pilot Approach* (Questions 1–5 of the Invitation to Comment).

Key messages

2. Almost all respondents welcomed the proposals for the IASB to work closely with users of financial statements and other stakeholders in developing disclosure requirements. Also, many respondents welcomed the proposals for the IASB to include overall and specific disclosure objectives in disclosure requirements. Some respondents said the objectives were helpful because they enabled respondents to understand what information users want and why they want it—thereby helping them decide what information should be disclosed.

3. However, many respondents, particularly preparers and accountancy bodies, said the overall and specific disclosure objectives in the two test Accounting Standards (IFRS 13 *Fair Value Measurement* and IAS 19 *Employee Benefits*) were too broad

and vague, and were concerned that the prescriptive nature of overall disclosure objectives would lead an entity to disclose a lot of information, some of which could be beyond the remit of financial statements. Some of these respondents suggested the IASB develop overall and specific objectives with more precision so that preparers can exercise better judgement in deciding the information to be disclosed. Some respondents, mainly preparers, disagreed with drafting overall disclosure objectives as requirements, and explicitly suggested the IASB continue to develop overall disclosure objectives as context-setting paragraphs similar to the approach taken in recent Accounting Standards. These respondents also said that if there are enough specific disclosure objectives, there will be no need for a 'catch-all' overall disclosure objective.

4. A few respondents, including preparers, welcomed the move away from disclosing prescriptive items of information to meeting overall and specific disclosure objectives. These respondents thought the approach will encourage the use of judgement, enable preparers to provide entity-specific information and result in more useful disclosures for users and other stakeholders. A few respondents who agreed with the proposed approach said that:

   (a) their agreement was contingent on the IASB including an explicit explanation, in each Accounting Standard, that the proposed items of information shall not be applied like a checklist. Preparers said that without such an explanation, the behaviours of auditors and regulators may prevent them from applying the proposed approach in the manner intended by the IASB.

   (b) all stakeholders, including auditors, regulators, users, and preparers, would need to agree to apply disclosure requirements in the manner intended. Respondents agreed with the explanation in the Basis for Conclusions on the Exposure Draft that all stakeholders would need to play their part if the proposed approach is to be successful.

5. However, many respondents, including preparers, accountancy bodies, accounting firms and standard-setting bodies did not agree with the proposed approach and would prefer the IASB to continue requiring entities to disclose items of information. Respondents who did not agree with the proposed approach expressed concerns about:

(a) how to achieve compliance with objectives-based disclosure requirements. A few preparers were concerned that it would be impossible to disclose information that meets all needs of all users of the financial statements. These preparers said there are many different users and many different user needs, and the IASB is in a better position to turn those needs into disclosure requirements;

(b) whether the costs of applying the proposed approach exceed the benefits;

(c) whether the proposed approach would provide more useful information to users and other stakeholders, especially because of the potential loss of comparability of financial information across entities; and

(d) whether the project objectives could be achieved in a less disruptive way, for example, by reinforcing the need to apply materiality judgements.

6. Many respondents, including many regulators, suggested the IASB include a minimum list of required items of information to be disclosed to satisfy each specific disclosure objective. Conversely, a few respondents suggested reducing the number of items of information or removing them altogether—relying only on the disclosure objectives. Respondents also suggested that the IASB provide application guidance in each Accounting Standard to help entities apply judgement in deciding the information to be disclosed.

Structure of the paper

7. The feedback summary is structured as follows:

(a) using overall disclosure objectives (Questions 1(a)–1(b)) (paragraphs 8–12);

(b) using specific disclosure objectives and the disclosure problem (Questions 2(a)–2(b)) (paragraphs 13–22);

(c) increased application of judgement (Questions 3(a)–3(e)) (paragraphs 23–50);

(d) describing items of information to promote the use of judgement (Question 4) (paragraphs 51–55); and

(e) other comments on the proposed Guidance (Question 5) (paragraphs 56–64).

Using overall disclosure objectives (Questions 1(a)–(b))

Proposed Guidance

8. Paragraphs DG5–DG7 of the Exposure Draft explain how the IASB proposes to use overall disclosure objectives in future. The IASB would require entities to comply with overall disclosure objectives that describe the overall information needs of users of financial statements. To comply with those objectives, entities would be required to assess whether information provided in the notes by complying with specific disclosure objectives is sufficient to meet the overall user information needs. If such information is insufficient, entities would need to provide additional information to meet those user information needs.

