IFRS Accounting

Staff paper

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Global Preparers Forum

Date	**November 2026**
Project	**Statement of Cash Flows and Related Matters**
Topic	**Classification and presentation of cash flows and related matters**

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Background

	Payments on behalf of an entity	Deferred payments	Liabilities assumed in a business combination
Reporting matter	Diversity in reporting and classifying such payments and related cash flows (e.g. supplier finance and factoring arrangements).	Disclosure of non-cash transactions for payments for long-term assets purchased on credit	Scoping the non-cash components of a business combination
Source of feedback	Accounting firms, regulators, standard-setters and IFRS Interpretations Committee	Standard-setters	IASB discussion in July 2026.
Link with non-cash transaction disclosures	Whether third-party payments constitute cash flows or represent a non-cash transaction.	Interaction between disclosing non-cash acquisition of asset and classifying payment in the statement.	The flows to disclose in the new proposed disclosures.

Meeting material

Due to the link of the two topics on **slide 3** to the IASB's broader work to improve disclosures for non-cash transactions from investing and financing activities, the IASB planned to consider these topics after it reached decisions about proposed new disclosures.

In July 2026 the IASB reached tentative decisions on the disclosures for non-cash transactions (see **Appendix A, slides 6–8**). During that discussion, the IASB also identified the third question on **slide 3** about the disclosable non-cash components for business combinations.

We therefore now consider three related matters in this session—each in a separate set of slides:

		Time allocation
1	Payments on behalf of an entity (Agenda Paper 4B)	30 min
2	Payment arrangements with a supplier* (Agenda Paper 4C)	30 min
3	Liabilities assumed in a business combination (Agenda Paper 4D)	15 min

Purpose of this session

Our purpose with our current work is to understand whether the IASB's proposed disclosures for non-cash transactions would provide investors with sufficient transparency about the situations below, without the need for additional requirements addressing classification.

Alongside investors' views, we want to ask you about any specific challenges companies might face in applying the proposed disclosures to:

- payments and receipts made on behalf of an entity;
- flows from deferred payment arrangements; and
- components of a business combination.

How we plan to use your feedback

Your feedback will help the IASB assess whether the proposed disclosures adequately address investors' information needs. Discussion of possible further standard-setting (if any) will focus on any needs that the proposed disclosures would leave unresolved.

Appendix A—IASB's proposed disclosures for non-cash transactions



Disclosures of non-cash transactions (July 2026 Agenda Paper 20A)

- Non-cash transactions do not result in cash flows, so they are **excluded from the statement of cash flows**.
- Some stakeholders would like to include them in the statement. However, they are excluded because it **reduces complexity of the statement and preserves its objective**—information about a company's cash receipts and payments during a period.

July 2026 tentative decisions—proposals for disclosures to improve information about non-cash transactions

What to disclose	Structure and location
• A list of non-cash transactions from investing and financing activities, cross-referenced to the related notes. **B —** the transaction amount and the related investing, financing or operating activities. **A —** the effect on assets, liabilities and equity, alongside similar cash transactions. **C = A + B —** the combined effect of both types of transactions.	• Give the information in a **single note** and in a structured format, such as a table. • Explain the nature of the **cross-referenced** information where the transaction amounts are not separately identifiable in other notes.

A, B and C are the columns used in the illustrative examples in the three presentations for this session.

Example of possible non-cash transactions disclosure

Activities and line items of similar cash transactions in statement of cash flows (SCF)	A—Amounts in SCF	B—Additions of right-of-use assets from new leases	B—Grant of shares under share-based payment plan	C—A + B
Operating activities, include	**1,650**		**(100)**	**1,550**
Operating profit (after adjustments for non-cash)	3,840		(100)	3,740
Investing activities, include	**(480)**	**(900)**		**(1,380)**
Purchase of property, plant and equipment	(350)	(900)		(1,250)
Financing activities, include	**(1,060)**	**900**	**100**	**(60)**
Issue of share capital	250		100	350
Increase in long-term borrowings	250	900		1,150
Note L includes more information about the Group's leases and Note S about the nature and extent of the Group's share-based payment arrangements.				

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