
Global Preparers Forum meeting

Date	March 2023
Project	Disclosure Initiative—Subsidiaries without Public Accountability: Disclosures
Topic	Cover paper
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This paper has been prepared for discussion at a public meeting of the Global Preparers Forum (GPF). This paper does not represent the views of the International Accounting Standards Board (IASB) or any individual IASB member. Any comments in the paper do not purport to set out what would be an acceptable or unacceptable application of IFRS[®] Accounting Standards. The IASB's technical decisions are made in public and are reported in the IASB *Update*.

Purpose of this meeting

1. The International Accounting Standards Board (IASB) is redeliberating the proposals in the [Exposure Draft *Subsidiaries without Public Accountability: Disclosures*](#) (Exposure Draft) to develop a new IFRS Accounting Standard (the Standard).
2. The Global Preparers Forum (GPF) members are asked for their views on the following topics:
 - (a) proposed disclosure requirements for IFRS 7 *Financial Instruments: Disclosures* and IFRS 12 *Disclosure of Interests in Other Entities* (see Agenda Paper 5A); and
 - (b) effects analysis—expected cost and benefits of applying the Standard (see Agenda Paper 5B).

Project background

3. The IASB added the project to its 2017–2021 Work Plan based on feedback to the Request for Views: *2015 Agenda Consultation*. Stakeholders—mainly preparers—requested that the IASB permit subsidiaries with a parent that applies IFRS Accounting Standards in its consolidated financial statements to apply IFRS Accounting Standards with reduced disclosure requirements.

4. In response to this feedback the IASB published the Exposure Draft which set out a proposal for a new IFRS Accounting Standard. The objective of the draft Standard was to permit a subsidiary to apply the recognition, measurement and presentation requirements of IFRS Accounting Standards and the reduced disclosure requirements of the draft Standard provided that¹:
 - (a) the subsidiary does not have public accountability; and
 - (b) its ultimate or any intermediate parent produces consolidated financial statements that comply with IFRS Accounting Standards and are available for public use.
5. More details about the project can be found on the [IASB website](#).

¹ For purposes of this paper, IFRS Accounting Standards refers to IFRS Accounting Standards excluding the *IFRS for SMEs* Accounting Standard.