Comment letter feedback

9. The IASB asked stakeholders:
   (a) whether they agree that the IASB should use overall disclosure objectives within IFRS Accounting Standards in future, and why or why not; and
   (b) whether they agree that overall disclosure objectives would help entities, auditors and regulators determine whether information provided in the notes meets overall user information needs, and why or why not.

10. Some respondents, including regulators, agreed that the IASB should use overall disclosure objectives within Accounting Standards in future. They said that the overall disclosure objectives would be helpful in deciding what disclosures are necessary to meet the information needs of users, provide the basis for entities to use their judgement, and thus achieve more relevant information.

11. Some respondents agreed with the use of overall disclosure objectives as a context-setting paragraph but objected to making overall disclosure objectives a mandatory requirement for entities to apply. These respondents were concerned that:
   (a) the overall disclosure objectives as proposed in the two test Accounting Standards are too broad and to meet those objectives, an entity may have to disclose information that would otherwise be outside the remit of the financial statements. For example:

(i) overall disclosure objectives, as proposed, may lead an entity to provide alternative information that contradicts or overrides the amounts presented in the primary financial statements;

(ii) changes in user information needs over time, not just for existing and potential investors but for lenders and other creditors, will make it costly for entities to apply overall disclosure objectives; and

(iii) auditors and regulators may hold differing views of user information needs and therefore the information that should be disclosed. Preparers would thus face an increased burden in justifying how disclosures meet overall disclosure objectives, with a corresponding burden falling on auditors and regulators in validating the completeness of disclosures.

(b) the broadness of the overall disclosure objectives will result in decreased comparability because preparers may reach different conclusions on the user information needs and therefore the information to be disclosed. For example, an accounting firm said objectives-based disclosure requirements on expected credit losses during the coronavirus pandemic did not result in comparable information across entities.

12. Respondents suggested the IASB:

(a) clarify that users of financial statements are the primary users of financial statements, who are defined in paragraph 1.2 of the *Conceptual Framework for Financial Reporting* (*Conceptual Framework*) as existing and potential investors, lenders, and other creditors;

(b) clarify explicitly in an Accounting Standard that to meet the overall disclosure objective, an entity first applies specific disclosure objectives and then identifies other information required to meet the overall disclosure objective;

(c) develop overall disclosure objectives with more precision and provide further application guidance on how an entity should identify the needs of users of financial statements and, accordingly, what additional information should be disclosed;

(d) define the boundary of the notes and provide clarity on how overall disclosure objectives will interact with the requirements in IAS 1 *Presentation of Financial Statements*;

(e) include overall disclosure objectives in IAS 1 and specific disclosure objectives in individual Accounting Standards; and

(f) include prescriptive overall disclosure objectives only in new Accounting Standards and amend existing Accounting Standards (including IFRS 13 and IAS 19) only after the IASB gains a better understanding of the effects of applying prescriptive overall disclosure objectives.

Using specific disclosure objectives and the disclosure problem (Questions 2(a)–2(b))

Proposed Guidance

13. Paragraphs DG8–DG10 of the Exposure Draft explain how the IASB proposes to use specific disclosure objectives in future. The IASB would require entities to comply with specific disclosure objectives that describe the detailed information needs of users of financial statements. To comply with those objectives, entities would be required to disclose all material information for a transaction, other event or condition needed to meet the detailed user information needs. Specific disclosure objectives would be supplemented with explanations of what the information provided to meet those objectives is intended to help users of financial statements do.
Paragraphs BC27–BC49 of the Basis for Conclusions describe the IASB's rationale for whether and how the IASB can develop specific disclosure objectives.

Comment letter feedback

14. The IASB asked stakeholders if they agree that specific disclosure objectives, and the explanation of what the information is intended to help users do, would:

(a) help entities apply judgements effectively when preparing their financial statements to provide relevant information, eliminate irrelevant information, and communicate information more effectively, and if not, what alternative approach should be used (paragraphs 15–19); and

(b) provide a sufficient basis for auditors and regulators to determine whether an entity has applied judgements effectively when preparing their financial statements, and if not, why not (paragraphs 20–22).

The disclosure problem

15. Many respondents agreed that specific disclosure objectives, and the explanation of what the information is intended to help users do, have the potential to help entities apply judgements effectively when preparing their financial statements to provide relevant information, eliminate irrelevant information, and communicate information more effectively. They said specific disclosure objectives would enable preparers to understand what information users need. Preparers can then apply judgement and materiality effectively, resulting in more relevant disclosures. Respondents said that specific disclosure objectives would also help preparers assess whether any additional information, over and above the items of information listed in an Accounting Standard, should be disclosed to meet user information needs.

