Staff paper

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IASB® meeting

Date	**November 2026**
Project	**Statement of Cash Flows and Related Matters**
Topic	**Statement of cash flows for financial institutions—Background to investors survey**
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Objective of the paper

1. The International Accounting Standards Board (IASB) launched a survey in September 2026 to understand how investors use cash flow information when analysing the financial statements of financial institutions. This paper provides background information about the survey and who responded to it.

2. The paper is provided to assist the IASB in considering Agenda Paper 20B *Statement of cash flows for financial institutions—Results of investors survey* and Agenda Paper 20C *Statement of cash flows for financial institutions—Overview of survey findings and planned work* of this meeting.

3. This paper is for information purposes only.

Structure of the paper

4. This paper contains a brief reminder of the IASB's previous discussion about planned work on this topic in July 2026 (paragraph 7).

5. The paper then explains the survey's:

   (a) objectives (paragraphs 8–10);

   (b) contents (paragraphs 11–24);

(c) design (paragraphs 25–43);

(d) distribution (paragraphs 44–46); and

(e) timing (paragraph 47).

6. The Appendix of this paper includes background information about the survey respondents.

Background

7. At its July 2026 meeting, the IASB discussed the plan for future work on the statement of cash flows for financial institutions. The plan included prioritising research and stakeholder engagement on:

(a) defining the scope of entities that would apply any potential changes to IAS 7 *Statement of Cash Flows* arising from this work; and

(b) considering possible exemptions for financial institutions from some or all of the requirements for presenting a statement of cash flows.

Objectives of the survey

8. The survey was undertaken to engage with investors about the areas prioritised by the staff and discussed by the IASB in July 2026 (see paragraph 7).

9. The objectives of the survey were:

(a) to identify what cash flow information investors use when analysing the financial statements of financial institutions and why; and

(b) to understand whether investors use different cash flow information when analysing different types of financial institutions.

10. Identifying what cash flow information investors use was necessary to understand if there was any useful information that would need to be preserved and considered as part of developing any possible exemption. Understanding how investors use the statement to analyse different types of financial institutions was also necessary to confirm previous feedback from investors that they do not find the statement of cash

flows of certain financial institutions useful. This would help inform the scope of any exemption.

Contents of the survey

11. A copy of the survey questions is included in Agenda Paper 20D *Investors survey questions* of this meeting.

12. The survey contains four parts:

    (a) Part 1—Investor background information

    (b) Part 2—Views on the usefulness of the statement of cash flows

    (c) Part 3—Views on the usefulness of cash flow information disclosed in the notes to the financial statements

    (d) Part 4—Other comments

Part 1—Investor background information

13. The survey includes questions about respondents' backgrounds through a series of mostly closed-ended multiple-choice questions.

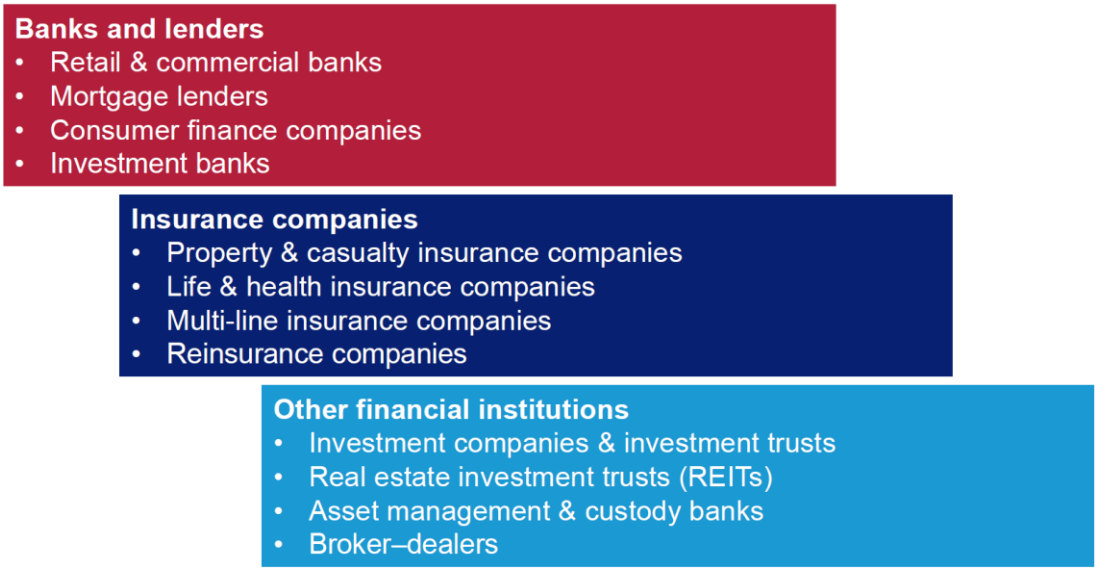
Part 2—Views on the usefulness of the statement of cash flows

