

Snapshot: *General Presentation and Disclosures*

This Snapshot provides an overview of the Exposure Draft *General Presentation and Disclosures* published by the International Accounting Standards Board (Board).

The Board's objective:	To improve how information is communicated in the financial statements, with a focus on information about performance in the statement of profit or loss.
Proposals:	<p>The Board proposes to require companies to:</p> <ol style="list-style-type: none">1 present new defined subtotals in the statement of profit or loss;2 disaggregate information in a better way; and3 disclose information about some performance measures defined by management ('non-GAAP' measures). <p>The Board proposes to issue a new IFRS Standard, replacing IAS 1 <i>Presentation of Financial Statements</i>, and amend some IFRS Standards to reflect these proposals.</p>
Next steps:	The Board will consider feedback received on the Exposure Draft in developing its final requirements.
Comment deadline:	30 June 2020

Why is the Board undertaking this project?

The Exposure Draft responds to the strong demand from investors for the Board to improve performance reporting.

The Board developed the Exposure Draft in its Primary Financial Statements project. The Board undertook this project in response to concerns from investors about the comparability and transparency of companies' performance reporting.

The Board decided to prioritise the project in response to feedback from its 2015 Agenda Consultation, as part of its plan to promote better communication in financial reporting.

The Board's three main proposals and the investor concerns they respond to are set out in the table on this page. The Board is also proposing targeted improvements to the statement of cash flows, which are discussed on page 15.

What investors say



Subtotals in the statement of profit or loss need to be comparable between different companies.



Companies should provide more granular information and information grouped in a way that provides better inputs for our analysis.



Performance measures defined by management can provide useful information, but should be used in a more transparent and disciplined way.

Board's main proposals

- 1 Require companies to present additional **defined subtotals** in the statement of profit or loss (pages 3–8).
- 2 Strengthen requirements for **disaggregating information** in a useful way in the financial statements (pages 9–11), including requirements to:
 - analyse operating expenses; and
 - identify unusual income and expenses.
- 3 Require companies to disclose information about **management performance measures** in the notes to the financial statements, including a reconciliation to measures specified by IFRS Standards (pages 12–14).

1 Subtotals in the statement of profit or loss

What is the issue?

IAS 1 *Presentation of Financial Statements* requires companies to present 'revenue' and 'profit or loss' in the statement of profit or loss but it does not require any specific subtotals in between.

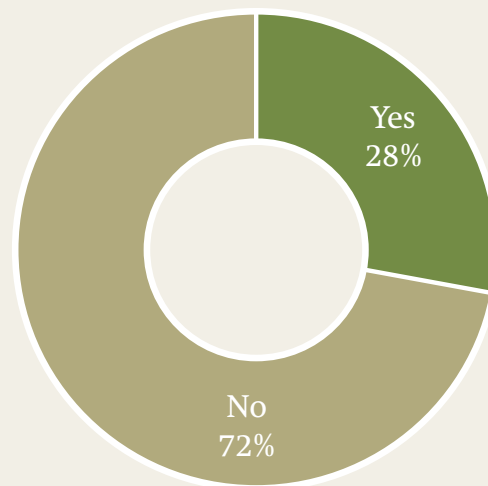
Consequently, the structure and content of the statement of profit or loss varies between companies, even among companies in the same industry. This diversity makes it difficult for investors to compare companies' financial performance.

For example, many companies present an 'operating profit' subtotal, which is currently not defined by IFRS Standards. Many investors use operating profit to assess margins and as a starting point for forecasting future cash flows. However, companies calculate operating profit in different ways.

