

## STAFF PAPER

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Project	Disclosure Initiative: Targeted Standards-level Review of Disclosures		
Paper topic	IFRS 13 Outreach Feedback		
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**Purpose and structure of this paper**

1. This paper summarises feedback from stakeholders and input received from the IFRS Taxonomy team about fair value measurement disclosures.
2. This paper includes:
  - (a) background information (paragraph 5).
  - (b) user feedback overview (paragraphs 6–12).
  - (c) user objectives (paragraphs 13–14).
  - (d) summary of users' suggested items of information to meet their objectives (paragraph 15).
  - (e) detailed feedback on users' suggested items of information (paragraphs 16–58).
  - (f) summary of input received so far from the IFRS Taxonomy (paragraphs 59–62).
  - (g) detailed input received so far from the IFRS Taxonomy (Appendix A).
  - (h) staff's preliminary assessment of the interaction between users' suggested items of information and existing IFRS 13 disclosure requirements (Appendix B).

3. *Agenda Paper 11A* provides information about the stakeholder outreach activities performed by Board Members and staff. This paper summarises all of the feedback obtained during the outreach programme.
4. This paper does not contain any questions for the Board.

## **Background**

5. IFRS 13 defines fair value, sets out a framework for measuring fair value and requires disclosures about fair value measurements. IFRS 13 does not determine when an asset, a liability or an entity's own equity instrument is measured at fair value. Rather, the measurement and disclosure requirements of IFRS 13 apply when another Standard requires or permits an item to be measured at fair value.

## **User feedback overview**

### ***Key message***

6. Most users that use detailed fair value disclosures in their analysis were broadly happy with the information they receive today. Many of the users that we spoke to said that their suggested improvements to fair value measurement disclosures are not critical.

### ***Approach to analysis and use of today's disclosures***

7. Many users start their analysis by looking down a company's table of assets and liabilities measured at fair value to identify if there is anything they would like to explore in detail. If there is nothing, most do not look at the disclosures further.
8. Consequently, many users—including a few bank-sector analysts—do not use the detailed disclosures about fair value measurement in their analysis. This is either because:
  - (a) those disclosures are rarely material to the companies that some users monitor. This feedback came from users other than bank-sector analysts.

- (b) detailed fair value disclosures are only provided for Level 3 assets and liabilities. However, some companies—including many banks—have the most significant assets and liabilities categorised as Level 2. This feedback came from bank-sector and other analysts.
9. Many of the users that *do* use detailed fair value disclosures today think they provide useful information. This is because these disclosures support their overarching objectives (see paragraphs 13–14).

### ***Application of materiality***

10. Many users said they often get a lot of information about immaterial fair value measurements, and little information about material measurements. Some of these users said these concerns could be most effectively addressed through better application of materiality. Other users thought standard setting could help—for example, by requiring entities to provide additional disclosures for Level 2 fair value measurements similar to those required for Level 3 today.
11. We asked those users that do not use some or all of the detailed fair value disclosures today if they would be happy to lose any of the fair value disclosures that they currently receive?
12. In response to this question, many users said that the loss of some or all of the detailed information would be unlikely to affect their analysis. However, most of these users added that they would still prefer to have the detailed information available. For example, they take comfort from knowing that if a particular item becomes material to their analysis, there would be information available in the financial statements. These users would not support elimination of IFRS 13 disclosure requirements, but they would support better application of judgement in eliminating information that is not material from the financial statements.

### **User objectives**

13. Table 1 summarises users' primary objectives when analysing fair value measurement disclosures. This table includes cross-references to the items of information users told us would most effectively meet those objectives (see Table 2 and paragraphs 15–58).

