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Exposure Draft ED/2019/7

General Presentation and Disclosures

Comments to be received by 30 June 2020



IASB®



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GENERAL PRESENTATION AND DISCLOSURES

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**APPROVAL BY THE BOARD OF EXPOSURE DRAFT *GENERAL
PRESENTATION AND DISCLOSURES* PUBLISHED IN DECEMBER 2019**

BASIS FOR CONCLUSIONS (*see separate booklet*)

ILLUSTRATIVE EXAMPLES (*see separate booklet*)

Introduction

Why is the Board publishing this Exposure Draft?

The Exposure Draft includes the proposals of the International Accounting Standards Board (Board) to improve how information is communicated in the financial statements, with a focus on information about performance the statement of profit or loss.¹ The Board is proposing limited changes to the statement of cash flows and the statement of financial position.

The proposals in the Exposure Draft were developed by the Board as part of its Primary Financial Statements project, which is part of the Board's work on Better Communication in Financial Reporting. It responds to the strong demand from stakeholders, and in particular users of financial statements, to undertake a project on performance reporting.

Structure of the Exposure Draft

The Exposure Draft includes:

- (a) a proposal to replace IAS 1 *Presentation of Financial Statements* with a new Standard that would comprise:
 - (i) new requirements on presentation and disclosures in the financial statements.²
 - (ii) requirements brought forward from IAS 1 with only limited changes to the wording. (These changes are not intended to modify any requirements.)
- (b) proposed amendments to other Standards:
 - (i) IAS 7 *Statement of Cash Flows*;
 - (ii) IFRS 12 *Disclosure of Interests in Other Entities*;
 - (iii) IAS 33 *Earnings per Share*;
 - (iv) IAS 34 *Interim Financial Reporting*;
 - (v) IAS 8 *Accounting Policies, Changes in Accounting Estimates and Errors* to include some requirements from IAS 1;³ and
 - (vi) IFRS 7 *Financial Instruments: Disclosures* to include some requirements from IAS 1.

1 This invitation to comment and the Exposure Draft uses the term 'statement of profit or loss' to cover both the profit or loss section (when an entity presents its statement(s) of financial performance as a single statement of profit or loss and other comprehensive income) and the statement of profit or loss (when an entity presents its statement(s) of financial performance as a statement of profit or loss and a separate statement presenting comprehensive income).

2 The Board proposes to retain requirements in IAS 7 *Statement of Cash Flows* that are specific to presentation and disclosures in the statement of cash flows with some amendments.

3 The Exposure Draft also sets out a proposal to change the title of IAS 8 from '*Accounting Policies, Changes in Accounting Estimates and Errors*' to '*Basis of Preparation, Accounting Policies, Changes in Accounting Estimates and Errors*'.