
IFRS Taxonomy Consultative Group (ITCG) meeting

Date **20 October 2026**

Project **Digital Financial Reporting**

Topic **Updates to IFRS Accounting Taxonomy 2027**

Contacts **Methma Rupasinghe** (methma.rupasinghe@ifrs.org)

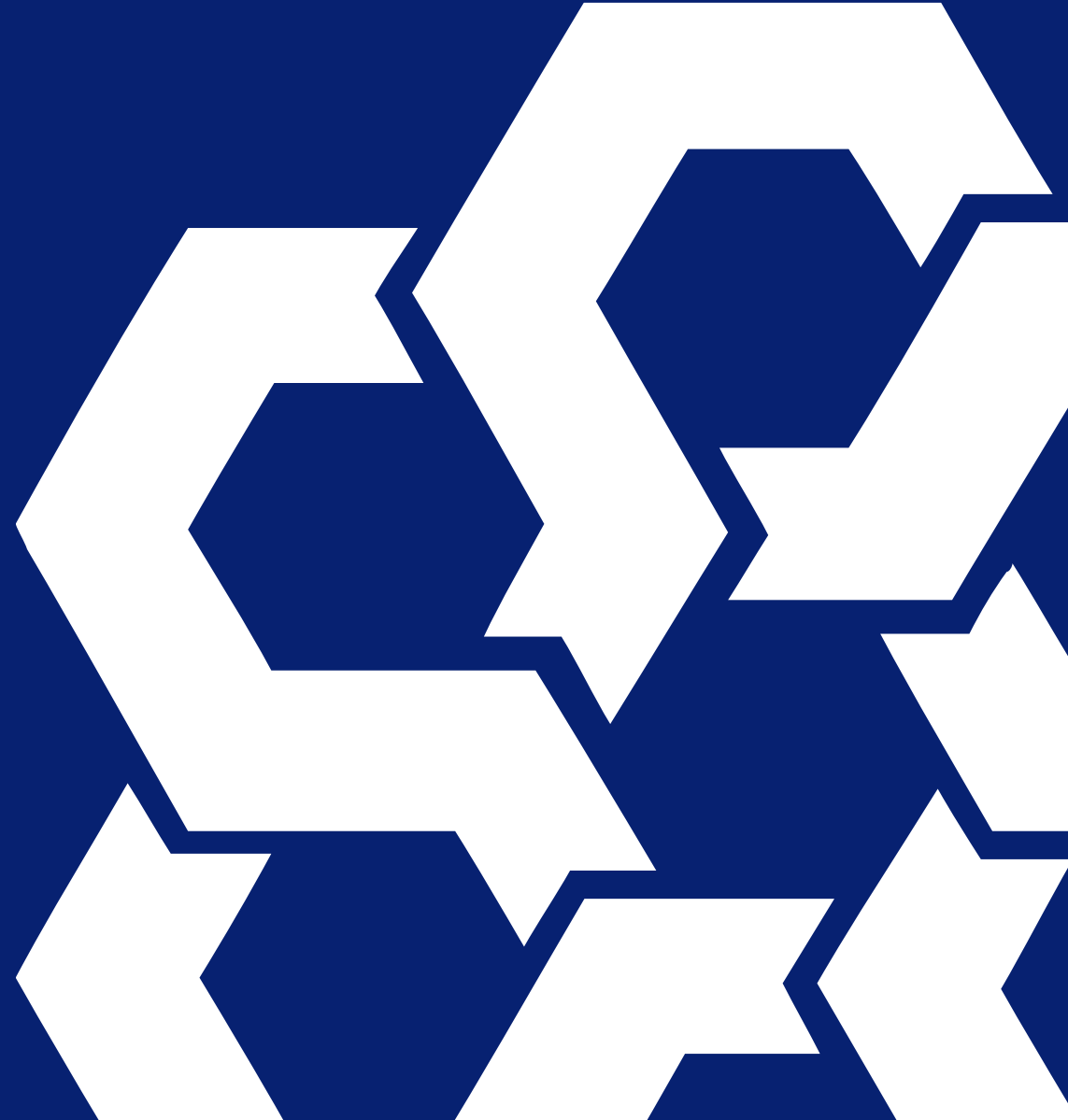
This paper has been prepared for discussion at a public meeting of the International Accounting Standards Board (IASB). This paper does not represent the views of the IASB or any individual IASB member. Any comments in the paper do not purport to set out what would be an acceptable or unacceptable application of IFRS® Accounting Standards. The IASB's technical decisions are made in public and are reported in the IASB *Update*®.

