
IFRS Taxonomy Consultative Group (ITCG) meeting

Date **06 October 2025**

Project **Digital Financial Reporting**

Topic **Digital financial reporting work plan update**

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Purpose of this session

The staff will provide ITCG members with an update on digital reporting activities, including:

- an update on the regulatory assets and regulatory liabilities project;
- approach for the annual IFRS Accounting Taxonomy 2026; and
- potential changes to the SASB Standards taxonomy.

Questions for ITCG members











Question 1—Do you have any questions or comments on the digital financial reporting work plan? Specifically:



























- a. Do you have any questions/comments on the rate-regulated activities project?
- b. Do you have any comments/suggestions relating to communications and the guidance provided?

Work plan for IFRS Taxonomy



IFRS Taxonomy workplan

	Estimated publication of new/amended Standards			Accounting Update for new/amended Standards
	Publication of annual IFRS Accounting Taxonomy			Accounting Update for general improvements
				Sustainability Update for new/amended Standards

IFRS Taxonomy projects ¹	2025				2026				2027				2028	
	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2
Current work plan														
Common practice and general improvements														
Amendments to IFRS 19 Subsidiaries without Public Accountability: Disclosures ²														
Translation to a Hyperinflationary Presentation Currency ²														
Amendments to IFRS S2 ^{2, 3}														
Rate-regulated Activities														
Beyond 2027														
Financial Instruments with Characteristics of Equity														
Equity method														
Provisions—Targeted Improvements														
Business Combinations—Disclosures, Goodwill and Impairment														
Dynamic Risk Management														

¹ We plan to, as far as possible, merge any new/amended Standards that are published by the end of June of a calendar year into one PTU/TU for consultation.

² Amendments published towards the end of a calendar year will be carried forward to the next annual Taxonomy update cycle. Since these amendments are expected to be published in Q3/Q4 2025, we plan to include these amendments in the March 2027 Annual Taxonomy Update cycle.

³ An existing project on the SASB Standards might result in consequential amendments to the IFRS S2 industry-based guidance. Depending on the timeline for the project on the SASB Standards, we *might* merge the changes resulting from the consequential amendments into a single Taxonomy update, published in 2027.

Other digital financial reporting activities—Drafting guide

- **Core purpose of the guide:** Connect taxonomy modelling and standard-setting processes—making the taxonomy modelling process more understandable and using lessons learned to benefit drafting of disclosure requirements
- Drafting guide project has since evolved to provide guidance to standard-setting teams in developing disclosure requirements that incorporate requirements for **structured disclosures** to facilitate consistent application, comparability and analysis of financial information prepared in accordance with IFRS Standards.
- Presented a paper at the [joint Capital Markets Advisory Committee \(CMAC\)/Global Preparers Forum \(GPF\) meeting in June 2025](#) to discuss the requirements on structured disclosures—specifically:
 - To understand the views of CMAC and GPF members on **the usefulness and costs of structured disclosures**, and the **types of disclosures that are more useful when structured**.
 - Feedback from CMAC and GPF members is summarised and will be discussed in AP4.

Other digital financial reporting activities (2/2)

Priority work streams (contd):

- Taxonomy modelling policies guide
 - Finalising the Taxonomy modelling policies to support consistent modelling decisions and facilitate effective taxonomy development (discussed in the [October 2024 ITCG meeting](#))
 - Socialising the modelling policies guide and drafting guide with the ITCG and Boards for feedback
 - Embedding these policies into taxonomy development – including by engaging early on with standard-setting teams
 - For example, the taxonomy team now provides comments on pre-ballot drafts, alongside board review - both for EDs and final Standards.

Other work streams – to be progressed as resources become available:

- Review of the IFRS Accounting Taxonomy architecture and potential publication of an updated architecture guide
- Review and potential update of *Using the IFRS Taxonomy—A preparer’s guide* (discussed in the [October 2024 ITCG meeting](#))



Question 1—Do you have any questions or comments on the digital financial reporting work plan?

Rate-regulated activities



Background

- Rate regulation affects when and how much companies can charge customers, sometimes creating timing differences in when compensation is recognised.
- Existing disclosure requirements do not require companies to inform investors about those differences in timing—making it difficult for investors to assess cash flows that will arise from future revenue and expenses.
- The IASB has developed proposals to introduce requirements to improve financial reporting for companies affected by rate regulation—by *reporting regulatory assets and regulatory liabilities* in their statement of financial position, and related *regulatory income and regulatory expense* in their statement of financial performance
- This information would help investors understand which fluctuations in the relationship between a company's revenue and expenses are caused by those differences in timing so that investors could make better assessments of the company's prospects for future cash flows
- The IASB expects to publish the new Standard in the **H1 2026**. The new Standard will **replace IFRS 14 Regulatory Deferral Accounts**

Work plan activities—Rate regulated activities

What we are currently doing

- Supporting the development from a taxonomy perspective by providing comments on the pre-ballot draft of the Rate-regulated activities draft Standard.
- Considering how the disclosure requirements fit within our taxonomy policies and identifying potential tagging implications for preparers and users.