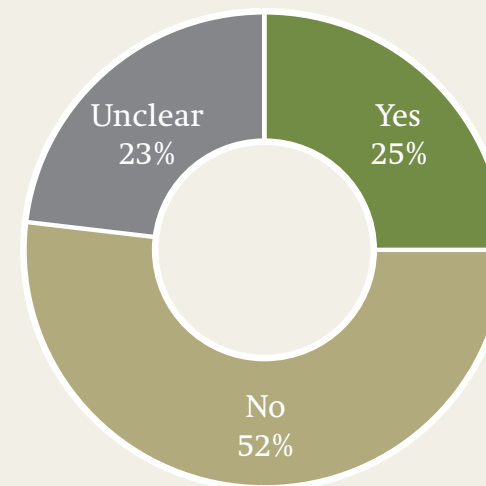
Operating profit is calculated inconsistently

In a sample of 100 companies, we found that 63 companies reported operating profit in the financial statements, **using at least nine different definitions**.¹

Is the share of profit or loss of associates and joint ventures included in operating profit?



Is the interest cost on defined benefit pension liabilities included in operating profit?



¹ We analysed the 2017-18 annual reports of 100 listed companies applying IFRS Standards from 26 jurisdictions and 12 industries.

What is the Board proposing?

The Board proposes to require companies to:

- classify their income and expenses into **four defined categories**—shown on the right in the illustration (companies would not be required to present category labels); and
- present **three subtotals** between these categories—labelled 1 to 3 in the illustration.

These subtotals and categories would:

- each reflect a different aspect of a company’s financial performance, providing relevant information for investors; and
- create a consistent structure for the statement of profit or loss, making it easier for investors to compare companies.

The example on this page illustrates how the proposals could apply to most companies, analysing operating expenses by nature (see page 9). Companies such as banks, insurers and investment companies would apply the proposals differently (see page 7). In the example, some of the line items shown within the categories would be required and others are included for illustrative purposes.

	Revenue	347,000	Operating
	Other income	3,800	
	Changes in inventories of finished goods and work in progress	3,000	
	Raw materials used	(146,000)	
	Employee benefits	(107,000)	
	Depreciation	(27,000)	
	Amortisation	(12,500)	
	Impairment of property, plant and equipment	(8,000)	
	Impairment of trade receivables	(6,500)	
	Professional fees and other expenses	(5,530)	
1	Operating profit	41,270	
	Share of profit or loss of integral associates and joint ventures	(600)	Integral associates and joint ventures
2	Operating profit and income and expenses from integral associates and joint ventures	40,670	
	Share of profit or loss of non-integral associates and joint ventures	3,380	Investing
	Dividend income	3,550	
3	Profit before financing and income tax	47,600	Financing
	Expenses from financing activities	(3,800)	
	Unwinding of discount on pension liabilities and provisions	(3,000)	
	Profit before tax	40,800	
	Income tax	(7,200)	
	Profit for the year	33,600	

What would be included in each of the categories?

Operating category

The operating category and the 'operating profit' subtotal would include information about income and expenses from a company's main business activities. This category is the default category—income and expenses would be classified in the operating category unless they are classified in the other categories.

Investing category

A company may have investments that generate returns independently of other company assets. For example, a company may have investment properties or hold some shares of other companies.

Investors often analyse returns from such 'stand-alone' investments separately from a company's operations. The investing category aims to capture income and expenses from such investments to facilitate investors' analysis.

Integral associates and joint ventures

This category would include the share of profit or loss and related income and expenses from those associates and joint ventures whose activities are closely related to the company's main business activities (see next page).

Financing category

The financing category and the 'profit before financing and income tax' subtotal would help investors compare companies' performance before the effects of companies' financing decisions.

The financing category would include:

- income and expenses from cash and cash equivalents;
- income and expenses on liabilities arising from financing activities, such as bank loans, lease liabilities and trade payables negotiated on extended credit terms; and
- interest income and expenses on other liabilities, such as the unwinding of a discount on pension liabilities and provisions.

How would income and expenses from equity-accounted associates and joint ventures be presented?

Different stakeholder views

Companies currently present the share of profit or loss of associates and joint ventures in different places in the statement of profit or loss (see chart on page 3).

Stakeholders have different views on what the best location would be.



Below operating profit—investors analyse results from associates and joint ventures **separately** because:

- the share of profit or loss is a net result, after financing and income tax;
- associates and joint ventures are not controlled by the company; and
- including the share of profit or loss in operating profit would distort operating profit margins.