Introduction and purpose

- Update to IFRS[®] Accounting Taxonomy 2027 (planned to be issued in March 2028) will include changes to the IFRS Accounting Taxonomy resulting from the amendments to the IFRS Accounting Standards issued in the period of July 2026–June 2027.¹ The projects *Equity Method* and *Provisions—Targeted Improvements* aims to issue the final amendments in H1 2027.
- Therefore, the taxonomy update is expected to include the changes to the IFRS Accounting Taxonomy resulting from:
 - *Equity Method*; and
 - *Provisions—Targeted Improvements*.
- In accordance with our updated taxonomy development processes, we are engaging with standard-setting teams for these projects, earlier in the development of the presentation and disclosure requirements.
- The purpose of this session is:
 - to update the ITCG members about the main types of tentative disclosure requirements that will result from these projects;
 - to seek input on the expected impact of these disclosure requirements on IFRS Accounting Taxonomy; and
 - to discuss if there are any existing challenges in practice, for tagging the information disclosed applying the existing requirements related to investments accounted for using the equity method and provisions.

¹ *Amendments to the Fair Value Option for Investments in Associates and Joint Ventures*, issued in June 2026 was considered for the IFRS Accounting Taxonomy Update 2027, because when it was issued, proposed changes to IFRS Accounting Taxonomy 2025 were near finalisation. This amendment did not result in changes to presentation and disclosure requirements in IFRS Accounting Standards. Therefore, there will be no changes to the IFRS Accounting Taxonomy resulting from this amendment.

Equity method



Equity Method

- The IASB proposed revising IAS 28 *Investments in Associates and Joint Ventures* in the Exposure Draft [Equity Method of Accounting—IAS 28 Investments in Associates and Joint ventures \(revised 202x\)](#) which was published in September 2024.
- The IASB also proposed amendments to the disclosure requirements in:
 - IFRS 12 *Disclosure of Interests in Other Entities*;
 - IAS 27 *Separate Financial Statements*; and
 - IFRS 19 *Subsidiaries without Public Accountability: Disclosures*.
- The IASB has concluded the technical discussions on this project in September 2026 and expects to issue the final amendments in H1 2027.
- High-level impact on digital reporting from the disclosure requirements included the Exposure Draft and tentatively decided up until September 2026 in the IASB meetings are summarised in slides 5–6. For the proposed taxonomy modelling, we have considered aligning with the taxonomy modelling for the existing disclosure requirements in IFRS 12 and IFRS 3 *Business Combinations*.

Equity Method: Expected impact on digital reporting (1)

Changes in ownership interests	Transactions with associates and joint ventures	Contingent consideration arrangements
• Gains or losses from other changes² in its ownership interest in the associate's or joint venture's net assets • Use of the relief applied when measuring the additional share of the associate's or joint venture's assets or liabilities, when purchasing an additional ownership interest and retaining significant influence	• The nature of transactions with associates and joint ventures and whether they are included in the disclosure of gains or losses • The accounting policy for recognising gains or losses on these transactions • <i>If recognised in full:</i> gains or losses from 'downstream'³ transactions • <i>If restricted:</i> gains or losses from 'upstream'⁴ and 'downstream' transactions, and a reconciliation of restricted gains or losses: –opening and closing balances –amounts recognised in profit or loss, included in the opening balance –amounts restricted during the period, separately disclosing the amount recognised in profit or loss • The amount of gains or losses restricted at the end of the period and where it is included in the statement of financial position • Line items in the statement of comprehensive income where gains or losses are recognised (for connections in reporting, see Agenda Paper 4 of this meeting)	<i>In the period of obtaining significant influence or joint control, or purchasing an additional ownership interest:</i> • the amount recognised at the date additional ownership is purchased • a description of arrangement and basis for determining the payment • an estimate of the range of outcomes (or why it cannot be estimated) and whether the maximum payment is unlimited <i>For each subsequent period until settled, cancelled or expired:</i> • changes in the amounts recognised, including settlement differences • changes in the range of outcomes and the reasons • valuation techniques and key model inputs