**Table 1—Users’ disclosure objectives for fair value measurement**

<b>Objectives</b>	<b>Link to specific items of information (see Table 2)</b>
<b>A</b> Understand the sensitivities of the entity’s assets and liabilities measured at fair value. Specifically, to understand: <ul style="list-style-type: none"> <li>• the range of possible values within which an entity’s fair value measurement might fall.</li> <li>• where within that range the entity’s fair value measurement does fall.</li> <li>• the events or circumstances that would make fair values materially different to those reported.</li> <li>• potential cash flow effect of an entity’s exposure to fair value changes.</li> </ul>	<b>4, 7</b>
<b>B</b> Determine the fair value amounts to input into analyses such as enterprise value calculations.	<b>1, 5, 8</b>
<b>C</b> Forecast future fair value movements in order to, for example, determine expected returns on assets.	<b>1, 6, 7, 9</b>
<b>D</b> Assess the appropriateness of the inputs, techniques and amounts underlying an entity’s fair value measurements. Specifically, users want to assess: <ul style="list-style-type: none"> <li>• whether the inputs, techniques and amounts are reasonable; and</li> <li>• whether they need to make any adjustments to those inputs, techniques and amounts in their analysis.</li> </ul>	<b>3, 4, 5, 6, 7</b>
<b>E</b> Understand the nature and characteristics of the assets and liabilities measured at fair value, particularly for complex or hybrid instruments.	<b>1, 2</b>

**Feedback from CMAC on user objectives**

14. At the March 2019 Capital Markets Advisory Committee (CMAC) meeting, CMAC members provided their views on the objectives in Table 1. Compared to IAS 19 (see Agenda Paper 11B), CMAC members provided fewer comments on users’ fair value disclosure objectives. A few of the CMAC members that did comment said that objectives D and E are important to their analysis.

**Summary of users’ suggested items of information to meet their objectives**

15. Table 2 summarises users’ suggested items of information that could be used to meet their objectives on fair value measurements (see Table 1).

*Table 2—Summary of users’ suggested items of information that could be used to meet their objectives on fair value measurement*

Suggested items of information		Buy-side	Sell-side	Credit	Link to user objectives (see Table 1)	Paragraphs of this paper
<b>1</b>	Breakdown of the type of assets and liabilities within each level of the fair value hierarchy	✓	✓	✓	<b>B, C, E</b>	17–19
<b>2</b>	Explanation of how an entity has determined the level to which its assets and liabilities belong	✓	✓	✓	<b>E</b>	20–24
<b>3</b>	Inputs used in determining fair value measurements	✓	✓	✓	<b>D</b>	25–26
<b>4</b>	Sensitivity analysis of Level 3 fair value measurements	✓	✓	✓	<b>A, D</b>	27–35
<b>5</b>	Valuation techniques and processes applied to Level 3 fair value measurements	✓	✓		<b>B, D</b>	36–39
<b>6</b>	Reconciliation from opening balance to closing balance of Level 3 fair value measurements		✓	✓	<b>C, D</b>	40–43
<b>7</b>	Additional disclosures for Level 2 fair value measurements <i>similar to</i> those typically provided for Level 3	✓	✓	✓	<b>A, C, D</b>	44–50
<b>8</b>	Fair value of assets and liabilities not held at fair value		✓		<b>B</b>	51–52
<b>9</b>	Explanation, and disaggregation, of all assets and liabilities measured at fair value in the primary financial statements		✓		<b>C</b>	53–56

## Detailed feedback on users' suggested items of information

16. Paragraphs 17–56 discuss the suggested items of information. For each item of information, we cover:
- (a) what users want disclosed and why the information is useful;
  - (b) feedback from CMAC members; and
  - (c) feedback from other stakeholders about costs and other consequences.

### ***Information #1—Breakdown of the type of assets and liabilities within each level of the fair value hierarchy***

#### *Feedback from users*

17. Almost all users, including a few CMAC members, said that a tabular breakdown of the specific assets and liabilities (items) within each level of the fair value hierarchy would be useful. This is because it would help them to:
- (a) understand the nature and characteristics of the items measured at fair value (Table 1; Objective E); and
  - (b) identify the items to factor into their analysis (Table 1; Objectives B and C). For example, if an entity holds derivative financial instruments, users want a breakdown to explain whether such instruments include forward rate agreements, swaps, equity derivatives and so on.
18. A few users commented specifically on complex financial instruments such as risk and revenue sharing arrangements or financial liabilities relating to contingent consideration payable. For these instruments, users said that additional narrative information to understand the entity's risk exposure would be helpful.