Some associates' and joint ventures' activities are **closely related** to companies' main business activities. Some companies want to be able to communicate their performance **including** the results from such associates and joint ventures.



In response, the Board proposes a balanced approach—companies would be required to:

- exclude income and expenses from *all* equity-accounted associates and joint ventures from operating profit.
- identify which of their equity-accounted associates and joint ventures are closely related ('integral') to their main business activities. Income and expenses from integral associates and joint ventures would be presented closer to operating profit than those from non-integral associates and joint ventures.

Integral associates and joint ventures

- **Definition:** 'Do not generate a return individually and largely independently of other company assets.'
- Income and expenses from such associates and joint ventures would be classified in a separate category right below operating profit.
- Below that category, a subtotal of 'operating profit and income and expenses from integral associates and joint ventures' would be presented.

Non-integral associates and joint ventures

- **Definition:** 'Generate a return individually and largely independently of other company assets.'
- Income and expenses from such associates and joint ventures would be classified in the investing category.

How would the Board's proposals work for companies like banks and investment companies?

Some companies provide financing to customers or invest as a main business activity, for example banks and investment companies. Applying the definitions of the categories on page 5 to such companies would not provide relevant information because some income and expenses that relate to such companies' main business activities would not be classified in the operating category.

For example, applying the definitions to a bank, interest expense would be classified in the financing category instead of the operating category. As a result, banks would not be able to present a net interest income subtotal within the operating category.



To include income and expenses from companies' main business activities in operating profit, the Board proposes requirements for some companies to classify income and expenses in the operating category that would otherwise be classified in the investing or financing category.

If, applying these requirements, a company classifies all its income and expenses from financing activities in the operating category, it would not present the 'profit before financing and income tax' subtotal.

? What does this mean for companies applying IFRS 17 *Insurance Contracts*?

Applying the Board's proposals, insurers would include in the operating category:

- their insurance service result—including insurance revenue and insurance service expenses; and
- their insurance finance result—including investment revenue and insurance finance income or expenses.

The proposals would not affect how companies apply IFRS 17.

The Illustrative Examples accompanying the Exposure Draft include examples of what the statement of profit or loss might look like for a bank or an insurer applying the Board's proposals.

Q&A—Subtotals in the statement of profit or loss

? Why is the Board not defining EBITDA?²

While EBITDA is a commonly used measure in financial reporting, investors do not agree on what EBITDA represents, other than it being a useful starting point for analysis. Its calculation is diverse in practice. This lack of consensus made it difficult for the Board to define EBITDA.

However, the Board is proposing a measure similar to EBITDA, ‘operating profit before depreciation and amortisation’, as an IFRS-specified measure that companies can *choose* to present in a ‘by nature’ statement of profit or loss or disclose in the notes. The Board decided not to label this measure ‘EBITDA’ because its content does not match what the acronym ‘EBITDA’ stands for.

? Why is the Board proposing to define the operating category as a default category?

In the Board’s view, such a definition is more likely to be consistently applied than a direct definition. Even though not defined directly, the Board expects that operating profit would be a relevant subtotal that captures companies’ main business activities.

? When would companies be required to present the three subtotals?

- ‘Operating profit’ would always be required.
- ‘Operating profit and income and expenses from integral associates and joint ventures’ would be required when a company has income or expenses from integral associates and joint ventures.
- ‘Profit before financing and income tax’ would be required, except in the case described on page 7.

? How would foreign exchange differences be classified?

Foreign exchange differences recognised in profit or loss would be classified in the same category of the statement of profit or loss as the income and expenses from the items that gave rise to them.

For example, foreign exchange differences on trade payables on regular credit terms would normally be classified in the operating category, whereas foreign exchange differences on financing liabilities would normally be classified in the financing category.

? Would the categories have the same meaning as the categories in the statement of cash flows?

No. Although the categories have the same labels (operating, investing and financing), the Board is not seeking full alignment between the categories in the statement of profit or loss and those in the statement of cash flows.