Impact on IFRS Accounting Taxonomy

Create line-item elements in the existing tables for 'Disclosure of associates' and 'Disclosures of interest in joint arrangements', narrative and categorical elements in the presentation group '[825700] Notes - Interests in other entities'

² An investor's or joint venturer's ownership interest might increase or decrease if its associate or joint venture redeems or issues equity instruments; such changes are considered 'other changes'.

³ 'Downstream' transactions are, for example, sales or contributions of assets from the investor to its associate or from the joint venturer to its joint venture.

⁴ 'Upstream' transactions are, for example, sale of assets from an associate to the investor or from a joint venture to the joint venturer.

Equity Method: Expected impact on digital reporting (2)

Changes in carrying amounts of investments

Reconciliation of opening and closing carrying amounts of investments accounted for using the equity-method, separately disclosing the:

- share of profit or loss
- share of other comprehensive income
- distributions received
- impairment losses
- changes in ownership interest

The reconciliation could be prepared in such a way that the carrying amounts in this reconciliation can be reconciled with the carrying amount of investments accounted for using the equity method presented in the statement of financial position applying [paragraph 103 \(g\) of IFRS 18](#) Presentation and Disclosure in Financial Statements.

Applying [paragraph B4 of IFRS 12](#), an entity shall disclose information separately for associates and joint ventures. Therefore, the reconciliation could have aggregated information for all investments accounted for using the equity method and disaggregated information for associates and joint ventures.

Impact on IFRS Accounting Taxonomy

Create a table using the existing axes and members for associates and joint ventures in the presentation group '[825700] Notes - Interests in other entities'

