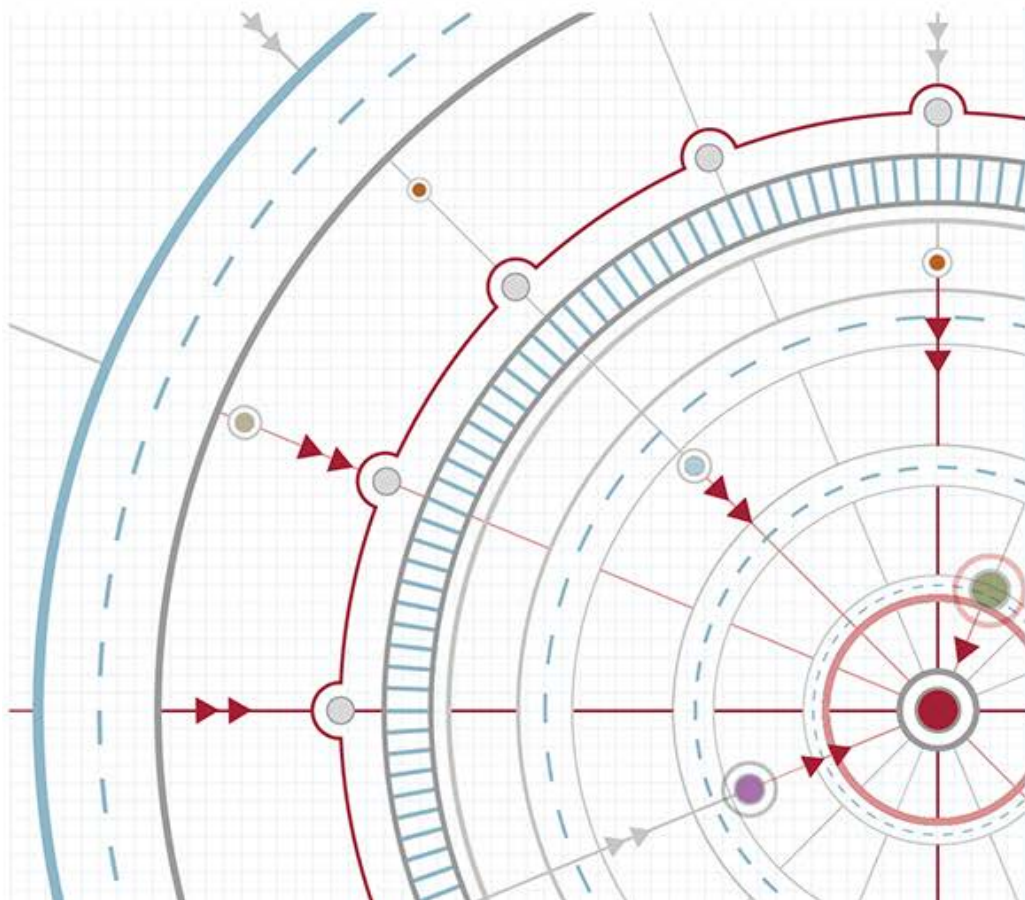


IFRS® Foundation



General improvements to the 2018 IFRS Taxonomy

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The views expressed in this presentation are those of the presenter, not necessarily those of the International Accounting Standards Board or IFRS Foundation.


Objective of today's discussion

- The ITCG has already discussed some of the proposals we are planning to include in the Proposed IFRS Taxonomy Update *General Improvements*. Slides summarising these proposals are included in this slide deck for information only (see slide 7 for more details).
- **Today** we would like to focus on the following **new topics**:

Topic	Slides
Improving the IFRS Taxonomy elements to tag useful lives and depreciation rates	33–39 Question for ITCG on slide 40
Improving the IFRS Taxonomy elements to tag consideration in business combinations	41–45 Question for ITCG on slide 46
Editorial changes—Updating documentation labels for the revised <i>Conceptual Framework</i>	58 Question for ITCG on slide 59

Background

What are general improvements?



Changes to the IFRS Taxonomy other than those resulting from changes to IFRS Standards and common practice projects.

Objective: to remove inconsistencies in the IFRS Taxonomy and make other corrections.

Source of changes: initiated mainly through feedback received from constituents.

Changes related to general improvements are reviewed, but not approved, by the IFRS Taxonomy Review Panel.