#### *Feedback from other stakeholders*

19. A few ASAF members said a breakdown by type of item would be helpful in judging the reliability of the fair value measurements. They added that the cost of preparing and auditing a breakdown would not be significant because entities should already have this information internally.

**Information #2—Explanation of how an entity has determined the level to which its assets and liabilities belong***Feedback from users*

20. Many users said they find it difficult to understand how an entity has assessed the boundaries between the levels of the fair value hierarchy (i.e. which level particular item belong in). Users generally expressed the most concern with differentiating between Level 2 and Level 3 items.
21. These users acknowledged that information about the basis for determining fair value hierarchy is often provided today. However, many added that such information often just duplicates the definitions in IFRS 13.
22. Consequently, users—including a few CMAC members—said they would like to see explanations as to how an entity determined the level to which an item belongs. They said this is particularly important for complex financial instruments or where an entity has applied judgment. In other words, users would like an entity-specific explanation of how items are categorised within the fair value hierarchy. Users said this information—together with the breakdown of assets and liabilities as described in information #1—would allow them to better understand the nature and characteristics of the items measured at fair value (Table 1; Objective E).

*Feedback from other stakeholders*

23. A few GPF and ASAF members supported requiring this information.
24. A few GPF members added that they do not expect this information to be costly to provide. They said that although IAS 1 requires disclosure about judgments, they think a specific requirement is needed in IFRS 13 to address judgements relating to application of the fair value hierarchy.

**Information #3—Inputs used in determining fair value measurements***Feedback from users*

25. Almost all users who use detailed fair value measurement disclosures in their analysis said that identifying, and explaining, the inputs used in determining fair value measurements is useful. They said this information gives them confidence

to use the reported measurements in their analysis, or helps them determine whether they want to make any adjustments (Table 1; Objective D).

*Feedback from other stakeholders*

26. A few ASAF members acknowledged the benefit to users of this information but said it is costly to provide. They added that this information is often difficult to audit because it requires input from experts.

**Information #4—Sensitivity analysis of Level 3 fair value measurements**

*Feedback from users*

27. Some users described sensitivity analysis as critical to their analysis.
28. Many users said they would like to see a sensitivity analysis that shows the effect on fair value of changing multiple inputs simultaneously (Table 1; Objective A).
29. Some of these users added that such an analysis should cover *wider* deviations from the base case inputs reflected in the financial statements than is typically the case today. Users said this is especially important for those inputs that have a non-linear effect on fair value. That is, when the change in those inputs is not proportional to the resulting change in the fair value measurements.
30. A few users:
- (a) added that sensitivity analysis should distinguish between the effect on profit or loss and the effect on other comprehensive income (OCI).
  - (b) added that quantifying the reasonably possible changes in inputs used for sensitivity analysis is more helpful on the basis of absolute<sup>1</sup> changes than on the basis of relative<sup>2</sup> changes.
  - (c) added that quantitative sensitivity analysis for investment property measured at fair value would be useful.
  - (d) expressed mixed views on whether sensitivity analysis should be provided on a post-tax basis. A few said this would facilitate easier

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<sup>1</sup> For example, a 2% increase in an interest rate of 8% to an interest rate of 10%

<sup>2</sup> For example, a 2% increase in an interest rate of 8% to an interest rate of 8.16%.



analysis, whilst a few others were indifferent about tax effects being factored into the information.

31. Some users said they do not find the sensitivity analysis that is typically disclosed today helpful. This is either because:
- (a) it is too detailed for the analysis they perform. A few of these users suggested that an entity should instead disclose the upside and downside sensitivity of the *total* fair value amounts recognised in the statement of financial position; or
  - (b) it does not directly address their primary objective of understanding how the entity derived its fair value measurements.