Separate financial statements

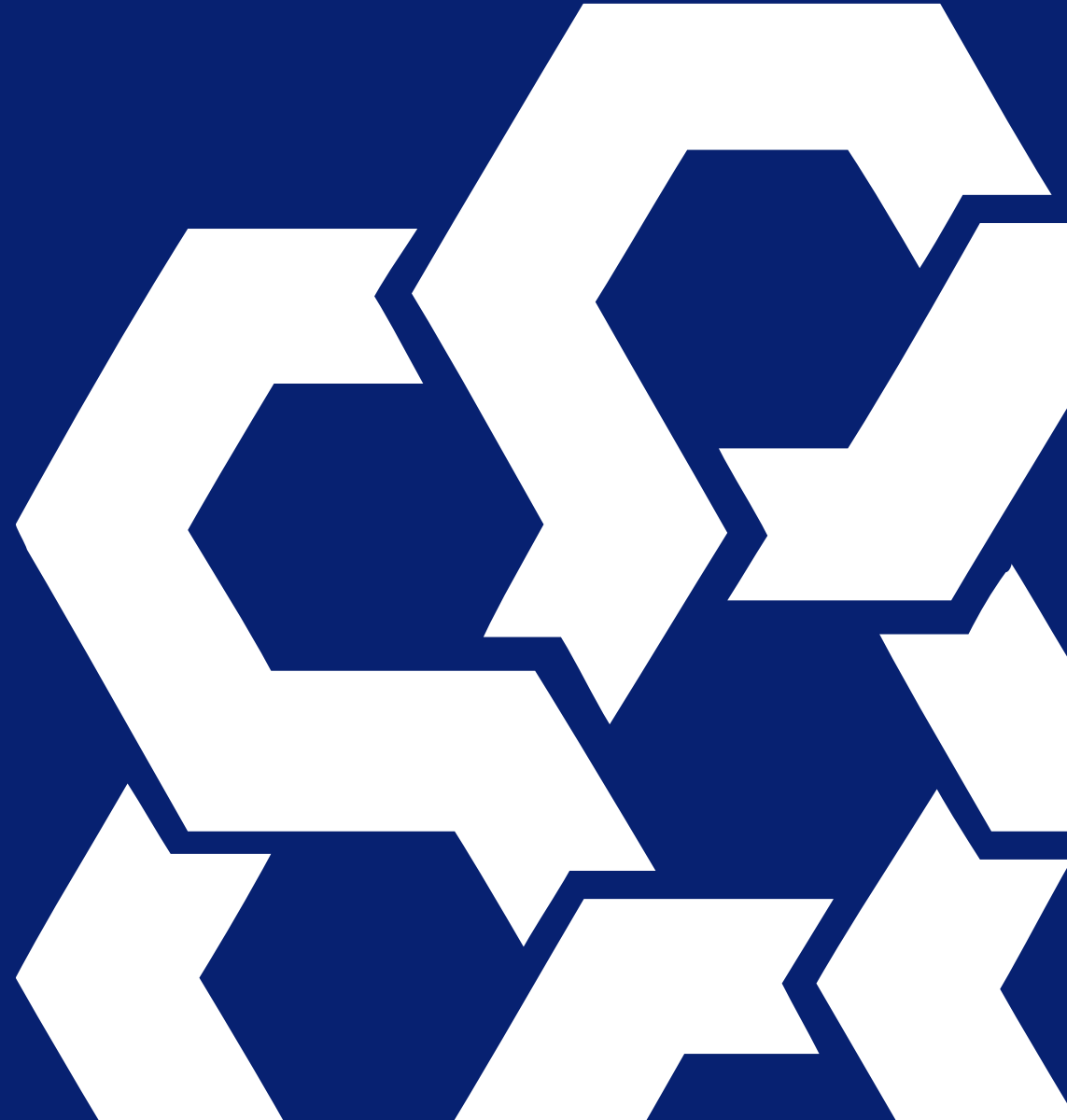
IAS 27 *Separate Financial Statements*

- **Accounting policy for recognising gains or losses** from transactions with investments (subsidiaries, associates or joint ventures) accounted for using the equity method.

Impact on IFRS Accounting Taxonomy

Create a categorical element in '[825480] Notes - Separate financial statements'

Provisions—Targeted Improvements



Provisions—Targeted Improvements

- The IASB has proposed targeted improvements to IAS 37 *Provisions, Contingent Liabilities and Contingent Assets* in the Exposure Draft *Provisions—Targeted Improvements* which was published in March 2025.
- The proposed amendments aim to improve:
 - one of the criteria for recognising a provision—the requirement for the entity to have a present obligation as a result of a past event by:
 - **aligning the wording** of the present obligation recognition criterion with the definition of a liability in the *Conceptual Framework*; and
 - **withdrawing IFRIC 21 Levies** because the existing requirements are not consistent with the proposed present obligation criterion.
 - two aspects of the requirements for measuring a provision including **the rate an entity uses to discount the future expenditures** to its present value.
- The IASB is currently redeliberating the proposals and expects to issue the final amendments in H1 2027.
- High-level impact on the digital reporting from the disclosure requirements included the Exposure Draft and tentatively decided up until July 2026 in the IASB meetings are summarised in slide 9.