The Board has intentionally defined the investing categories in the two statements with different objectives:

- in the statement of profit or loss the investing category aims to capture results of ‘stand-alone’ investments (see page 5).
- in the statement of cash flows the investing category aims to capture cash flows from investments in long-term assets that will generate future returns.

For example, cash flows from property, plant and equipment are included in the investing category in the statement of cash flows, but income and expenses from those assets would be included in the operating category in the statement of profit or loss.

² EBITDA stands for ‘earnings before interest, taxes, depreciation and amortisation’.

② Disaggregation—operating expenses

What is the issue?

Companies are currently required to analyse operating expenses in the statement of profit or loss either ‘by nature’ (showing line items such as employee benefits and depreciation) or ‘by function’ (showing line items such as cost of sales and general and administrative expenses). Both methods can provide useful information.

However, investors have raised concerns that useful information is lost because, in practice, companies may not choose the method that provides the most useful information in their circumstances and many companies use a mixture of both methods.

In addition, some investors have told the Board they need information about the nature of operating expenses for *all* companies because expenses by nature are easier to forecast than expenses by function.

What is the Board proposing?

Statement of profit or loss

The Board proposes to require companies to present an analysis of operating expenses using the method—by nature or by function—that provides the most useful information to investors.

With this approach, the Board aims to strengthen its requirements, emphasising that:

- the selection of the method is not a free choice. The Board is proposing to provide a set of indicators to help companies assess which method provides the most useful information.
- companies should not mix the two methods.

The Board’s proposed approach would also remove the option for companies to disclose an analysis of expenses in the notes only.

Notes

The Board proposes to strengthen the requirements for companies that present operating expenses by function in the statement of profit or loss. Such companies would be required to disclose in a single note an analysis of their *total* operating expenses by nature.

The Board considered a more comprehensive approach to facilitate investors’ analysis—requiring companies to analyse each functional line item by nature. However, the Board did not pursue this approach because companies said such an approach would be significantly more complex and costly than the Board’s proposed approach.

② Disaggregation—unusual income and expenses

What is the issue?

Information about income and expenses that are not expected to recur in the near future is useful to investors in predicting a company's future cash flows. IFRS Standards currently do not explicitly require such information.

Many companies disclose unusual or similarly described expenses and a few disclose unusual income. However, the way companies provide this information varies significantly and it is often unclear how or why items have been identified as unusual.

In their responses to the 2017 Discussion Paper *Disclosure Initiative—Principles of Disclosure*, many investors expressed support for the Board to develop disclosure requirements for unusual items.

What is the Board proposing?

The Board proposes to define unusual income and expenses as:

‘income and expenses with limited predictive value. Income and expenses have limited predictive value when it is reasonable to expect that income or expenses that are similar in type and amount will not arise for several future annual reporting periods.’

In other words, the definition is forward-looking. Income or expenses that have arisen in the past can meet the definition of an unusual item.

The Board proposes to require companies to disclose, in a single note, for each unusual item:

- the amount recognised in the period;
- a narrative description of how it arose and why it meets the definition of an unusual item;
- in which line item(s) in the statement of profit or loss it is included; and
- an analysis by nature, if the company presents operating expenses by function in the statement of profit or loss.

? IAS 1 prohibits extraordinary items. How are unusual items different?

IFRS Standards previously required presentation of extraordinary items after tax in a separate category of the statement of profit or loss, separately from profit or loss from ordinary activities. In 2002, the Board concluded extraordinary items do not warrant such separate presentation and prohibited presentation of extraordinary items.

Applying the Board's proposals, unusual items would not be presented in a separate category in the statement of profit or loss. Instead, unusual items would be presented together with 'usual' income and expenses in their respective categories in the statement(s) of financial performance, according to their nature, function or other characteristics. Unusual items would be separately identified and explained in the notes.

② Disaggregation—other proposals

What is the issue?

Investors have told the Board that the way some companies disaggregate information in financial statements does not provide the information they need for their analysis.

Investors are concerned about some companies insufficiently disaggregating information.