*Feedback from other stakeholders*

32. A few GPF members said the sensitivity information described in paragraphs 28–29 would be costly to prepare. A few of these members suggested that entities should instead provide a simple scenario analysis that displays the positive and stress effects, on fair value, of all reasonably possible changes in each input. This would be in addition to the ‘normal’ base case scenario as presented in the financial statements.
33. A few ASAF members said it is costly to provide the sensitivity analysis required by IFRS 13. In their view, the information described in paragraphs 28–29 would require even more effort and further increase the high cost of preparing sensitivity analysis.
34. A few GPF members disagreed with providing the sensitivity effects on a post-tax basis. They said measurement of assets and liabilities in other IFRS Standards are on a pre-tax basis.
35. A few ASAF and GPF members disagreed with requiring quantitative sensitivity analysis for investment property measured at fair value. They expressed doubts over the benefit of this information to users.

**Information #5—Valuation techniques and processes applied to Level 3 fair value measurements***Feedback from users*

36. Some users find information about the valuation techniques and processes applied to Level 3 fair value measurements useful. This is because the information helps them understand the risks inherent in the measurements, allowing them to assess whether to use the reported amount in their analysis or adjust the amount (Table 1; Objectives B and D).
37. A few users added that this information is only useful if it is entity-specific and instrument-specific. They said entities should explain the techniques and processes applied in valuing their most significant specific Level 3 items. For example, if an entity holds derivative financial instruments, users want to understand whether it includes, for example, forward rate agreements, swaps, equity derivatives and so on (as discussed in paragraph 17(b)). Users also want to know whether forward rate agreements are valued using the discounted cash flows technique or whether equity derivatives are valued using industry standard models.
38. A few users do not find information about valuation techniques and process that is disclosed today helpful. This is because the information is either too detailed for the analysis they perform or too complex to understand.

*Feedback from other stakeholders*

39. A few ASAF members agreed that information about valuation techniques and processes is helpful. This is because it allows users to judge the reasonableness of an entity's fair value measurements. However, the members added that these disclosures are costly to prepare.

**Information #6—Reconciliation from opening balance to closing balance of Level 3 fair value measurements***Feedback from users*

40. Similar to the feedback on defined benefit plans (see Agenda Paper 11B), users expressed mixed views about how useful the reconciliation is:

- (a) many users find the whole reconciliation useful. This included a few CMAC members.
- (b) some other users said they are primarily interested in the line items representing transfers into and out of Level 3.

41. Users that *do* find the reconciliation useful said it helps them to ‘trust’ the reported measurement. This is because the reconciliation further explains the amounts in the financial statements. The reconciliation also allows users to identify any significant movements they would like to investigate further or adjust for in their analysis (Table 1; Objective D). A few of these users added that a separate reconciling item for the effect of foreign exchange rates is useful.

*Feedback from other stakeholders*

- 42. A few ASAF members said that the most important pieces of information in the reconciliation are the line items representing transfers into and out of Level 3 and the effect of foreign exchange rates. In contrast, a few GPF members thought that separate disclosure of the effect of foreign exchange rates would not significantly add to users’ understanding of the whole reconciliation.
- 43. The ASAF members above added that the reconciliation is costly to prepare, particularly for entities with significant Level 3 items.

***Information #7—Additional disclosures for Level 2 fair value measurements***

*Feedback from users*

- 44. Some users expressed concerns about whether entities are making appropriate judgments when applying the boundaries between levels of the fair value hierarchy (see also information #2 in paragraphs 20–24). Specifically, these users are concerned that entities might either:
  - (a) classify Level 3 items into Level 2 to avoid having to provide the detailed Level 3 disclosures required by IFRS 13 today; or
  - (b) classify items inconsistently between Level 2 and Level 3.
- 45. These users branded Level 2 as a ‘black box’. Consequently, they said that additional information about the inputs, techniques and amounts underlying Level

2 fair value measurements would be very useful (Table 1; Objective D). Some of these users added that Level 2 items are often significant for many banks.

46. Many of these users did not further specify the exact information they would like to see. However, some said that information about Level 2 measurements should be similar to the detailed disclosures currently required for Level 3 (i.e. sensitivity analysis, valuation techniques and reconciliation from opening balances to closing balances). In their view, this approach would avoid the perceived incentive for entities to avoid allocating items into Level 3 today. Users that provided these suggestions generally prioritised the reconciliation.
47. A few other users, including those referred to in paragraph 40(b), said this information is not necessary. These users said that the existing requirement to disclose the amount of transfers into and out of the different levels of the fair value hierarchy addresses the identified concerns.