Provisions—Targeted Improvements: Expected impact on digital reporting

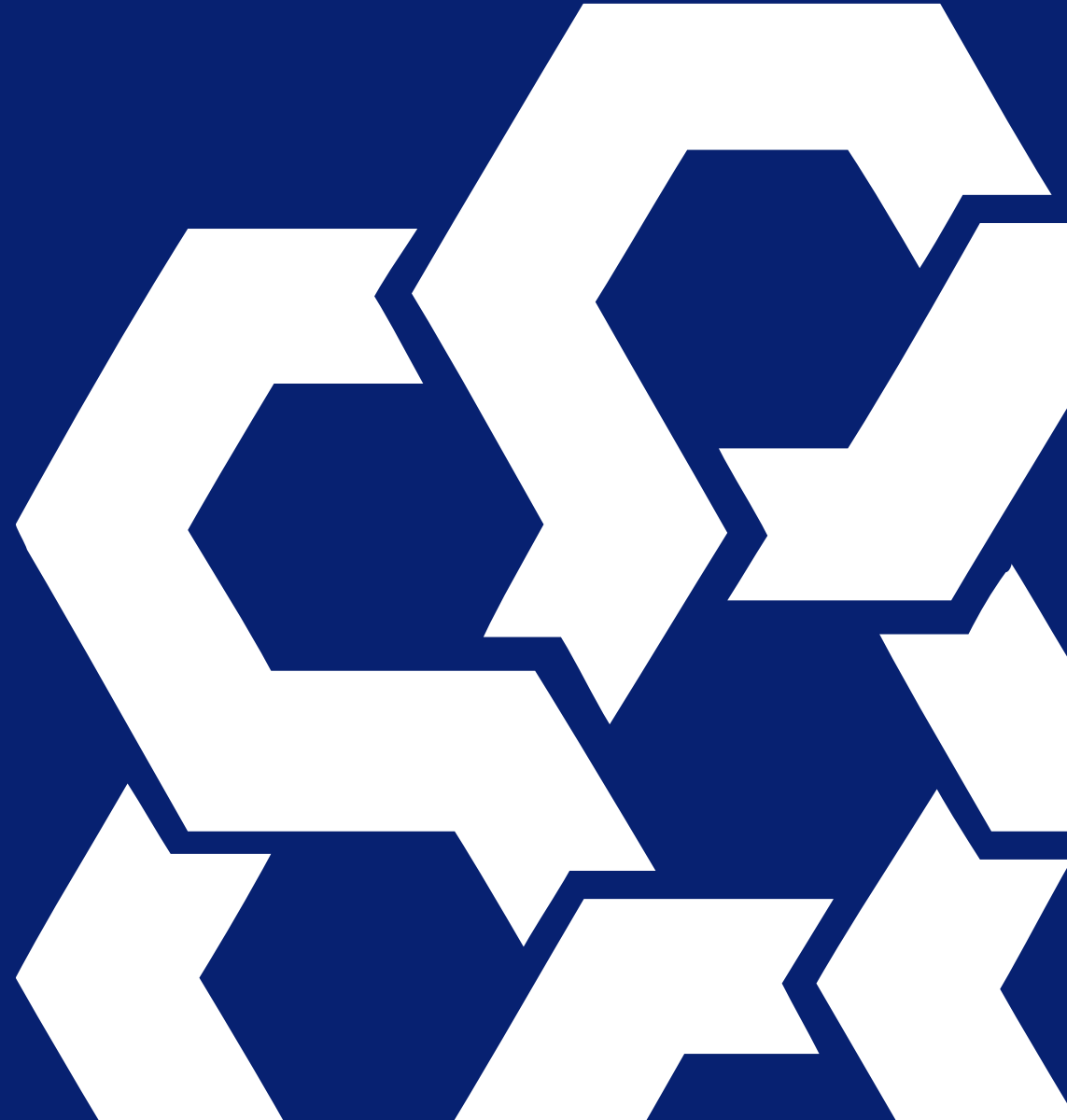
- The proposed amendments will change the disclosure requirements in IAS 37 and IFRS 19. We have summarised the main changes to the IFRS Accounting Taxonomy in the below table.

Main changes that impacts IFRS Accounting Taxonomy	Impact on IFRS Accounting Taxonomy
Aligning the wording of the present obligation recognition criterion with the definition of a liability in the <i>Conceptual Framework</i>	- To amend element labels and documentation labels of three related line-item elements; and - To amend the documentation label of the domain member for 'Classes of contingent liabilities'
Inclusion of application requirements related to levies ⁵	To create a member element for levies under the 'Classes of other provisions' axis, in the existing table for 'Disclosure of other provisions'
Disclosure of the discount rate used in measuring the provision and the approach used to determine that rate(s).	To create a Percent element and a text element in the existing table for 'Disclosure of other provisions'