For example, a company might disclose large ‘other’ expenses with no information provided to help investors understand what these line items comprise.

Some investors are also concerned that some companies disclose too much detail, obscuring material information.

What is the Board proposing?

The Board’s proposals on subtotals in the statement of profit or loss, the analysis of operating expenses and unusual income and expenses aim to improve how companies disaggregate information related to their performance. The Board’s other proposals related to disaggregation are set out in the table.

<p>Roles of the primary financial statements and the notes</p>	<p>The Board proposes to describe the roles of the primary financial statements and the notes to help companies decide where to present or disclose information. In their responses to the 2017 Discussion Paper <i>Disclosure Initiative—Principles of Disclosure</i>, many stakeholders expressed support for the Board to develop such descriptions.</p>
<p>Principles for aggregation and disaggregation</p>	<p>The Board proposes principles for aggregation and disaggregation in the financial statements, which a company should apply as follows:</p> <ol style="list-style-type: none"> 1. identify assets, liabilities, equity, income and expenses that arise from individual transactions or other events; 2. classify those items into groups based on shared characteristics, so that line items in the primary financial statements comprise items that share at least one characteristic; and 3. separate those line items based on further characteristics, resulting in the separate disclosure of material items in the notes.
<p>Grouping dissimilar immaterial items</p>	<p>A company may need to group immaterial items that are not similar to avoid obscuring relevant information. For example, a company may need to group various immaterial expenses in a single line item in the statement of profit or loss. The Board proposes that companies should use meaningful labels for such groups of items, avoiding labels such as ‘other expenses’. If that is not possible, companies would be required to provide information in the notes about the content of such groups of items.</p>
<p>Required line items</p>	<p>The Board proposes to require companies to present specific additional line items in the primary financial statements, including goodwill in the balance sheet.</p>

3 Management performance measures

What is the issue?

Many companies provide performance measures defined by management in communications with investors.

Investors have said such measures can be useful because they provide insight into how management views the company's financial performance, how a company is managed and the persistence of its financial performance.

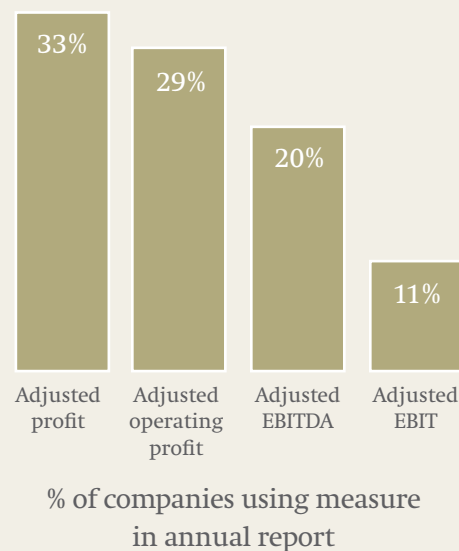
However, investors have expressed concerns about the quality of disclosures provided about such management-defined measures—for example, the disclosures do not always clearly explain:

- how the measures are calculated;
- why the measures provide management's view of the company's performance;
- how the measures can be reconciled to subtotals specified by IFRS Standards; or
- the effect on tax and non-controlling interests of the adjustments made in calculating the measures—investors use such information to calculate adjusted earnings per share measures.

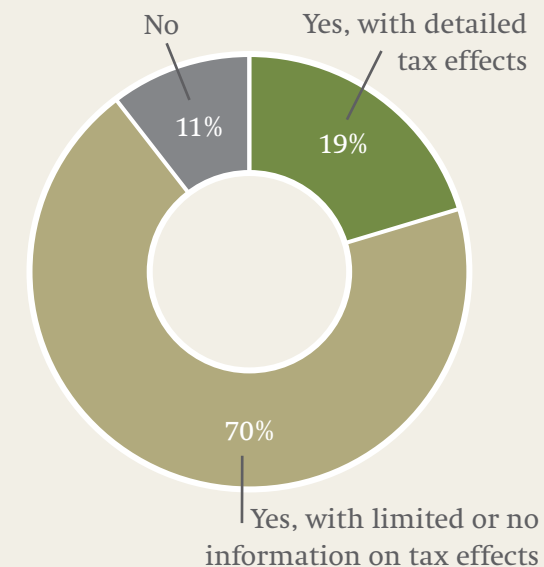
Use of measures defined by management

In a sample of 100 companies, we found that many companies used performance measures defined by management in their annual report.³

Common management-defined performance measures⁴



Is a reconciliation provided to a measure specified by IFRS Standards?