14. The survey includes questions about the types of financial institutions respondents analyse and whether they use information in the statement of cash flows of these entities.

Overview of questions

15. Respondents were asked to select the financial institutions they analyse from 12 different types of financial institutions, which were split into three categories. Figure 1 shows the financial institutions in each category.

Figure 1—Categories of financial institutions used in the survey



16. For the first financial institution that a respondent selected in each category, the survey asked whether the respondent uses information in the cash flow statement when analysing that financial institution.

17. If the respondent said they use information in the statement of cash flows, the survey asked the respondent to select what information they use from an example statement of cash flows for that category of financial institution. For each line item a respondent selected from the statement, an open-ended question asked the respondent how they use that information. For those line items a respondent did not select, a multiple-choice question asked the respondent why they did not use this information.

18. Respondents were asked to identify line items that they usually use when analysing financial institutions that were not included in the example statements of cash flows.

19. If the respondent said they did not use any of the information in the statement of cash flows, a multiple-choice question asked the respondent why they did not use this information.

20. For each of the other financial institutions a respondent selected in a category, the respondent was asked if their response for the financial institution would differ from the first financial institution selected in that category. If a respondent said their

response would differ, the survey asked the respondent what different cash flow information they would use. For example, if a respondent analysed retail and commercial banks, mortgage lenders and investment banks—all categorised as 'banks and lenders'—then the first financial institution that the respondent would select in that category would be retail and commercial banks. After answering questions about whether they use the statement of cash flows of retail and commercial banks, they would be asked:

(a) if their response for mortgage lenders would differ from their response to retail and commercial banks; and

(b) if their response for investment banks would differ from their response to retail and commercial banks.

Part 3—Views on the usefulness of cash flow information disclosed in the notes to the financial statements

21. For each type of financial institution a respondent said they analysed, the survey asked the respondent whether they use the information disclosed in the notes to the financial statements about:

(a) total cash outflow for leases, required by paragraph 53(g) of IFRS 16 *Leases*.

(b) changes in liabilities arising from financing activities, required by paragraphs 44A–44E of IAS 7.

22. If a respondent said they use the information, the survey asked the respondent how they use that information.

Part 4—Other comments

23. The survey asked respondents for additional comments on the usefulness of financial institutions' cash flow information through an open-ended question.

24. This section was followed by a question asking respondents if they agreed to discuss their response in a follow-up interview with staff.

Survey design

25. The survey's design was informed by previous research and discussions on the usefulness of the statement of cash flows of financial institutions and by the survey's objectives (see paragraphs 8–10 of this paper).

26. The survey design was also informed by our aim to solicit a meaningful number of responses from investors. To do so, the survey was designed to be simple to complete but also provide informative results. To reduce the risk of respondents dropping out, the survey was designed to be completed in 15 minutes.

27. Paragraphs 28–43 explain key decisions made when selecting and drafting the survey questions and our rationale for making these decisions.

Comparison between financial institutions in the same category

28. We designed the survey so a respondent that analysed more than one financial institution in a category was asked if their response to the first financial institution they selected would be different to their response for the other financial institutions they analysed in that category. If the respondent said their response would be different, they were asked details about what different cash flow information they would use (see paragraph 20 of this paper). The design was based on feedback that users often use similar information in similar ways when analysing financial institutions that engage in similar business activities.