*Feedback from other stakeholders*

48. A few GPF members disagreed with providing additional disclosures for Level 2 items. These preparers doubted the benefit of such disclosures to users. They said that Level 3 fair value measurements are the only ones that are subjective enough to warrant detailed disclosures.
49. A few ASAF members echoed users' reasons for wanting this information (paragraph 44). However, a few GPF members suggested that user objectives could instead be met by explaining how the entity has determined the level to which an item belongs (see information #2).
50. The ASAF member from the FASB said that a request for additional disclosures for Level 2 also arose in the US, for the same reasons as described in paragraph 44. However, the FASB heard that such additional disclosures would be extremely costly to prepare. A few other ASAF members also expressed concerns about the high cost of preparing additional Level 2 disclosures.

**Information #8—Fair value of assets and liabilities not held at fair value***Feedback from users*

51. A few users, including a few CMAC members, said they find information about the fair value of items not measured at fair value in the statement of financial position useful. They added that this information is particularly useful when determining enterprise value (Table 1; Objective B).

*Feedback from other stakeholders*

52. A few ASAF members said that the cost of preparing and auditing this information is high.

**Information #9—Explanation, and disaggregation, of all assets and liabilities measured at fair value in the primary financial statements***Feedback from users*

53. A few users said this information is useful because it enables them to better understand and forecast amounts recognised in the primary financial statements (Table 1; Objective C). This feedback came primarily from those users who do not analyse detailed fair value disclosures.
54. These users said the following information would be particularly useful:
- (a) total fair value disaggregated by geographical area (for example, country or region) and item type. A few users added that geographical disaggregation is especially useful when analysing entities in emerging economies that have subsidiaries with different economic circumstances.
  - (b) information to assess the robustness of the fair value measurements included in the statement of financial position. Paragraph 31(a) on sensitivity analysis discusses this.
  - (c) disaggregating the fair value changes recognised in profit or loss or OCI by specific item type. This feedback came from a few CMAC members.

*Feedback from other stakeholders*

55. A few GPF members supported the provision of this information. They noted that IFRS 13 already includes a requirement to consider how much aggregation and disaggregation to undertake in satisfying the various disclosure requirements (see Appendix B). However, these members disagreed with disaggregating by geographical area because, in their view, this information may be commercially sensitive. Instead, they suggested that the requirement in IFRS 7 about concentrations of risk (see paragraph 34(c) of IFRS 7) could be extended to non-financial assets and liabilities. They added that the cost of providing additional disclosures about concentrations of risks would depend on the nature of the entity's business.
56. A few ASAF members said this information can be obtained from the existing disclosures in the financial statements. These members see no need for a specific requirement in IFRS 13.

***Additional items of information suggested by CMAC***

57. A few CMAC members expressed doubts about whether the suggested items of information in Table 2 that are not already required by IFRS 13 (see Appendix B) would be useful. They said information about the income generated by Level 3 assets, the amount of capital included in those assets and the duration of those assets would be more useful. This is because such information would help improve comparability between entities, especially between financial entities.
58. A few CMAC members would like fair value information disclosed in a tabular format. Some of these members said that IFRS 13 disclosures are often voluminous, with a few adding that voluminous disclosures are more helpful and understandable in a tabular format than in a narrative format.

**Summary of input received so far from the IFRS Taxonomy**

59. The IFRS Taxonomy team undertakes common reporting projects to identify information that is frequently disclosed but is not specifically required by IFRS Standards. If the information is reported by at least 10 per cent of entities within

the sample, it is considered to be common practice and is incorporated within the IFRS Taxonomy.