³ We analysed the 2017–18 annual reports of 100 listed companies applying IFRS Standards from 26 jurisdictions and 12 industries.

⁴ This is not a complete list of measures. Also, some companies used more than one of these measures.

What is the Board proposing?

The Board proposes to define ‘management performance measures’—see definition on the right—and require companies to include such measures in a single note to the financial statements, accompanied by disclosures aimed at enhancing their transparency.

Some stakeholders have raised the concern that including such measures in financial statements could give them undue prominence or result in misleading information.

The Board acknowledges those concerns but concluded that management performance measures can complement measures specified by IFRS Standards, providing investors with useful insight into management’s view of the company’s performance and its management of the company.

Including these management performance measures in the financial statements would ensure they are subject to the same requirements regardless of the company’s jurisdiction, thereby increasing their transparency and the discipline with which they are prepared.

Management performance measures are **subtotals of income and expenses** that:

are used in public communications outside financial statements

complement totals or subtotals specified by IFRS Standards

communicate management’s view of an aspect of a company’s financial performance

Disclosures

Management performance measures would be accompanied by explanatory disclosures in a single note, including:

- a reconciliation between each measure and the most directly comparable subtotal or total specified by IFRS Standards.
- the effect on tax and non-controlling interests for each reconciling item. The Board is proposing a simplified approach for calculating the tax effect.
- a description of why each measure communicates management’s view of performance and how it is calculated.
- an explanation of any changes in how a company calculates its management performance measures or which measures it provides.

Example of a reconciliation including the effect on tax and non-controlling interests (NCI)

Adjusted operating profit (management performance measure)	52,870	Tax	NCI
Restructuring in Country X	(5,400)	900	(1,020)
Revenue adjustment	(6,200)	1,550	–
Operating profit (subtotal specified by IFRS Standards)	41,270		

Q&A—Management performance measures

? Could management performance measures be presented in the statement of profit or loss?

The Board expects that few management performance measures would meet the requirements for presentation as a subtotal in the statement of profit or loss. To meet the requirements, subtotals must:

- fit into the categories;
- not disrupt the presentation of an analysis of operating expenses by nature or by function; and
- be comprised of amounts recognised and measured applying IFRS Standards.

The Board is proposing to prohibit companies from using columns to present management performance measures in the statement of profit or loss.

? Could a company have more than one management performance measure? Or none?

Yes—a company could have several management performance measures or none.

A company would have no management performance measures if any subtotals of income and expenses it uses to communicate its financial performance are specified by IFRS Standards.

? Would the Board prescribe how companies should calculate their management performance measures?

No—the Board considered, but rejected, requiring that management performance measures should be based on amounts recognised and measured in accordance with IFRS Standards.

Because management performance measures will be company-specific measures, the Board does not expect them to be comparable across companies. However, investors would be able to understand differences in how companies have calculated their measures using the proposed disclosures.

? How would unusual income and expenses (see page 10) relate to management performance measures?

Companies may choose to adjust for unusual items in the calculation of their management performance measures.

However, the Board proposes that all companies should disclose all unusual items, regardless of whether they identify any management performance measures or how their measures are calculated.

? Would all ‘non-GAAP’ measures be management performance measures?

No—management performance measures would only be subtotals of income and expenses. For example, the following types of measures would not meet the definition:

- cash flow measures, such as free cash flow;
- ratios, such as return on equity;
- adjusted revenue, such as same-store sales; and
- growth rates, such as constant currency revenue growth.

? Which totals or subtotals would be ‘specified by IFRS Standards’?