29. The design avoided unnecessary duplication for respondents that analysed similar financial institutions in similar ways, reducing the risk that these respondents drop out. However, it also meant there was less certainty over subsequent responses, compared with if respondents had been asked for separate responses for each financial institution they analysed. For example, some respondents indicated said their responses for financial institutions would be different but did not provide specific detail about what different cash flow information they would use. This meant the staff had to apply judgement to determine which line items they would use based on their response to the first financial institution they selected. Where the staff were unable to

identify the line items the respondent uses, the response was separately categorised in the survey results (see paragraph 16 of Agenda Paper 20B).

30. The design also created a risk that respondents repeated responses for financial institutions in the same category, rather than considering how they use cash flow information for each financial institution independently.

Categories used in the survey

31. The categories we used in the survey determined which financial institutions respondents were asked to compare. The decision for respondents to compare financial institutions in the same categorises was based on feedback that investors analyse financial institutions that engage in similar business activities using similar information (see paragraph 28 of this paper). Based on this feedback, we split the 12 types of financial institutions into three categories based on their business activities (see Figure1). Our choice of categorises was informed by categories in market-based industry classification systems commonly used by investors.

Financial institution included in the survey

32. The financial institutions we chose to include in the survey was informed by previous research and discussions about the statement of cash flows. The survey includes both financial institutions that investors had previously identified as preparing cash flow information that was useful and financial institutions identified as preparing cash flow information that was not useful. We included both types of financial institutions to understand whether the cash flow information used by investors differs when they analyse different types of financial institutions, consistent with the objectives of the survey (see paragraph 9(b) of this paper).

33. The survey includes real estate investment trusts (REITs) despite industry classification systems not consistently classifying these entities as financial institutions. Consistent with the objectives of the survey, we included these entities to understand whether the cash flow information used by investors differs when analysing REITs and investment trusts.

Line items in the example statement of cash flows

34. The survey includes three example statements of cash flows for each category of financial institutions. Each statement includes line items based on those most commonly presented by financial institutions in that category. To ensure the line items were applicable across the financial institutions in each category, we used general descriptions where possible.

35. Previous financial statement analysis found that most financial institutions use the indirect method to report cash flows from operation activities.[1] Therefore, each example statement of cash flows uses this method.

36. Because individual entities will have entity-specific line items, or may use the direct method, the survey asks respondents to list any other line items they usually use that are not included in the example statement of cash flows (see paragraph 18 of this paper).

Selection of cash flow information used

37. When selecting what cash flow information they use from the example statement of cash flows, the survey allowed respondents:

    (a) to select individual line items;

    (b) to select an entire section of the statement of cash flows by selecting the section title; or

    (c) to select the entire statement of cash flows by selecting 'I routinely use all line items'.

38. If a respondent selected individual line items, they were asked separate question about how they use each item. If a respondent selected an entire section of the statement of cash flows, they were asked one question about how they use the information in that

[1] Based on a sample of 15 financial institutions analysed as part of the initial financial statement analysis described in Agenda Paper 20C *Analysis of financial statements* of the March 2025 IASB meeting.

section. We did not include a question asking respondents that selected the entire statement how they use this information.

39. We decided to include the options in paragraph 37(b)–(c) to avoid respondents that use all the information in the statement of cash flows, or a section, having to select each line item individually. Similarly, we decided not to ask these respondents separate questions about each line item they use to avoid respondents being asked a large number of questions to which they may have provided similar responses. Both decisions were made to reduce the risk that respondents drop out. However, the decisions meant we were provided with less detailed information about how respondents use cash flow information than if we had asked respondents separate questions about each line item they use.

40. In our analysis of the responses, those respondents that selected the options in paragraph 37(b)–(c) were considered to use all the information in the statement of cash flows, or a section, equally. This created a risk of overstating respondents' use of individual line items because these respondents may use some line items within the statement, or a section, more than others.