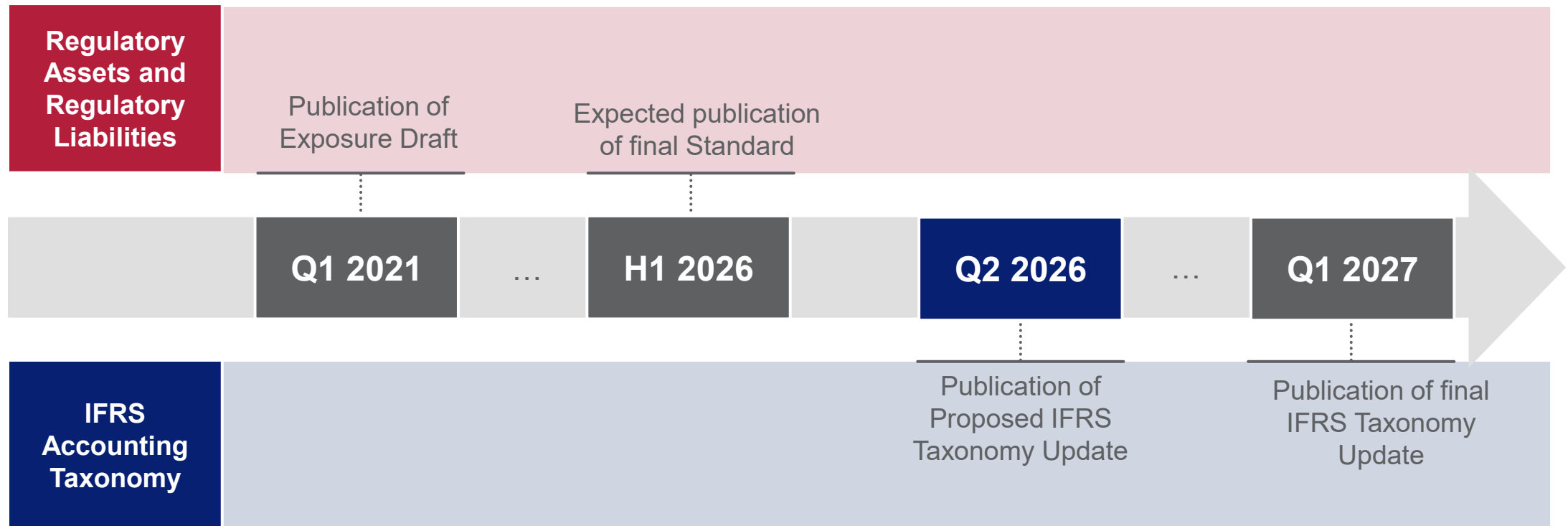
Key observations so far

- General taxonomy modelling policies can be applied and no significant deviations identified at this stage

Next steps

- Continue to monitor ongoing developments in the standard-setting process
- We plan to engage with ITCG members closer to the finalisation of the Standard

Project timeline



Question 1a—Do you have any questions or comments on the rate-regulated activities project?

Annual IFRS Accounting Taxonomy in March 2026



Approach for the annual IFRS Accounting Taxonomy in March 2026

- In July 2025, the staff discussed the possibility of not publishing an unchanged IFRS Accounting Taxonomy in March 2026.
- Feedback from ITCG members was **mixed**. Some members suggested that the Foundation issue the taxonomy to prevent confusion for regulators and other stakeholders, while other members said it was unnecessary to issue an unchanged taxonomy provided that the Foundation clearly communicates to stakeholders that no IFRS Accounting Taxonomy will be issued in 2026.
- Following further discussion with regulators, we have assessed that benefits to republishing would not exceed the costs, and therefore the Foundation has decided to **not republish an unchanged IFRS Accounting Taxonomy in March 2026**.
- The Foundation plans to communicate this decision with stakeholders and include a short guidance document explaining how regulators and tagging agents should use the existing 2025 Accounting Taxonomy to tag financial statements for the 2026 financial periods.
- This guidance document will be shared with ITCG members for their review in due course.



Question 1b—Do you have any comments/suggestions relating to communications and the guidance provided?

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