
IFRS Taxonomy Consultative Group (ITCG) meeting

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Illustrations related to subtotals/categories in the statement of profit or loss




Illustration of how labels would reflect categories under a line item approach

Item classified in multiple categories for a single entity or in different categories for different entities

	Concept name	Standard label	Documentation label	References
Create (some) additional elements	ForeignExchangeLosses Operating	Foreign exchange losses, operating	Foreign exchange losses classified in the operating category.	...
	ForeignExchangeLosses Investing	Foreign exchange losses, investing	Foreign exchange losses classified in the investing category.	...
	ForeignExchangeLosses Financing	Foreign exchange losses, financing	Foreign exchange losses classified in the financing category.	...

Item classified in the same category for all entities

	Concept name	Standard label	Documentation label	References
Keep element, but change label	RevenueFromSaleOfGoods Operating	Revenue from sale of goods, operating	The amount of revenue arising from the sale of goods classified in the operating category.	...

Illustrated tagging of specified expenses by nature and MPMs



Specified expenses by nature—example presentation and disclosure

Statement of profit or loss	
	31.12.20X1
Revenue	367,000.00
Cost of sales	(237,100.00)
Gross profit	129,900.00
Selling expenses	(28,900.00)
Research and development expenses	(25,100.00)
Entity-specific expenses	(20,900.00)
Other operating expenses	(1,200.00)
Operating profit	53,800.00
Interest expense on borrowings	(12,000.00)
Profit before income tax	41,800.00
Income tax expense	(11,200.00)
Profit	30,600.00

Disclosure of specified expenses by nature in the notes

The following table shows the amount of depreciation and employee benefits included in each line item in entity’s statement of profit or loss.

	31.12.20X1
Depreciation	
Cost of sales	23,710.00
Research and development expenses	2,518.00
Entity-specific expenses	4,975.00
Total depreciation	31,203.00
Employee benefits	
Cost of sales	61,646.00
Selling expenses	7,514.00
Entity-specific expenses	5,421.00
Total employee benefits	74,581.00

* Comparative information is not shown in the illustration

Specified expenses by nature—example tagging

Statement of profit or loss—tagged

Taxonomy element label	31.12.20X1
Revenue, operating	367,000.00
Cost of sales, operating	(237,100.00)
Gross profit	129,900.00
Selling expense, operating	(28,900.00)
Research and development expense, operating	(25,100.00)
Entity-specific expenses, operating (EXT)	(20,900.00)
Other expense, operating	(1,200.00)
Operating profit	53,800.00
Interest expense on borrowings, financing	(12,000.00)
Profit (loss) before tax	41,800.00
Tax expense (income)	(11,200.00)
Profit (loss)	30,600.00

For extensions, we suggest preparers provide the category information in the element label as a best practice

Disclosure of specified expenses by nature in the notes—tagged

The following table shows the amount of depreciation and employee benefits included in each line item in entity's statement of profit or loss.

Taxonomy element label	Attribution of specified expenses by nature [axis]	31.12.20X1
Cost of sales, operating	Depreciation [member]	23,710.00
Research and development expense, operating	Depreciation [member]	2,518.00
Entity-specific expenses, operating (EXT)	Depreciation [member]	4,975.00
Depreciation expense		31,203.00
Cost of sales, operating	Employee benefits [member]	61,646.00
Selling expense, operating	Employee benefits [member]	7,514.00
Entity-specific expenses, operating (EXT)	Employee benefits [member]	5,421.00
Employee benefits expense		74,581.00

Specified expenses by nature—use of tagged data (1)

Requirement of user

What is the amount of cost of sales and its breakdown into ‘by nature’ line items?

Search query

Search for line item ‘Cost of sales, operating’

Data from search

Value	Line item	Axis	Member
237,100	Cost of sales, operating		
23,710	Cost of sales, operating	Attribution of specified expenses by nature [axis]	Depreciation [member]
61,646	Cost of sales, operating	Attribution of specified expenses by nature [axis]	Employee benefits [member]

Specified expenses by nature—use of tagged data (2)

Requirement of user

What are the line items in which depreciation is included and what are the respective amounts?

