

Better communication in financial reporting

An International Accounting Standards Board (Board) theme comprising several projects, all of which are designed to help make financial information more useful and improve the way it is communicated to users of financial statements. Our **visual guide** provides an overview of the Board's projects that fall under this theme.



Financial statements

Primary financial statements

- Aimed at **improving the structure and content** of the primary financial statements, with a **focus on the income statement**.
- Exposure Draft *General Presentation and Disclosures* issued in December 2019 proposing a **new IFRS® Standard**, which introduces:
 - **required defined subtotals** in the income statement;
 - more **discipline and transparency on management performance measures** (commonly known as non-GAAP measures); and
 - **greater disaggregation** of information.

Disclosure initiative

- Portfolio of projects aimed at **improving disclosures in financial statements**.
- Encourage preparers to apply **professional judgement** when determining financial statements' disclosures.
- Several amendments issued. The following projects remain:
 - **Accounting policies** – helping preparers apply materiality to disclosure of accounting policies. **Proposed amendments** issued August 2019.
 - **Targeted standards-level review of disclosures** – aimed at improving the way the Board develops and drafts disclosure requirements. Exposure draft expected in 2020.

Outside the financial statements

Management commentary

- Aimed at exploring how broader financial reporting complements financial statements.
- Board currently considering **updating its Practice statement to support more rigorous management commentary** about factors affecting the financial statements.
- Exposure draft date TBD.

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Visual guide

Status and key objectives of projects

December 2019



IFRS Taxonomy

Examining the delivery of information

In progress

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