Project timeline (1)

5

April – October 2018

October / November 2018

November / December 2018



Discussions with IFRS Taxonomy Review Panel



IFRS Taxonomy Review Panel & IFRS Taxonomy Consultative Group review draft of Proposed IFRS Taxonomy Update and IFRS Taxonomy files



Publication of Proposed IFRS Taxonomy Update, IFRS Taxonomy files & supporting materials:

- Elements with documentation labels in Excel
- IFRS Taxonomy Illustrated in PDF
- Versioning report in HTML (comparison with 2018 IFRS Taxonomy)



Discussions with IFRS Taxonomy Consultative Group in April, September & October 2018

Project timeline (2)

November / December 2018

January / February 2019

March 2019



Comment period
(60 days)



Staff analyse comment
letters and other
feedback received



Staff finalise IFRS
Taxonomy Update



IFRS Taxonomy Review
Panel and ITCG discuss
any follow-up issues



Publication of final IFRS
Taxonomy Update and
supporting materials

Overview of proposals

Proposed changes to the IFRS Taxonomy	Objective of the change	ITCG	Slides
A. Improving data quality			
1. Introducing implementation notes in the IFRS Taxonomy	Providing more guidance for specific IFRS Taxonomy elements explaining how to use them, in order to reduce tagging errors.		8–10
1.1 Implementation notes clarifying which sign to use	Clarifying whether a positive or negative value should be entered for specific elements.	April	11–21
1.2 Technical approach to implementation notes	Introducing implementation notes in a way that allows translation and is compliant with the XBRL specification.	September	22–25
2. Improving the IFRS Taxonomy elements to tag:	Better modelling of requirements in IFRS Standards for more consistent tagging across companies that would make it easier for users to compare the tagged data.		
2.1 time periods—introducing the duration item type		September	26–32
2.2 useful lives and depreciation rates		October	33–40
2.3 consideration in business combinations		October	41–46
B. Improving IFRS Taxonomy navigation			
1. New presentation group for all axes	Making axes and its members easier to find in the IFRS Taxonomy.	April	47–50
2. Removing entry points without documentation labels	Simplifying options to access the IFRS Taxonomy and encouraging the use of documentation labels.	April	51–56
C. Editorial changes			
1. Updating documentation labels for the revised <i>Conceptual Framework</i>	Reflecting the revised <i>Conceptual Framework</i> issued in March 2018 in the IFRS Taxonomy.	October	57–59

Introducing implementation notes in the IFRS Taxonomy

We propose introducing a new feature for IFRS Taxonomy elements—implementation notes.



Objective

Quality of tagged data is important to ensure effective use of electronic data in analysis.

By further explaining the use of particular elements in implementation notes, tagging errors can be avoided.

Proposed content (to date)

- Clarify whether a **positive or negative value** should be entered for monetary elements without an assigned balance attribute (see slides 11–21)
- Clarify when to use six elements – line items related to **Increase / decrease in unobservable inputs**, as described in paragraph 38 of the Proposed IFRS Taxonomy Update *Common Practice (IFRS 13 Fair Value Measurement)* ([link](#))

We may extend the use of implementation notes to other elements in the future.

Technical approach

See slides 22–25

Implementation notes
clarifying which sign to use

What is the issue?

- It is important that values are reported with the correct sign—using the wrong sign could result in **confusing information** and makes **comparison** of data **difficult**.
- For most monetary elements, preparers should use the **balance attribute** assigned to an element to know which sign they should report, rather than using the sign for the value in their paper-based report:

For example the element 'Cost of sales' has been assigned a 'debit' balance attribute in the IFRS Taxonomy, which means a preparer should report 'Cost of sales' as a positive value when it is a debit, even though in the paper-based report the preparer might have presented 'Cost of sales' with a minus sign or between brackets.

- However, for various reasons, 201 monetary elements in the IFRS Taxonomy 2018 **do not have an assigned balance attribute**. Preparers might have difficulty determining the correct sign to use for those elements.

We propose to make the following changes:

1

139 elements

Add implementation notes to existing elements

Slides 14–16

2

23 elements

Deprecate existing elements and create new elements using the ‘per share’ item type

Slides 17–18

3

12 elements

Assign a balance attribute to existing elements

Slides 19–21

Further analysis is needed for the remaining 27 elements—we will bring back proposals for those elements at a later time.