60. During 2018, the IFRS Taxonomy team undertook a comprehensive common practice review of IFRS 13. We discussed this review with the Taxonomy team to identify any relevant issues to consider as part of our detailed outreach with users.
61. The common practice review provided detailed information about issues with existing IFRS 13 disclosure requirements. We summarise the identified issues in paragraph 62 and provide more detail about each issue in Appendix A.
62. We identified issues that could affect the Board's review of IFRS 13 disclosure requirements in one of the following three ways:
  - (a) items for which common practice indicates that companies are interpreting IFRS 13 disclosure requirements in different ways. These relate to sensitivity analysis. The Taxonomy team identified disclosure requirements for which clarification might be helpful and we included questions about these items in our outreach (paragraphs A2–A3).
  - (b) items for which common practice indicates that companies are disclosing information that is not explicitly required by IFRS 13. These relate to sensitivity analysis, reconciliation from opening balances to closing balances and transfers between levels. The Taxonomy team identified information that might be useful to users and we included questions about these items in our outreach (paragraphs A4–A7).
  - (c) items for which common practice highlights that different IFRS Standards, including IFRS 13, contain different disclosure requirements for similar items. These relate to sensitivity analysis and the effects of changes in foreign exchange rates. We will consider these items as part of our detailed technical analysis in the coming months (paragraphs A8–A9).

## Appendix A—Detailed input received so far from the IFRS Taxonomy

- A1. This appendix discusses in detail the issues identified from the comprehensive common practice review of IFRS 13 undertaken by the IFRS Taxonomy team.

### *Diversity in application*

- A2. In their sensitivity analysis, entities commonly quantify the change in inputs used to calculate the effect on fair value. While some report absolute changes in inputs, others report relative changes. In our outreach, we asked users whether they have a preferred form of presentation (see information #4 on sensitivity analysis).
- A3. Paragraph 93(h)(ii) of IFRS 13 requires an entity to disclose the possible effect of a change in fair value of specific financial assets or financial liabilities but does not specify how this effect should be calculated or disclosed. Common practice analysis identified that most entities do not specify whether the reported effect is before or after tax. However, a few companies disclose the effect before tax, and a few others disclose the effect after tax. In our outreach, we asked users whether they have a preference for sensitivity analysis on a pre-tax basis or on a post-tax basis (see information #4 on sensitivity analysis).

### *Voluntary disclosures*

- A4. Entities commonly disclose a separate line item for the effects of changes in foreign exchange rates in their reconciliation from opening balances to closing balance of Level 3 fair value measurements. In our outreach, we asked users whether information about the effects of foreign exchange rates is relevant in their analysis (see information #6 on reconciliations).
- A5. For the disclosure requirement described in paragraph A3, entities commonly distinguish between the effect on fair value recognised in profit or loss and the effect on fair value recognised in OCI. In our outreach, we asked users whether such identification is useful to their analysis (see information #4 on sensitivity analysis).



- A6. Entities commonly provide quantitative sensitivity analysis for the fair value of investment property. Neither IFRS 13 nor IAS 40 *Investment Property* require this information. In our outreach, we asked users if this information is relevant in their analysis (see information #4 on sensitivity analysis).
- A7. Finally, entities commonly disclose a narrative statement if there has been no transfers between levels of the fair value hierarchy. In our outreach, we covered this as part of discussions relating to the boundaries between levels of the fair value hierarchy (see information #2), reconciliation from opening balances to closing balances (see information #6) and additional disclosures for Level 2 items (see information #7).

***Duplication or inconsistency between requirements in IFRS Standards***

- A8. The IFRS Taxonomy common practice project highlighted two areas in which different Standards, including IFRS 13, contain different disclosure requirements for similar items. These were:
- (a) disclosure of the effect of changes in foreign exchange rates within a reconciliation. IAS 16 *Property, Plant and Equipment* and IAS 19 *Employee Benefits* require the inclusion of foreign exchange effects in the reconciliation, whilst IFRS 13 does not.
  - (b) disclosures about sensitivity analysis:
    - (i) IAS 19 requires sensitivity analysis showing how the *defined benefit obligation* would be affected by changes in actuarial assumptions.
    - (ii) IFRS 17 *Insurance Contracts* requires sensitivity analysis showing how *profit or loss and equity* would have been affected by changes in risk exposures.
    - (iii) IFRS 13 requires sensitivity analysis showing how the fair value measurements of *assets and liabilities* would have been affected by changes in unobservable inputs.
- A9. We did not pose any specific question to users in this area. Instead, we will consider these observations as part of our technical analysis in coming months.