16. However, respondents were concerned that preparers would find it difficult to determine whether information disclosed to meet user information needs is complete, because primary users include not only existing and potential investors but lenders and other creditors. Preparers were concerned about the time and resources they have to spend to justify how they have satisfied the information needs of all primary users and whether they have disclosed all material information.

17. To address the concern explained in paragraph 16, respondents suggested the IASB be very explicit about the needs of primary users of financial statements. They said that specific disclosure objectives should be clear, concise, practicable and easy to understand.

18. As described in paragraph 48, many respondents suggested the IASB develop a hybrid approach in which specific disclosure objectives are supported by prescriptive items of information. Respondents thought this hybrid approach would make disclosures easier to prepare, audit and enforce, ensure comparability for common items of

information, and yet encourage entities to disclose relevant information that meets user information needs as set out in the specific disclosure objectives.

19. One national standard-setter suggested developing specific disclosure objectives based on the objective, usefulness, and limitations of general purpose financial statements as set out in the *Conceptual Framework*. Another standard-setting body thought that the proposed specific disclosure objectives focus on providing information about prospects for future cash flows, but not on management's stewardship of the entity's economic resources.

Providing a sufficient basis for auditors and regulators to determine whether an entity has applied judgements effectively when preparing their financial statements

20. Some respondents agreed that specific disclosure objectives, and the explanation of what the information is intended to help users do, would provide a sufficient basis for auditors and regulators to determine whether an entity has applied judgements effectively when preparing their financial statements. These respondents said that the specific disclosure objectives and accompanying explanations would help auditors and regulators evaluate judgements made by the entity, assess which disclosures are relevant, and thus result in more meaningful audits.

21. However, some respondents, including many accounting firms and regulators, were concerned that specific disclosure objectives without prescriptive items of information will make it more challenging for auditors and regulators to execute their review and enforcement duties. They said that time and resources would be required to determine whether judgement has been appropriately applied and user information needs met, including involvement of more senior staff, additional documentation and work papers, and increased discussions because of differences of opinion between auditors, regulators, and preparers. For example, an accounting firm said that objective-based disclosure requirements on interest-rate benchmark reform made it difficult for them in assessing compliance, reaching agreement on the purpose of the disclosure requirements and what was considered acceptable in meeting the objectives. A few respondents were concerned that auditors would continue to apply a checklist approach in lieu of auditing preparer's judgements.

22. Many respondents said the behaviours of preparers, auditors and regulators may prevent specific disclosure objectives from being used as the IASB intended, and the disclosure problem being resolved. A few respondents said that specific objectives alone would not solve the disclosure problem. They said that the disclosure problem will be solved when preparers, auditors, and regulators apply materiality appropriately to disclosures (see paragraph 50).

Increased application of judgement (Questions 3(a)–3(e))

Proposed Guidance

23. Paragraphs DG2–DG3 and DG8–DG13 of the Exposure Draft explain why the IASB proposes to:

    (a) use prescriptive language to require an entity to comply with the disclosure objectives.

    (b) typically use less prescriptive language when referring to items of information to meet specific disclosure objectives. An entity, therefore, would need to apply judgement to determine the information to disclose in its circumstances.

24. This approach is intended to shift the focus from using a checklist approach to disclosing information required by an Accounting Standard, to determining whether disclosure objectives have been satisfied in the entity's own circumstances. Paragraphs BC188–BC191 of the Basis for Conclusions describe the likely effects of this approach on the behaviour of entities, auditors, and regulators towards disclosures in the financial statements. Paragraphs BC192–BC212 of the Basis for Conclusions describe the likely effects of this approach on the quality of financial reporting, including the cost consequences of the approach.

Comment letter feedback

25. The IASB asked stakeholders if they agree:

    (a) with this approach, and if not, what alternative approach they would suggest and why (paragraphs 27–30 and 48–50);

(b) that this approach would be effective in discouraging the use of disclosure requirements in IFRS Accounting Standards like a checklist (paragraphs 31–35);

(c) that this approach would be operational and enforceable in practice (paragraphs 36–38); and

(d) that this approach would be effective in helping to address the disclosure problem—for example, would the approach help entities provide decision-useful information in financial statements (paragraphs 45–47).

26. The IASB also asked stakeholders to comment on the cost of this approach, both in the first year of application and in subsequent years (paragraphs 39–44).