1 Add implementation notes

We propose to add implementation notes for the following three categories of elements which cannot be assigned a balance attribute:

Reason for not assigning a balance attribute	Example of IFRS Taxonomy element
Elements that have a natural accounting balance but can have a debit and credit balance attribute	‘Depreciation, property, plant and equipment’— this element has a debit balance attribute when presented in the statement of profit or loss , but has a credit balance attribute when used in a reconciliation of the carrying amount of property, plant and equipment.
Elements that have a natural accounting balance but there are calculation constraints	‘Cash flows from (used) in operations’— the natural accounting balance for the element is debit . However, it does not have an assigned debit balance attribute because, in the calculation linkbase, it is defined as a total of two other elements—one with a debit attribute and another one with a credit attribute. A debit element cannot be the sum of a credit element and a debit element.
Elements that do not have a natural accounting balance of debit or credit	‘Maximum exposure to credit risk’ — this element does not have a natural accounting balance because it is not recognised in the financial statement , but it is rather provided in the notes as an additional information.

1 Add implementation notes

Elements can be categorised further into (a) those that normally have a positive value and (b) those that can have a positive or negative value.

Examples of elements in each category:		Normally positive	Can be positive or negative
Reason for not assigning a balance attribute	Elements that have a natural accounting balance but can have a debit and credit balance attribute	Amortisation, intangible assets other than goodwill	Deferred tax relating to items credited (charged) directly to equity
	Elements that have a natural accounting balance but there are calculation constraints	Borrowing costs incurred	Cash flows from (used in) operations
	Elements that do not have a natural accounting balance of debit or credit	Leases as lessor, related party transactions	Aggregate difference between fair value at initial recognition and amount determined using valuation technique yet to be recognised

1 Add implementation notes—proposal

We propose to add two different implementation notes, depending on whether the elements normally have a positive value or can have a positive or negative value:

	Proposed implementation note	Reason for adding an implementation note
<p>Normally have a positive value</p> <p>- For 119 elements</p>	<p>‘A positive XBRL value should normally be entered for this element (unless used with certain members; see the IFRS Taxonomy formula linkbase or the IFRS Taxonomy formula guide for a list of members).</p>	<p>Even though the IFRS Taxonomy formula linkbase already provides an automatic validation for these elements, in our view it is helpful to also add an implementation note. This is because not all tagging software tools use the IFRS Taxonomy formula linkbase.</p>
<p>Can have a positive or negative value</p> <p>- For 20 elements</p>	<p>‘A positive or negative XBRL value can be entered for this element. The standard label should be used to understand the correct sign. A negative value is used for the terms in brackets.’</p>	<p>To emphasise that the standard label should be used to understand the correct sign.</p>

2 Change the item type to ‘per share’

- The staff identified two monetary elements relating to **share price**:
 - Weighted average share price; and
 - Weighted average share price, share options granted.
- The staff identified 15 monetary elements relating to the **weighted average/exercise price of share options or other equity instruments**.
For example:
 - Exercise price, share options granted; and
 - Weighted average exercise price of other equity instruments exercised or vested in share-based payment arrangement.

The staff proposes to change item type to “per share” – see next slide for details.

2 Change the item type to 'per share'

We propose to change the item type from 'monetary' to 'per share' because:

- The current 'decimal' element is broader and reflects currency only, for example 20 *EUR*. The XBRL 'per share' data type better represents the units to be reported for these elements as it will reflect price per share, for example 20 *EUR per share*.
- Even though the unit of those elements is not strictly per 'share', but rather 'share option' and 'other equity instrument', we expect no significant confusion because it is consistent with the approach followed in other major taxonomies for similar elements. To mitigate any potential confusion, we propose to include an explanation in the *Preparer's guide*.

We propose to deprecate the existing elements and replace them with new elements:

- We expect the proposed change of the item type will affect comparability over time as systems are likely show an error when comparing different item types.

3 Assign a balance attribute

- This category includes in total twelve elements:
 - **nine elements** relating to significant unobservable inputs of **estimates of forecasts of profit and loss or cash flows** required by IFRS 13 (see slide 20); and
 - **three elements** relating to **estimates of financial effect of contingent assets / liabilities** (see slide 21)
- We think that those elements **have a natural accounting balance** that could help preparers determine the correct sign for the reported value. Consequently, we propose:
 - **assign a balance attribute of credit or debit; and**
 - **where appropriate, clarify the sign using the element labels.**
- The staff note that in the PTU *Common Practice (IFRS 13 Fair Value Measurement)* we propose those elements to be changed from line items to members—members do not have assigned balance attributes as they only serve as a disaggregation of the accounting concepts in line items.
 - Consequently, if these proposals are finalised, we still propose to clarify the element label (as proposed above).