**Appendix B—Staff’s preliminary assessment of the interaction between users’ suggested items of information and existing IFRS 13 disclosure requirements**

- B1. This appendix provides a preliminary assessment of the interaction between users’ suggested items of information relating to fair value measurement and the existing IFRS 13 disclosure requirements.
- B2. The staff will consider and analyse the existing disclosure requirements in more detail together with its planned technical analysis and recommendations in the coming months (see *Agenda Paper 11D*).
- B3. We think it is particularly important to keep in mind the existing disclosure requirement in paragraph 92 of IFRS 13 as it relates to the overarching feedback on materiality (see paragraphs 10–12) . This paragraph addresses factors an entity should consider in meeting the disclosure objectives. This includes considering:
  - (a) the level of detail necessary to satisfy the disclosure requirements;
  - (b) how much emphasis to place on each of the various requirements;
  - (c) how much aggregation or disaggregation to undertake;
  - (d) whether users of financial statements need additional information to evaluate the quantitative information disclosed.

Users’ suggested items of information	Is this covered by existing IFRS 13 disclosure requirements?	
#1: Breakdown of the type of assets and liabilities within each level of the fair value hierarchy (paragraphs 17–19)	<b>Yes</b>	Paragraph 93(b). Paragraph 94 address disclosure of how an entity determines the appropriate classes of assets and liabilities to apply IFRS 13 disclosure requirements to. Note that the narrative explanation particularly for complex instruments may be captured by IFRS 7 requirements.
#2: Explanation about how an entity has determined the level to which its assets and liabilities belongs (paragraphs 20–24)	<b>No</b>	Note however that IAS 1 requires disclosure of significant judgments more generally.

<p><b>#3:</b> Inputs used in determining fair value measurements (paragraphs 25–26)</p>	<p><b>Yes</b></p>	<p>Paragraph 93(d)</p>
<p><b>#4:</b> Sensitivity analysis of Level 3 fair value measurements (paragraphs 27–35)</p>	<p><b>Partly</b></p>	<p>Paragraph 93(h) addresses disclosure of the effect of changing unobservable inputs. However, it only requires narrative descriptions about the interrelationships between the inputs. In addition, IFRS 13 does not cover whether the effect on profit or loss and OCI should be disclosed. Neither IFRS 13 nor IAS 40 address the need for quantitative sensitivity analysis for investment property measured at fair value.</p>
<p><b>#5:</b> Valuation techniques and processes applied to Level 3 fair value measurements (paragraphs 36–39)</p>	<p><b>Yes</b></p>	<p>Paragraph 93(d) and 93(g)</p>
<p><b>#6:</b> Reconciliation from opening balance to closing balance of Level 3 fair value measurements (paragraphs 40–43)</p>	<p><b>Partly</b></p>	<p>Paragraphs 93(e) addresses this information need; however, it does not specify whether the effects of changes in foreign exchange should be a separate reconciling item.</p>
<p><b>#7:</b> Additional disclosures for Level 2 fair value measurements <i>similar to</i> those typically provided for Level 3 (paragraphs 44–50)</p>	<p><b>No</b></p>	<p>Note that paragraph 93(d) requires disclosure of the valuation <i>techniques</i> for Level 2 while paragraph 93(c) addresses transfers between Level 1 and Level 2. However, IFRS 13 requires reconciliation, disclosure of valuation <i>processes</i> and sensitivity analysis for Level 3 only.</p>
<p><b>#8:</b> Fair value of assets and liabilities not held at fair value (paragraphs 51–52)</p>	<p><b>Yes</b></p>	<p>Paragraph 97</p>
<p><b>#9:</b> Explanation, and disaggregation, of all assets and liabilities measured at fair value in the primary financial statements (paragraphs 53–56)</p>	<p><b>Partly</b></p>	<p>Paragraph 94 generally addresses how an entity determines the appropriate number of classes of assets and liabilities for which disclosures about fair value measurements should be provided. However, it does not consider provision of this information on a geographical basis.</p>