Reasons why respondents do not use the statement of cash flows

41. The options respondents could select for why they did not use information in the statement of cash flows were based on previous research and discussions.

42. Previous research and discussions found the statement of cash flows does not communicate information about the performance of certain financial institutions. Because of this, cash flow information is not used for the purpose of valuing or analysing these entities. Similarly, previous research and discussions found the statement's limited use is linked to the availability of other information disclosed by financial institutions.

Questions about cash flow information disclosed in the notes to the financial statements

43. Various IFRS Accounting Standards require entities to disclose cash flow information in the notes to the financial statements. Future discussions about a possible exemption from some or all of the requirements for presenting a statement of cash flows will need to consider whether such an exemption should extend to these disclosures. Although these disclosures will be discussed at a later stage of our work on this topic, to inform those discussions, the survey asks respondents whether they use these disclosures when analysing financial institutions (see paragraph 21–22 of this paper).

Distribution of the survey

44. Respondents submitted their responses through an online survey form, accessible through the IFRS Foundation's website.

45. Respondents were informed of the survey through the following sources:

    (a) a news article launching the survey;

    (b) social media posts inviting investors complete the survey;

    (c) members of the IASB's advisory group bodies and consultative groups (including the Accounting Standards Advisory Forum, Capital Markets Advisory Committee and Financial Instruments Consultative Group); and

    (d) IASB members and staff.

46. An overview of the respondents is provided in the Appendix of this paper.

Timing of the survey

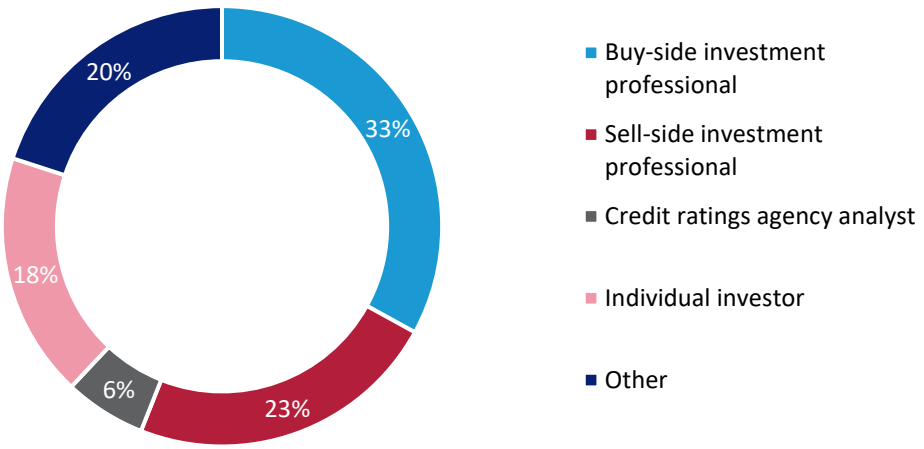
47. The survey was open from 4 to 25 September 2026, giving stakeholders three weeks to respond.

Appendix—Respondents' background

A1. This appendix provides an overview of the background of the 104 respondents that completed the survey.

A2. Figure A1 summarises respondents' role in the investment industry. Most respondents were institutional investors.

Figure A1—Respondent type



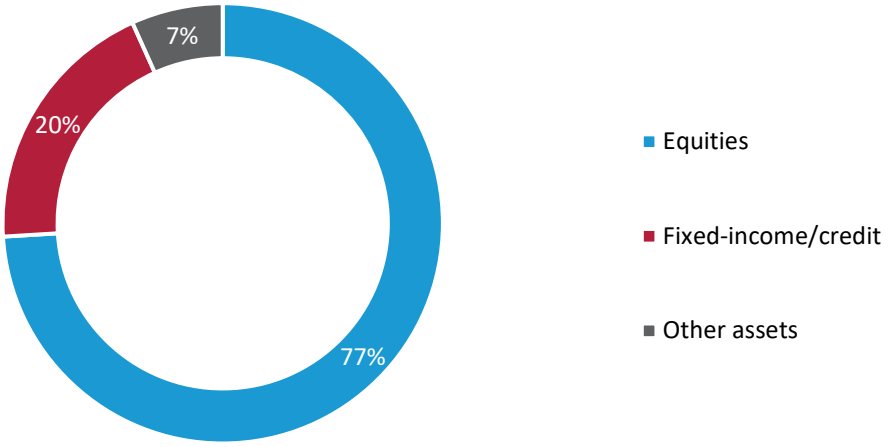
A3. Table A1 summarises those respondents that categorised themselves as 'other'.