③ Assign a balance attribute— Forecast of profit or loss and cash flows

- For elements relating to estimates of **profit and loss or cash flows** reflecting IFRS 13 paragraphs 93(d) and B36(e) we propose assigning a balance attribute (and mending label where appropriate):

	Element label	Revised label	Proposed balance attribute
1-3*	Financial forecast of profit or loss for cash-generating unit, significant unobservable inputs, assets	Financial forecast of profit (loss) for cash-generating unit, significant unobservable inputs, assets	Credit
4-6*	Financial forecast of cash flows for cash-generating unit, significant unobservable inputs, assets	Financial forecast of cash inflows (outflows) for cash-generating unit, significant unobservable inputs, assets	Debit
7-9*	Current estimate of future cash outflows to be paid to fulfil obligation, significant unobservable inputs, assets	No change	Credit

* Similar elements exist for liabilities and own equities. The proposed approach applies to all 3 categories.

③ Assign a balance attribute— Estimated financial effect of contingent assets/liabilities

- For elements relating to the estimated financial effect of contingent assets / liabilities, we propose assigning a balance attribute as follows:

	Existing standard label	Reference	Proposed change to standard label	Proposed balance attribute
1	Estimated financial effect of contingent assets	IAS 37 paragraph 89	No change	Debit
2	Estimated financial effect of contingent liabilities	IAS 37 paragraph 86(a)	No change	Credit
3	Estimated financial effect, contingent liabilities in business combination	IFRS 3 paragraph B64(j)(i)	No change	Credit

Technical approach to implementation notes

- We need to introduce implementation notes in a way that:
 - **Allows translations**—translations of IFRS Taxonomy content (including human-readable implementation notes) is **important** to support consistent adoption and application of the IFRS Taxonomy.
 - Is **compliant** with the **XBRL specification** and therefore it is **easy to implement in software tools**, without requiring significant adjustments.

We propose using an XBRL Commentary Guidance label role because:

- It is defined by XBRL International, similarly to Documentation labels;
- It supports translation of implementation content; and
- It is compatible with existing XBRL software.

- However, we note that the proposed approach provides **limited structure**, which makes searching or filtering implementation notes difficult.
- We considered other approaches that allow structuring of implementation notes, using the **reference linkbase**. However, we rejected these approaches because they did not simultaneously satisfy the requirements on the previous slide.
- We will **review the proposed approach** in the future if a more appropriate mechanism becomes available that allows better structuring of implementation notes.

Proposed approach—Example of commentary guidance label

25

http://www.xbrl.org/2003/role/link		
Depreciation, property, plant and equipment	en	label
Depreciation, property, plant and equipment	en	negatedLabel (*)
The amount of depreciation of property, plant and equipment. [Refer: Dep	en	documentation
A positive XBRL value should normally be entered for this element (unless	en	commentaryGuidance

name	ifrs-full:DepreciationPropertyPlantAndEquipment
label	A positive XBRL value should normally be entered for this element (unless used with certain members; see the IFRS Taxonomy formula linkbase or its Guide for a list of members).
lang.	en
arcrole	http://www.xbrl.org/2003/arcrole/concept-label
role	http://www.xbrl.org/2003/role/commentaryGuidance

Improving the IFRS taxonomy
element to tag:

time periods—introducing the
duration item type

Background—what is the issue?

- The IFRS Taxonomy **currently uses the decimal item type** for elements that represent a **period of time**, for example, years or months—slide 28 provides a list of these elements*.
- We **have received queries** on:
 - why the IFRS Taxonomy does not use a **duration item type** for time-related elements; and
 - whether the use of the decimal item type implies that existing elements cannot be used for a value expressed in years or months ie does it require the creation of extension elements?

Decimal item type elements that express a period of time

Element standard label

Remaining amortisation period of intangible assets material to entity

Remaining recovery period of regulatory deferral account debit balances

Remaining reversal period of regulatory deferral account credit balances

Weighted average duration of defined benefit obligation

Weighted average remaining contractual life of outstanding share options

Actuarial assumption of life expectancy after retirement

Actuarial assumption of retirement age

*We discuss useful lives separately on slides 33–40.