Subtotals specified by IFRS Standards would include:

- the three new subtotals (see page 4);
- ‘operating profit before depreciation and amortisation’ (see page 8);
- ‘gross profit’ and similar subtotals, such as ‘net interest income’;
- ‘profit before tax’; and
- ‘profit from continuing operations’.

Consequently, these subtotals would *not* be management performance measures.

Other proposals—statement of cash flows

What is the issue?

Stakeholders have expressed various concerns regarding the statement of cash flows. However, the Board concluded a complete overhaul of the statement of cash flows is not within the scope of this project. The Board is instead focusing on targeted improvements to eliminate diversity in classification and presentation.

The Board is proposing only targeted improvements to the statement of cash flows as part of this project.

There is diversity, even within an industry, in:

- how companies classify interest and dividend cash flows.
- which starting point companies use for the indirect method⁵ for reporting cash flows from operating activities. For example, some companies use ‘profit after tax’, others use ‘operating profit’ or ‘profit before tax’.

Investors have indicated that such diversity reduces comparability between companies, making their analysis difficult.

What is the Board proposing?

The Board proposes to:

- require operating profit as the single starting point for the indirect method for reporting cash flows from operating activities;
- require a split between cash flows from investments in integral and non-integral associates and joint ventures, consistent with its proposed approach for the statement of profit or loss; and
- remove the classification choice for interest and dividend cash flows for most companies, as explained in the table below.

Cash flow item	IAS 7	Proposed approach	
		Most companies	Companies with particular business activities incl. banks
Interest paid	Operating or financing	Financing	Depends on the classification of the related income and expenses in the statement of profit or loss
Interest received	Operating or investing	Investing	
Dividends received	Operating or investing	Investing	
Dividends paid	Operating or financing	Financing	

⁵ IAS 7 *Statement of Cash Flows* requires a company to report cash flows from operating activities using either the direct or the indirect method. Applying the indirect method, a company presents a reconciliation between profit or loss and cash flows from operating activities.

Summary—expected effects on financial statements

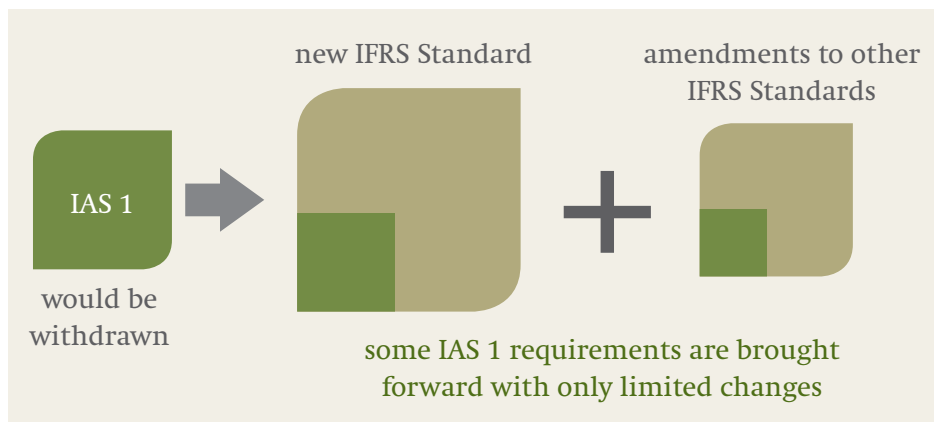
The proposals are expected to affect all companies applying IFRS Standards