Table A1—Respondent type, if other

Respondent type	Frequency
Preparer	7
Employee of financial institution	4
Academic	3
Investment relations professional	2
Regulator	2
Auditor	1
Representative of investment association	1
Former credit ratings agency analyst	1

A4. Figure A2 summarises the primary asset class covered by respondents. Most respondents indicated they cover equities as their primary asset class, whilst some users said they covered fixed income/credit securities or other assets.

Figure A2—Asset class coverage



A5. Most respondents covered only financial services. Of the respondents that covered other industry sectors, many said they covered all sectors.

A6. Table A2 summarises the industry sectors covered by respondents other than financial services.

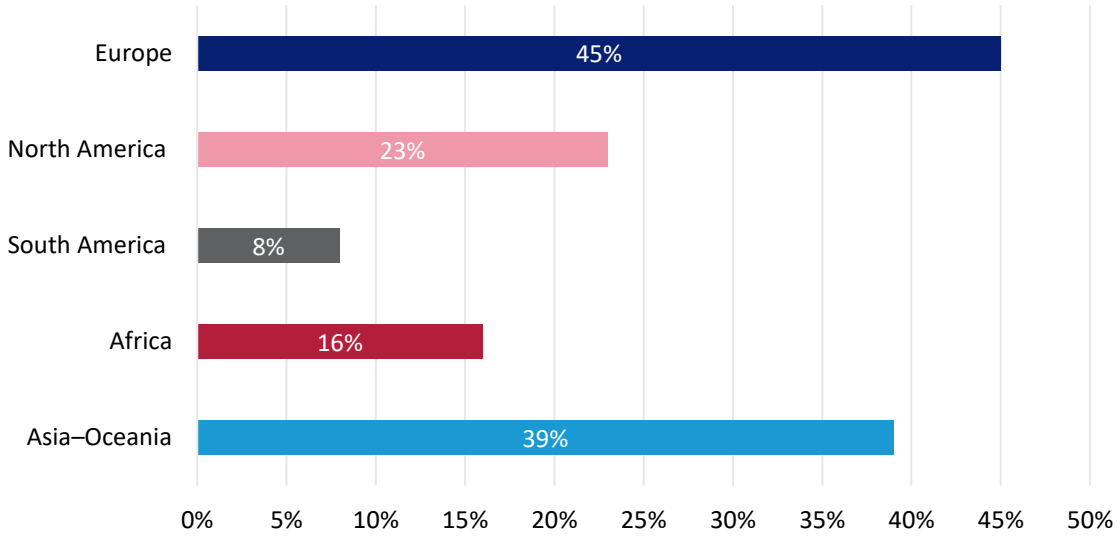
Table A2—Sectors followed by respondents, other than financial services

Sector	Frequency
Generalist	8
Consumer Discretionary	7
Industrials	5
Real Estate	5
Energy	4
Consumer Staples	4
Health Care	3
Materials	1
Information Technology	1

A7. Figure A3 summarises the regions where the financial institutions that the respondents followed were mainly listed. Most respondents followed financial institutions in one region, with many of these respondents following financial institutions in either Europe or Asia–Oceania.

Figure A3—Geographical coverage

Percentage of total respondents following financial institutions listed in each region



A8. Figure A4 summarises the financial institutions that respondents analyse. Most respondents analysed three or more financial institutions. The financial institutions most analysed by respondents were those categorised as banks and lenders. The least analysed financial institutions were those categorised as 'other financial institutions'.

Figure A4—Financial institutions analysed by respondents, in order of most analysed

Percentage of total respondents analysing each type of financial institution