Findings from empirical analysis

Multiple units are used for the same period

- for example:
 - Y, years, year
 - M, months

Units used are not always sufficiently clear

- for example, use of the 'pure' unit without additional precision

Extensions

- Some entities have created extensions in order to use the duration item type.

The *decimal* item type is a numeric item type that allows preparers to choose a unit.

Available choice leads to diversity in units reported, which makes the tagged data difficult to analyse and compare for users.

What is the duration item type?

The duration item type requires values to be expressed **as a text string in a standard data format** (ISO 8601 standard)

- a reported decimal value of 3.7 years will be expressed in an XBRL file as **P3Y8M15D**
 - P**= Period
 - 3Y**= 3 years
 - 8M**= 8 months
 - 15D**= 15 days

The staff propose changing the item type to 'duration' for elements that represent a period of time, because:

- the **required standard ISO data format for the duration item type** will eliminate diversity in the format used, which will make the data easier to analyse and compare.
- it uses a **globally agreed standard** for values representing a period of time.

The staff propose deprecating the existing elements and creating new elements:

- changing the item type will hinder comparability across periods.
- this means entities will need to **retag** information.

The staff also considered that:

- the standard ISO format is only used for XBRL data; the value can be viewed in the original format in Inline XBRL.
- software tools can help preparers to automatically convert decimal values into the standard ISO format.

Rejected approach

We considered, but rejected the following approach:

- Retaining the ‘**decimal**’ item type to align with common presentation in reports
- Using element **labels and implementation notes to define the standard data format**

	Current	Possible change
Standard label	remaining amortisation period of intangible assets material to entity	remaining amortisation period <u>in years</u> of intangible assets material to entity
Implementation note	not available	<u>Convert any months or days to a decimal figure representing years</u>

- The advantage of this approach is that in most cases the format of the values in XBRL filings would be aligned with the format used in the paper-based financial reports, because time periods are often presented in a decimal format.
- **However, we rejected this approach because preparers may not adhere to the guidance in the implementation notes and may continue using various units and formats.**

Improving the IFRS taxonomy
element to tag:

Useful lives and depreciation
rates

What is the issue?

- Disclosures representing ‘useful lives and amortisation/depreciation rates’ shown below are currently **modelled using the text item type**:

Element standard label	Item type
Useful lives or amortisation rates, intangible assets other than goodwill	text
Useful lives or depreciation rates, investment property, cost model	text
Useful lives or depreciation rates, biological assets, at cost	text
Useful lives or depreciation rates, property, plant and equipment	text

- The staff received external **feedback** that the existing model makes the **tagged data difficult to use**; suggesting to split the existing elements into separate elements for:
 - the depreciation/amortisation rates (percentage item type); and
 - useful lives (duration item type).

The staff **agrees** with the suggestion **to add separate elements for useful lives and amortisation/depreciation rates** and to use the **percentage item type for amortisation/depreciation rates**:

- although useful lives and amortisation/depreciation rates provide the same type of information to users, they cannot be compared directly. Having separate elements makes the tagged data easier to analyse.
- it is consistent with IFRS Standards (see slide 36)

The staff **do not agree** with the suggestion to **ONLY** use the duration item type for **useful lives** because it is **inconsistent with IFRS Standards**:

- useful lives can be expressed as a **number of production units** (see slide 37).
- **useful lives are not required to be quantified**. For example the useful life of leasehold improvements could be described with a narrative statement as ‘the term of the lease’.

IAS 16 *Property, plant and equipment*

Disclosure

- 73 The financial statements shall disclose, for each class of property, plant and equipment:
- (a) the measurement bases used for determining the gross carrying amount;
 - (b) the depreciation methods used;
 - (c) the useful lives or the depreciation rates used;

Using separate elements for 'useful lives' and 'depreciation/amortisation rates' is an alternative model that is consistent with IFRS Standards

- IFRS Standards also require the disclosure of 'useful lives' **OR** 'depreciation/amortisation' rates for:
- Biological assets measured at cost (IAS 41 paragraph 54(e))
 - Intangible assets with finite useful life (IAS 38 paragraph 118(a))
 - Investment property measured at cost (IAS 40, paragraph 79(b))

Consistency with the IFRS Standards— use of duration item type for useful lives

IAS 16 *Property, plant and equipment*

Definitions

6 The following terms are used in this Standard with the meanings specified:

Useful life is:

- (a) the period over which an asset is expected to be available for use by an entity; or
- (b) the number of production or similar units expected to be obtained from the asset by an entity.