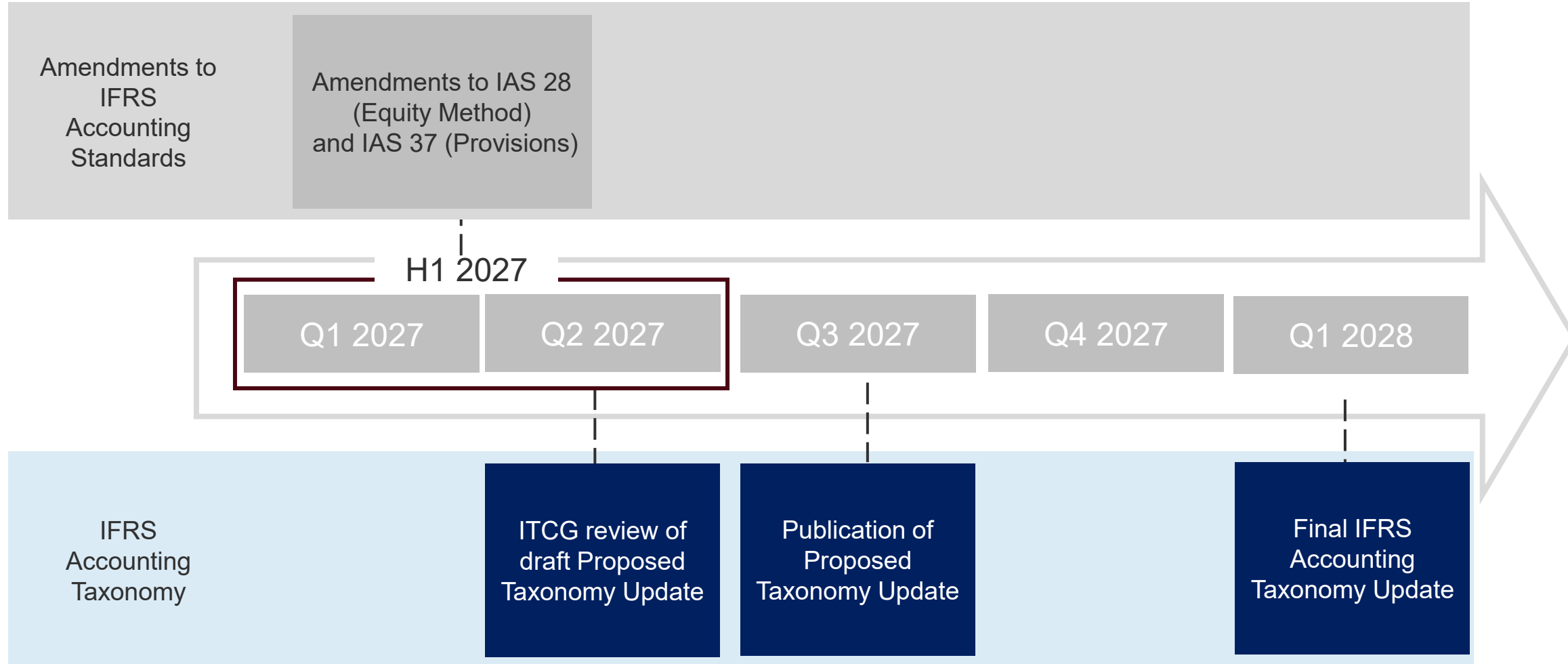
- The changed elements and the new elements will be included in the presentation group '[827570] Notes - Other provisions, contingent liabilities and contingent assets'.

⁵ Once issued, *Provisions-Targeted Improvements* will supersede IFRIC 21, and application requirements related to levies will be included in IAS 37 (see [Agenda paper 22C of May 2026](#) IASB meeting).

Next Steps and questions



Project timeline



Questions for ITCG members

?

Question 1—Do you have any questions or comments on the assessment of the expected impact on digital reporting for the tentative disclosure requirements in:

- *Equity Method*; and
- *Provisions—Targeted Improvements*?

Question 2—Are there any existing challenges in practice for tagging the information disclosed applying the existing requirements related to investments accounted for using the equity method and provisions, to inform our understanding in developing the proposed changes to the IFRS Accounting Taxonomy?



Follow us online



ifrs.org



@IFRSFoundation



IFRS Foundation



International Accounting
Standards Board