Statement of profit or loss	<p>New subtotals for most companies. Companies such as banks and investment companies would be less affected.</p>	<p>Companies that already present the proposed new subtotals, such as ‘operating profit’, may need to change how they calculate them.</p>	<p>New presentation of an investing category and new line items for most companies, such as line items for integral and non-integral associates and joint ventures and for expenses from financing activities.</p>	<p>Some companies may need to change how they aggregate and label income and expenses, such as operating expenses.</p>
Statement of cash flows	<p>Change of the starting point of the indirect method for reporting operating cash flows for most companies.</p>	<p>Change in classification of interest received and paid for many companies. Change in classification of dividends received for some companies.</p>	<p>Change in the subtotal of ‘cash flows from operating activities’ as a result of reclassifying interest and dividend cash flows for many companies.</p>	
Balance sheet	<p>New line item for goodwill.</p>	<p>New line items for integral and non-integral associates and joint ventures.</p>	<p>Some companies may need to change how they aggregate and label assets, liabilities and equity.</p>	
Notes	<p>More note disclosures about the nature of operating expenses for many companies that present operating expenses by function in the statement of profit or loss.</p>	<p>New disclosures about unusual items for many companies. Companies that already provide such information may need to change how they identify unusual items and what they disclose about them.</p>	<ul style="list-style-type: none"> • More disclosures about management performance measures for most companies. • Change in the location of disclosures about such measures for some companies: in a single note, rather than only outside the financial statements. • Some companies may not use any such measures and would not be affected. 	<p>Many companies are expected to change how they disaggregate information in the notes.</p>

Which IFRS Standards would be affected?

The Exposure Draft sets out a proposed new IFRS Standard and proposed amendments to other IFRS Standards. IAS 1 would be withdrawn—the current requirements of IAS 1 would be replaced or moved:

- some would be replaced by new requirements in the new IFRS Standard;
- some would be brought forward to the new IFRS Standard with only limited wording changes; and
- some would be moved to IAS 8 and IFRS 7 without amendment (see table).



IFRS Standards not affected

The Board decided not to consider changes to segment reporting or the presentation of discontinued operations as part of this project. Doing so would have significantly widened the scope of the project, potentially delaying improvements to performance reporting.

Amendments to other IFRS Standards	
Amendments to reflect new proposals	
IAS 7 <i>Statement of Cash Flows</i>	See page 15.
IFRS 12 <i>Disclosure of Interests in Other Entities</i>	Introduce definitions of ‘integral’ and ‘non-integral’ associates and joint ventures and require separate disclosures for each (see page 6).
IAS 33 <i>Earnings per Share</i>	Restrict the numerator used to calculate adjusted earnings per share to subtotals specified by IFRS Standards or a management performance measure, attributable to ordinary equity holders of the parent.
IAS 34 <i>Interim Financial Reporting</i>	Require disclosure of information about management performance measures in interim financial statements. Some of the Board’s other proposals (including subtotals) would also apply to interim financial statements, without the Board needing to amend IAS 34.
Amendments to move parts of IAS 1 into other Standards	
IAS 8 <i>Accounting Policies, Changes in Accounting Estimates and Errors</i>	Include, without amendment, requirements from IAS 1 on general features of financial statements, including the definition of material. Change the title of the Standard to ‘ <i>Basis of Preparation, Accounting Policies, Changes in Accounting Estimates and Errors</i> ’.
IFRS 7 <i>Financial Instruments: Disclosures</i>	Include, without amendment, disclosure requirements from IAS 1 on puttable instruments classified as equity.

Information for respondents

The deadline for comments on the Exposure Draft is 30 June 2020

You can submit comments on our 'Open for comment documents' page at: www.ifrs.org/projects/open-for-comment/

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Exposure Draft package

The Exposure Draft includes:

- questions for respondents; and
- the Board's detailed proposals, in the format of a draft new IFRS Standard and draft amendments to other IFRS Standards.

The Basis for Conclusions on the Exposure Draft includes:

- a summary of the Board's considerations in developing its proposals; and
- an analysis of the expected effects of the proposals, including the effects on electronic reporting.

The Board has also published:

- proposed non-mandatory illustrative examples; and
- a table that shows how the content of IAS 1 would correspond to the content of the new IFRS Standard and the amended IFRS Standards, paragraph by paragraph.

This document

This Snapshot has been compiled by the staff of the IFRS Foundation for the convenience of interested parties. The views expressed in this document are those of the staff who prepared it and are not necessarily the views or the opinions of the Board. The content of this Snapshot does not constitute advice and should not be considered as an authoritative document issued by the Board.

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Notes



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