The suggestion to use the 'duration' item type for useful lives overlooks the requirement that useful lives may also be a number of production or similar units.

The same definition of useful life is applicable to:

- Intangible assets (IAS 38 paragraph 8))
- Investment property measured at cost (IAS 79, paragraph 79b makes a reference to the definition of useful life within IAS 16).

Proposed approach—three elements for useful life

We propose using separate elements to reflect the different ways in which useful lives can be measured and deprecating the existing text elements on slide 34:

Element standard label*	Item type
Useful lives measured as period of time, intangible assets other than goodwill*	Duration
Useful lives measured in production or other similar units, intangible assets other than goodwill*	Decimal
Description of useful lives, intangible assets other than goodwill*	Text

- We propose using the duration item type for the first element, in line with the proposal in the previous section for elements representing a period of time (see slide 31).
- We considered that software may ease the complexity of analysing 3 elements, for example by merging all reported values into a single element within an investor tool (if so desired by users).

* We have only illustrated the proposal for the first element on slide 34, but we propose similar changes for the other elements.

- We considered, but **rejected** using a **single text element** with an **implementation note** to prescribe a standard format for values that represent a period of time—for example:

Single text element	Useful lives, intangible assets other than goodwill
Implementation note	Use the PnYnnMnnnD data format where useful life is reported as a quantified period of time, for example use P5Y to report a value of 5 years

We rejected this approach because it is simpler to analyse numeric information than text information.



Do you agree with the staff proposals to:

- a. Add new elements for amortisation/depreciation rates using the percentage item type (see slide 35)
- b. Add three new elements for useful lives to reflect the different ways in which the values can be reported (see slide 38)

Improving the IFRS taxonomy elements to tag:

contingent consideration in business combinations

What is the issue? (1)

- Paragraph B64(g)(i) of IFRS 3 *Business combinations* requires an entity to disclose for each business combination that occurs during reporting date, the amount of contingent consideration arrangements and indemnification assets recognised as of the acquisition date. It is currently reflected by an element ‘**Contingent consideration arrangements and indemnification assets recognised as of acquisition date**’
- The staff received external **feedback suggesting to split the existing element into two separate elements:**

Suggested improvement	Reasoning provided by stakeholder
<p>Depreciate the existing element and add two new elements:</p> <ul style="list-style-type: none">• ‘Liability for contingent consideration incurred’: and• ‘Indemnification assets recognised as of acquisition date’	<p>While paragraph B64(g) of IFRS 3 refers to both contingent consideration and indemnification assets, these items are different in nature and therefore it seems unlikely that a combined disclosure would be required.</p> <ul style="list-style-type: none">• Contingent consideration, in accordance with paragraphs 39-40 and B64(f) of IFRS 3, is part of the consideration transferred in a business combination.• Indemnification assets, in accordance with paragraphs 27-28 of IFRS 3, are part of the assets obtained in a business combination.

- The staff **agrees** that the existing element is confusing and proposes to deprecate the existing element; and **create separate elements** for ‘Contingent consideration recognised as of acquisition date’ and ‘Indemnification assets recognised as of acquisition date’.
- This is because it is **unlikely that a combined value would be reported** and:
 - even though both elements relate to contingency or uncertainty of amounts to be paid or received in a business combination, this uncertainty relates to **different accounting concepts**, one is related to the assets acquired and the other is related to consideration transferred in a business combination.
 - preparers will likely **create entity-specific (extension)** elements for both amounts which reduces the ease of using the tagged data.
- In addition, the staff note that for **contingent consideration**:
 - IFRS 3 **defines it as ‘usually, an obligation** of the acquirer to transfer additional assets or equity interests to the former owners of an acquiree ... if specified future events occur or conditions are met. However, it also may give the acquirer **the right to the return** of previously transferred consideration’
 - Consequently, the staff proposes to **assign a credit balance attribute** so entities will report liabilities with a positive sign and assets with a negative sign.