Overall views on the proposed approach

27. Only a few respondents, including a few preparers, agreed outright with the proposed approach for the reasons considered by the IASB.

28. However, some respondents disagreed with the approach, and some held mixed views, liking the idea of specific disclosure objectives but rejecting the less prescriptive language used for items of information. Respondents did not think that using less prescriptive language when referring to items of information would solve the disclosure problem and predicted that the approach will be burdensome for preparers, auditors, regulators, and primary users alike. Respondents attributed this additional burden to:

(a) the concerns regarding the application of overall and specific disclosure objectives (see paragraphs 11, 16 and 21);

(b) stakeholders continuing to apply a checklist approach (see paragraphs 31–35);

(c) operational and enforceability concerns of applying the proposals (see paragraphs 36–38); and

(d) the costs of applying the approach (see paragraphs 39–44).

29. The most common concern expressed was that this approach may result in decreased comparability—even between entities in similar industries or circumstances.

Respondents felt that reduced comparability will affect the useability of financial statements, particularly in a digital reporting environment (see paragraphs 58–60).

30. Also, respondents were concerned that the proposed approach may be inconsistent with the disclosure approaches adopted in other IASB consultation documents, such as *Subsidiaries without Public Accountability: Disclosures*, *Management Commentary*, and *General Presentation and Disclosures* (the project on Primary Financial Statements).

Discouraging the use of a checklist approach to disclosing information required by an Accounting Standard

31. Only a few respondents agreed that this approach would be effective in discouraging the use of a checklist approach to disclosing information required by an Accounting Standard. They said that the proposed approach would encourage the application of judgement in deciding which information should be disclosed and how to effectively communicate it.

32. However, many respondents, including preparers and accounting firms, did not agree that this approach would be effective in discouraging the use of a checklist approach to disclosing items of information labelled as 'non-mandatory' because:

    (a) the need to meet the information needs of all primary users of the financial statements would drive this behaviour;

    (b) preparers would seek to avoid challenging discussions with auditors and regulators, who may develop their own checklists;

    (c) some preparers, especially in highly regulated jurisdictions and industries such as banking and financial services, regard the legal risk of not disclosing all available information to be unacceptably high; and

    (d) smaller, or less sophisticated entities may not have the systems and resources required to exercise judgement in their disclosures and will therefore find it simpler to disclose all items of information labelled as non-mandatory.

33. A few respondents said that checklists in themselves are not a problem—they said checklists are useful tools that help create consistency and ensure completeness of

disclosures, reduce uncertainty, and increase efficiencies in the financial reporting process. Most of these respondents said that the problem lies in stakeholders not making effective materiality judgements. A few preparers said that, even if the IASB's proposals were to be issued, checklists may still be required to gather information from subsidiaries.

34. Conversely, a few respondents said that the approach would have the opposite effect—that some preparers may treat non-mandatory items of information as 'optional' disclosures, resulting in a decrease in relevant information.

35. Finally, a few respondents were concerned that preparers may apply judgement to their disclosures in the first year of implementation of the new approach, and thereafter roll the disclosures forward year-on-year, thus creating a new checklist.

Operationality and enforceability

36. Many respondents said that the proposed approach would not be operational in practice. Preparers would have to incur additional cost and effort, and some preparers may not have the expertise and resources, such as staff, systems, and processes, needed to apply judgement effectively. Even preparers with sophisticated financial reporting systems and processes may need to update these systems to accommodate the new approach.

37. Also, many respondents said that the proposed approach would be unenforceable in practice, because:

    (a) increased exercise of judgement may lead to preparers, auditors, regulators, and users reaching different views about whether user information needs have been met. Different interpretations of the objectives may make it difficult for auditors and regulators to enforce disclosure requirements.

    (b) in some jurisdictions and industries, particularly within financial services, disclosures are highly regulated. Regulators enforce preparers' compliance with those disclosure requirements using templates, which is contrary to the principles of the proposed approach.

38. A few respondents said that, for the proposals to be operational and enforceable, a behavioural change is needed across the entire financial reporting ecosystem. These respondents said that changes in the way Accounting Standards are drafted would be insufficient to achieve that behavioural change.

Costs of applying the approach

39. Most respondents agreed that there would be additional costs in the first year of application. During the first year of application, preparers said they would need to change their financial reporting systems (including the systems used to tag financial statements for digital reporting purposes), human resources and governance processes. Initial audit costs may also be expected because it might take auditors longer to assess whether disclosures fully meet user information needs. However, contrary to the IASB's assessment in paragraph BC204 of the Basis for Conclusions about the costs in subsequent years, many respondents said that the costs of application would not fall in subsequent years because of, for example, the need to assess changes in user information needs.