Search query

Search for ‘Depreciation [member]’ under ‘Attribution of specified expenses by nature [axis]’

Data from search

Value	Line item	Axis	Member
23,710	Cost of sales, operating	Attribution of specified expenses by nature [axis]	Depreciation [member]
2,518	Research and development expense, operating	Attribution of specified expenses by nature [axis]	Depreciation [member]
4,975	Entity-specific expenses, operating (EXT)	Attribution of specified expenses by nature [axis]	Depreciation [member]

There can be some extensions for P&L line items here, but these will be the same as those used in the P&L—enabling sufficient linking for users

MPM reconciliation—example disclosure

20X2 (comparative period not illustrated for simplification purposes)

	Measure specified by IFRS Accounting Standards	Revenue Adjustment	Litigation expense	Write-down of raw materials	Management- defined performance measure
Revenue		(7,500)	–	–	
General and administrative expenses		–	3,500	4,900	
Operating profit / Adjusted operating profit	56,000	(7,500)	3,500	4,900	56,900
Income tax expense		1,200	–	–	
Profit / Adjusted profit	31,500	(6,300)	3,500	4,900	33,600
Profit attributable to non-controlling interests		–	–	(245)	

MPM reconciliation—example tagging of two MPMs

Management-defined performance measure [axis]	Adjusted operating profit [member]	Adjusted operating profit [member]	Adjusted operating profit [member]	Adjusted operating profit [member]	Adjusted profit [member]	Adjusted profit [member]	Adjusted profit [member]	Adjusted profit [member]
Reconciling items in reconciliation of management-defined performance measure [axis]	Revenue adjustment [member]	Litigation expense [member]	Write-down of raw materials [member]		Revenue adjustment [member]	Litigation expense [member]	Write-down of raw materials [member]	
Operating profit (loss)				56,000				
Profit (loss)								31,500
Revenue, operating	-7,500				-7,500			
General and administrative expense, operating		3,500	4,900			3,500	4,900	
Tax expense (income)					1,200			
Management-defined performance measure	-7,500	3,500	4,900	56,900	-6,300	3,500	4,900	33,600
Profit (loss), attributable to non-controlling interests			-245				-245	

Amounts of IFRS defined totals/subtotals will need to be tagged with a member even though it is the same number as tagged in the statement of profit or loss without any member. For example, the amount of 56,000 must be tagged with the 'Operating profit (loss)' line item in the statement of profit or loss, but in this reconciliation, it should be tagged with an additional member in addition to the 'Operating profit' line item. In our view, it will help users to identify the MPM(s) to which the sub-total 'Operating profit' is reconciled to

In specific cases, amounts of common adjustments need to be tagged twice with separate MPM members. For example, in this illustration, the amount of 3,500 (litigation expense adjustment) is tagged twice: with 'adjusted operating profit member' and 'adjusted profit member' because this adjustment forms part of the reconciliations for both MPMs

These line items are the same as those used in the statement of profit or loss—enabling the linking between the P&L and this reconciliation which could be beneficial for the users

The label of the MPM will be derived from the label of the member under the 'Management-defined performance measure [axis]'. For example, the amount of 56,900 is tagged with the MPM line item and the member 'Adjusted operating profit'. So, this amount can be understood as 'MPM Adjusted operating profit'

MPM reconciliation—use of tagged data

Requirement of user

What are the entity's MPMs?

Search query

Search for line item 'Management-defined performance measure'

Data from search

Value	Line item	Axis 1	Member under Axis 1	Axis 2	Member under Axis 2
-7,500	Management-defined performance measure	Management-defined performance measure [axis]	Adjusted operating profit member	Reconciling items in reconciliation of management-defined performance measure [axis]	Revenue adjustment [member]
3,500	Management-defined performance measure	Management-defined performance measure [axis]	Adjusted operating profit member	Reconciling items in reconciliation of management-defined performance measure [axis]	Litigation expense [member]
4,900	Management-defined performance measure	Management-defined performance measure [axis]	Adjusted operating profit member	Reconciling items in reconciliation of management-defined performance measure [axis]	Write-down of raw materials [member]
56,900	Management-defined performance measure	Management-defined performance measure [axis]	Adjusted operating profit member		
-6,300	Management-defined performance measure	Management-defined performance measure [axis]	Adjusted profit member	Reconciling items in reconciliation of management-defined performance measure [axis]	Revenue adjustment [member]
3,500	Management-defined performance measure	Management-defined performance measure [axis]	Adjusted profit member	Reconciling items in reconciliation of management-defined performance measure [axis]	Litigation expense [member]
4,900	Management-defined performance measure	Management-defined performance measure [axis]	Adjusted profit member	Reconciling items in reconciliation of management-defined performance measure [axis]	Write-down of raw materials [member]
33,600	Management-defined performance measure	Management-defined performance measure [axis]	Adjusted profit member		

These are the entity's MPMs, and their names can be derived from the label of the member, i.e., 'Adjusted operating profit' and 'Adjusted profit'

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