What is the issue? (2)

- Paragraph B64(f) requires information about total consideration transferred disaggregated by class, which is reflected in the IFRS Taxonomy as follows:

Cash transferred	Disclosure B64 f (i)
Other tangible and intangible assets transferred	Disclosure B64 f (ii)
Liabilities incurred	Disclosure B64 f (iii)
Equity interests of acquirer	Disclosure B64 f (iv)
Equity interests of acquirer	Disclosure B64 f (iv)
Number of instruments or interests issued or issuable	Disclosure B64 f (iv)
Description of method of measuring fair value of instruments or interests	Disclosure B64 f (iv)
Total consideration transferred, acquisition-date fair value	Disclosure B64 f



IFRS 3 provides *liability for contingent consideration* as **an example** of *liabilities incurred*. This is reflected in the documentation label of this element, as follows:

The fair value, at acquisition date, of liabilities incurred (for example, a liability for contingent consideration) as consideration transferred in a business combination. [Refer: Business combinations [member]]

- This example is not currently reflected in the IFRS Taxonomy—see next slide for staff analysis.

Staff analysis and proposal

- The staff considered how to reflect the element ‘Contingent consideration as of acquisition date’ in the presentation on the previous slide.

	Cash transferred	Disclosure B64 f (i)
	Other tangible and intangible assets transferred	Disclosure B64 f (ii)
	Liabilities incurred	Disclosure B64 f (iii)
✘	Contingent consideration recognised as of acquisition date	Example B64 f (iii)
✔	Contingent consideration recognised as of acquisition date	Example B64 f (iii)
	(...)	

- ✘ The staff does not propose to include the new element as a child to the element ‘Liabilities incurred’ because it could be confusing if contingent consideration is an asset.
- ✔ The staff proposes to add a new element without a direct relation with the element ‘Liabilities incurred’ to highlight that such an amount could be also disclosed as part of the reconciliation.
- ✚ The staff also proposes to remove the reference to liabilities for contingent consideration from the label of ‘Liabilities incurred’ (see previous slide) to avoid potential confusion that entities should tag the amount of contingent consideration with the element ‘Liabilities incurred’.



Do you agree with the staff proposals on slides 43 and 45 to:

- a. deprecate the existing element ‘Contingent consideration arrangements and indemnification assets recognised as of acquisition date’; and create separate elements for ‘Contingent consideration recognised as of acquisition date’ and ‘Indemnification assets recognised as of acquisition date’?
- b. add the new element ‘Contingent consideration recognised as of acquisition date’ to the reconciliation of total consideration transferred and locate it without a direct relation with the element ‘Liabilities incurred’?
- c. remove an example related to liabilities for contingent consideration from the label of ‘Liabilities incurred’?

Improving IFRS Taxonomy navigation:

Simplifying options to access the IFRS Taxonomy

Clarify in guides

Simplify by removing entry points

Name and description of entry point	Entry point without documentation labels	Entry point with documentation labels
Basic Entry Point —to view IFRS Taxonomy for full IFRS Standards reporting applying without generic links	Click here	Click here
Combined Entry Point —to view IFRS Taxonomy for full IFRS Standards, the <i>IFRS for SMEs</i> Standard and the IFRS Practice Statement <i>Management Commentary</i> reporting	Click here	Click here
Deprecated Entry Point —to view deprecated IFRS Taxonomy elements for IFRS Standards reporting	Click here	Click here
Full IFRS Standards Entry Point —to view IFRS Taxonomy for full IFRS Standards reporting	Click here	Click here
Full IFRS Standards and <i>Management Commentary</i> Entry Point —to view IFRS Taxonomy for full IFRS Standards reporting with <i>Management Commentary</i>	Click here	Click here
<i>IFRS for SMEs</i> Entry Point —to view IFRS Taxonomy for <i>IFRS for SMEs</i> Standard reporting	Click here	Click here
<i>Management Commentary</i> Entry Point —to view IFRS Taxonomy for <i>Management Commentary</i> reporting	Click here	Click here

Current situation	Proposal
<p>The IFRS Taxonomy has two sets of entry points, one with and one without documentation labels.</p>	<p>Delete entry points without documentation labels, because:</p> <ul style="list-style-type: none">• it makes the entry points less complex• it encourages the global use of documentation labels; documentation labels support consistent tagging and use of the IFRS Taxonomy
<p>In addition:</p>	
<ul style="list-style-type: none">• Documentation labels are not translated.• The translated versions of the IFRS Taxonomy do not include documentation labels.	<p>Add the English documentation labels to the translated versions of the IFRS Taxonomy because, even though the documentation labels are not translated, they may still be helpful to users.</p>

What is the issue?	Proposal
<ul style="list-style-type: none">• The intended use of some entry points is not clear, for example ‘basic’ versus ‘full’• The labels of some entry points do not clearly describe their meaning—for example, the use of the term ‘combined’	<ul style="list-style-type: none">• We are planning to amend Preparer’s guide to clarify the meaning of the entry points.• We propose not to change the labels of the entry points because they are familiar terms to existing IFRS Taxonomy users, and changing them may cause confusion.