40. In both the year of application and in subsequent years, respondents anticipate additional audit fees relating to explanations and examinations of preparers' judgements, as well as additional discussions when auditors' and preparers' judgements vary. Respondents also anticipated the involvement of more senior staff (both preparers and auditors), additional documentation requirements, and additional time commitments, all of which will increase costs.

41. Group companies anticipated a higher cost of collecting information from subsidiaries, because all information would need to be collected from subsidiaries for a materiality judgement to be made at group level.

42. A few respondents anticipated a higher cost for users in analysing financial information because it would not be as readily comparable. Preparers also anticipated an increase in the frequency of their interactions with users.

43. A few respondents said the overall costs of applying the proposals would outweigh the benefits and suggested the IASB assess the capabilities of preparers as well as the needs of users when setting disclosure requirements. They said there is a risk that the

proposals have not struck the right balance between objectives-based disclosures and prescriptive requirements, and that benefits will only outweigh the costs if disclosures become more readable, comparable, and relevant.

44. However, a few respondents said that if entities already apply materiality judgements appropriately, the additional costs incurred in both initial and subsequent years may be minimal.

Addressing the disclosure problem

45. Due to the issues explained in paragraphs 27–44, some respondents did not agree that the proposed approach would be effective in helping address the disclosure problem.

46. Respondents said the approach will result in:

(a) *too much irrelevant information*: due to the broad nature of the overall and specific disclosure objectives, entities may attempt to disclose all information to satisfy all possible user information needs. Also, cost constraints may incentivise entities to continue to use a checklist approach to disclosing items of information labelled as non-mandatory.

(b) *too little relevant information*: preparers may use the non-prescriptive language around non-mandatory items of information as a reason not to disclose something, even if it is relevant.

47. Many respondents said that without a behavioural change across the entire financial reporting ecosystem, effective communication within the financial statements is unlikely to be achieved.

Alternative approaches

48. Many respondents suggested the IASB include a minimum list of required items of information to satisfy each specific disclosure objective. A few of these respondents said that such a list should contain fewer disclosure items than are currently required by the Accounting Standards but more items than are proposed as mandatory items of information. Respondents did not have any suggestions as to how the IASB should identify such a list (for example, what criteria would justify an item of information

being mandatory). A few respondents said that the proposed minimum list could be supplemented by a secondary list of encouraged disclosures or additional disclosures to be provided only in particular circumstances. A few said that a minimum list of required items should be provided for simple circumstances, with entities expected to apply judgement to determine what to disclose in more complex scenarios. Respondents said that these hybrid approaches would:

(a) ensure comparability between entities while allowing for more entity-specific information to be disclosed, if relevant; and

(b) reduce the significant application challenges for preparers arising from the increased need to exercise judgement.

49. Some respondents suggested that the IASB supplement the proposed approach by including application guidance and illustrative examples in each Accounting Standard to reinforce the message that judgement is required, or that further information might be required to satisfy the disclosure objectives. For example, an accounting body said that the explanations in the Basis for Conclusions on the proposed amendments to IAS 19 and IFRS 13 are helpful and suggested the IASB consider incorporating these explanations into application guidance.

50. Some respondents suggested the IASB explicitly require in every Accounting Standard that an entity considers paragraph 31 of IAS 1 in deciding whether an item of information required in the Accounting Standard is material. An accounting firm also suggested the IASB expand the guidance in IFRS Practice Statement 2 *Making Materiality Judgements* to include guidance on applying materiality to disclosure requirements.

Describing items of information to promote the use of judgement (Question 4)

Proposed Guidance

51. The IASB proposes to use the following less prescriptive language when identifying items of information: 'While not mandatory, the following information may enable an entity to meet the disclosure objective'. Paragraphs BC19–BC26 of the Basis for

Conclusions describe the IASB's reasons for this language and alternative options that the IASB considered.

Comment letter feedback

52. The IASB asked stakeholders if they agree that the proposed language is worded in a way that makes it clear that entities need to apply judgement to determine how to meet the specific disclosure objectives, and if not, what alternative approach would they suggest.

53. Despite their concerns about the overall approach described throughout this paper, some respondents agreed that the proposed language is worded in a way that makes it clear that entities need to apply judgement to determine how to meet the specific disclosure objective.

54. Conversely, some respondents did not agree. As discussed in paragraph 48, many of these respondents favoured the approach of prescriptive items of information to meet overall and specific disclosure objectives.

55. Other wording suggestions from respondents include:

    (a) 'while not mandatory, an entity shall consider making at least the following disclosures to meet the disclosure objectives…'

    (b) 'when relevant' as opposed to 'while not mandatory' to ensure that preparers disclose relevant information.

    (c) 'items of information that might be appropriate to meet the objective include, but are not limited to, the following…'

    (d) 'the following are (non-exhaustive) examples of how entities may meet the objective' to make it clearer that these examples are meant to be considered by preparers in determining what is appropriate to disclose to meet the specific disclosure objective.

    (e) 'there is a rebuttable presumption that such information would meet the objective' to put the onus on preparers to justify why some items of information are not included.

(f) ‘while not mandatory, the following information, if considered material and therefore relevant to an entity, may enable an entity to meet the disclosure objective’ may provide a practical compromise between a prescriptive minimum list of disclosures for consistency and comparability and avoiding a checklist approach.

Other comments on the proposed Guidance (Question 5)

Understanding the needs of stakeholders

56. Paragraphs BC34–BC40 of the Basis for Conclusions describe how the IASB would seek to identify, understand, and clearly explain stakeholders’ needs. A few respondents said that stakeholders include auditors and regulators and suggested that the IASB hold thorough discussions with these stakeholders on implementing an objectives-based approach and encouraging a shift in their behaviours. Audit firms may need to amend their audit standards, audit manuals, and so forth in coordination with the IASB.

57. Respondents were also concerned about the varying range of users, and a few said that it appeared that the proposals were aimed at investors, to the exclusion of other primary users such as other creditors and lenders. These respondents suggested the IASB balance the needs of all primary users. Respondents suggested the IASB include in the basis for conclusions on an Accounting Standard information about its outreach with users in developing the disclosure requirements.

The likely effects on digital reporting

58. A few respondents, including some regulators, said that the proposals in the Exposure Draft are incompatible with the increasing prevalence and benefits of digital reporting. These respondents said that using prescriptive language to describe items of information would be helpful in realising the benefits of digital reporting. They were concerned that if an entity discloses information that is not explicitly required by, or listed in, an Accounting Standard, the resulting tagging of such information would be

inconsistent across entities. Users would find it difficult to extract, compare and analyse an item of information for multiple entities.

59. A few respondents said that aspects of the disclosure problem, particularly 'too much irrelevant information' and 'ineffective communication of the information provided', may only exist within the context of traditional, paper-based financial statements, and that the use of digital reporting may eliminate these aspects of the disclosure problem. Users of digital financial information can extract and analyse items of information they require.

60. Respondents asked the IASB to examine how the proposals in the Exposure Draft will work with current and future forms of digital financial reporting (for example, use of machine reading technology to access financial reporting).

Other comments

61. A few respondents said that, if the IASB were to adopt the proposed approach, amendments to IAS 34 *Interim Financial Statements* may be required.

62. A few respondents commented on the location of the Guidance for the Board, with a few suggesting the *Conceptual Framework* and a few suggesting the *Due Process Handbook*. A few respondents said that, even if the IASB does not proceed with the proposed approach, the methodology described in paragraphs BC27–BC56 of the Basis for Conclusions, particularly understanding the needs of stakeholders (paragraphs BC34–BC40), should be adopted in developing disclosure requirements. Respondents suggested the IASB include these paragraphs within the Guidance itself.

63. A few respondents said that user information needs will change over time and suggested that the IASB adjust disclosure requirements periodically to take account of evolving user information needs. Also, a few respondents suggested the IASB undertake a full post-implementation review of the amendments to IFRS 13 and IAS 19, before considering amending the disclosure requirements in other Accounting Standards.

64. A few respondents suggested that disclosure requirements be consolidated into a single disclosure accounting standard. A single standard would have the benefit of disclosure requirements developed as part of a single, cohesive package, with no

overlaps, duplications, or inconsistencies between disclosure requirements in different Accounting Standards, and could act as a comprehensive checklist ensuring completeness of disclosures.

Question for the IASB
1. Does the IASB have any questions or comments on the feedback discussed in this paper? Specifically: a. is there any feedback that is unclear? b. are there any points you think the IASB did not consider in developing the Exposure Draft, but it should consider further? c. are there any points you would like staff to research further?
2. In light of the feedback, do IASB members have any initial comments or suggestions about next steps for this project?