Easier navigation—
New presentation groups for
axes and members

Two types of axes (1)













The IFRS Taxonomy has two types of axes: ❶ General application axes and ❷ Applied axes

❶ General application axes

Apply to a large number of IFRS Taxonomy elements

- Normally not included within any table in the IFRS Taxonomy
- Each axis (together with its members) is located in its own presentation group

There are six general application axes within the IFRS Taxonomy:

 	[901000] Axis - Retrospective application and retrospective restatement
 	[901100] Axis - Departure from requirement of IFRS
 	[901500] Axis - Creation date
 	[903000] Axis - Continuing and discontinued operations
 	[904000] Axis - Assets and liabilities classified as held for sale
 	[913000] Axis - Consolidated and separate financial statements

Two types of axes (2)

② Applied axes (to specific requirements / tables)

Apply to a relatively limited number of IFRS Taxonomy elements

- Included in appropriate tables in the IFRS Taxonomy
- Located in the presentation group(s) that reflect the disclosure requirements of the IFRS Standard(s) to which the table(s) relate

The IFRS Taxonomy (excluding the Taxonomy for *IFRS for SMEs*[®]) contains 130 applied axes. For example, presentation group '[817100] Notes – Operating segments' includes:

	Disclosure of geographical areas [text block]
	Disclosure of geographical areas [abstract]
	Disclosure of geographical areas [table]
	Geographical areas [axis]
	Geographical areas [member]
	Disclosure of geographical areas [line items]
	Revenue

What is the issue?

- Applied axes can be applicable outside a defined IFRS Taxonomy table but **may not always be easy to find**.
- When entities cannot find an axis they may create extensions instead, which leads to **inconsistent tagging** across entities.























For example:

The 'Geographical areas' axis is located (only) in presentation groups [831150] 'Notes – Revenue from contracts with customers', [871100] 'Notes – Operating segments' and [834480] 'Notes – Employee benefits'.

This axis can also be used for disclosures not explicitly required by IFRS Standards, for example to tag a disaggregation of income taxes by geographical area.

Definition linkbase

- All axes (with their default members) are currently included within the definition linkbase in one single group '[990000] Axis – Defaults'.

  [990000] Axis - Defaults	
   Accounting estimates [axis]	
   Actuarial assumptions [axis]	
   Agricultural produce by group [axis]	
   Amounts arising from insurance contracts [axis]	
   Arrangements involving legal form of lease [axis]	
   Assets and liabilities [axis]	
  Assets and liabilities [member]	dimension-default...

Proposal—New presentation group

Creation of a new presentation group that lists all available IFRS Taxonomy axes and their default members

- This will make it easier to find axes in the IFRS Taxonomy, which avoids entities creating unnecessary extensions for axes that exist in the IFRS Taxonomy.
- It will mirror the content of the definition linkbase group '[990000] Axis – Defaults'.

Editorial changes to reflect the
revised *Conceptual Framework*

Editorial changes to reflect the revised *Conceptual Framework*

The Board issued the revised *Conceptual Framework for Financial Reporting* in March 2018 (effective date 1 January 2020).



Impact on the IFRS Taxonomy is limited to editorial changes to documentation labels

including

Updating the definitions of 'Assets', 'Liabilities' and 'Revenue' line items and members (the definition of revenue changes because the definition of income has changed)

In some cases (eg elements relating to IFRS 3 *Business Combinations*), older definitions are applicable, rather than the definitions in the revised *Conceptual Framework*. Cross-references in documentation labels to the definitions of 'assets', 'liabilities' and 'revenue' are removed in those cases.

Editorial corrections and maintenance-type amendments do not need to be approved, reviewed or exposed for public consultation.

Question 3 for ITCG members



Do you have any comments about the proposed editorial changes?

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