

# EFRAG-DK webinar

07 - 15 May 2020

Poll results

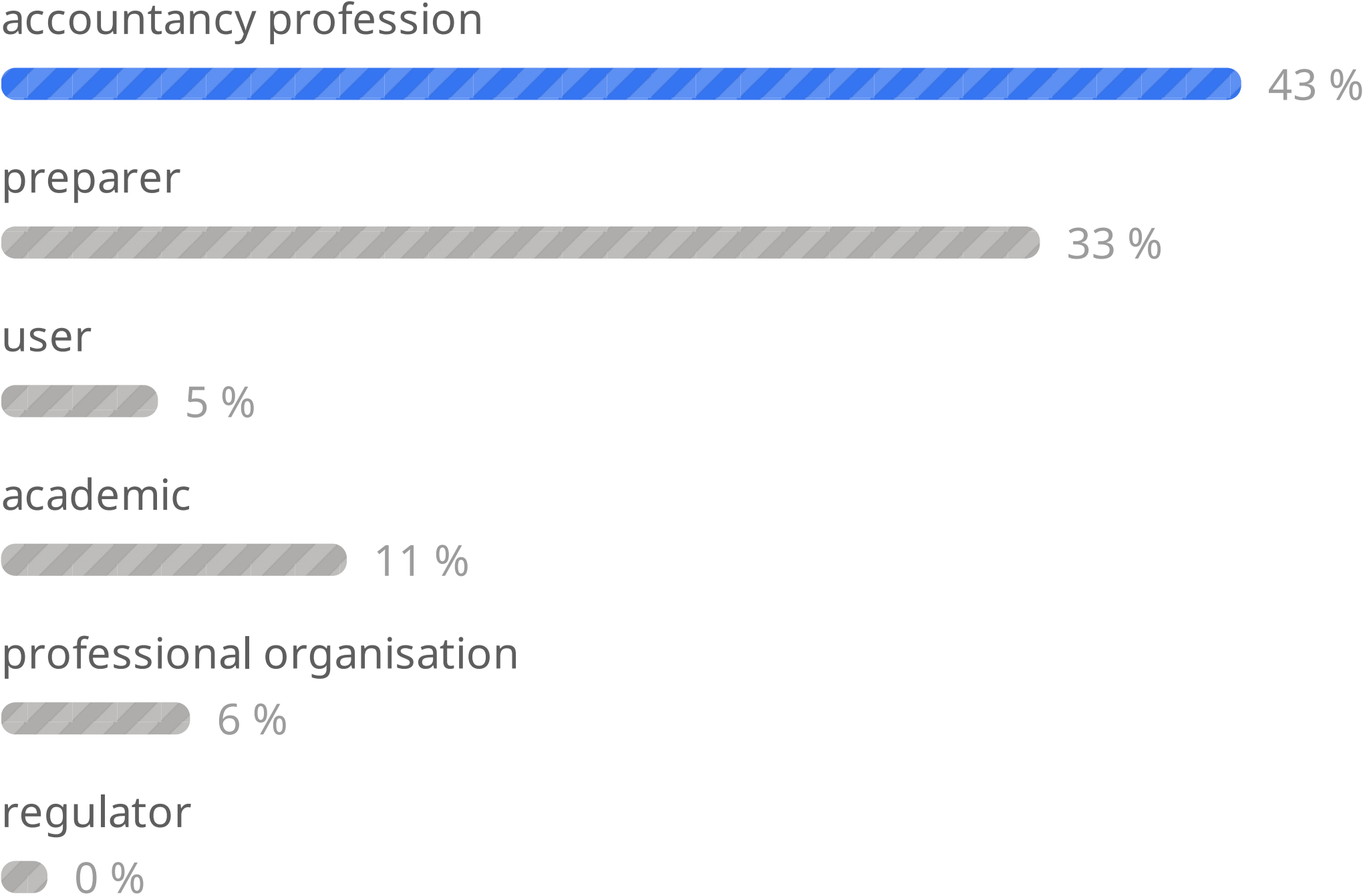
# Table of contents

- What is your professional background?
- Do you think that the new required allocation (operating, investing and financing) of items in the subtotals will result in better information?
- Do you think that it will be feasible to make the distinction between investing and financing for all industries?
- Do you think that the new structure for the Statement of Profit or Loss will limit management ability to explain the overall performance through Management Performance Measures / generation of income in the context of the activities and business strategy?
- The disclosure and reconciliation on Management Performance Measures (MPMs) should be presented:
- Is it important for investors that entities have to provide a higher level of disaggregation (e.g. line items related to investing and financing categories)? (5 = very helpful – 1 = not helpful)
- Is it useful to start the statement of cash flows (indirect method) with operating profit rather than with net profit?

# What is your professional background?

(1/2)

0 6 3



## What is your professional background? (2/2)

063

other

 2 %

**Do you think that the new required allocation (operating, investing and financing) of items in the subtotals will result in better information?**

0 5 6

Yes, as it will improve comparability



No, as it will impose uniformity and reduce the space for entity specific allocations



Don't know



## Do you think that it will be feasible to make the distinction between investing and financing for all industries?

0 4 9

Yes, as it will be based on clear concepts



No, as a uniform definition will be difficult to apply



No, as what matters is the dividing line operating / non-operating



Don't know



**Do you think that the new structure for the Statement of Profit or Loss will limit management ability to explain the overall performance through Management Performance Measures / generation of income in the context of the activities and business strategy?**

(1/2)

0 3 6

It will allow the link to the entity's view of the business and is important



It will allow the link to the entity's view of the business, but is not important

0 %

It will not allow the link to the entity's view of the business, but it should



**Do you think that the new structure for the Statement of Profit or Loss will limit management ability to explain the overall performance through Management Performance Measures / generation of income in the context of the activities and business strategy?**

(2/2)

0 3 6

It will not allow the link to the entity's view of the business and it is not important"

0 %



# The disclosure and reconciliation on Management Performance Measures (MPMs) should be presented:

Only for MPMs that are presented in the financial statements



For MPMs that are presented in the financial statements and the Management Commentary



For all the MPMs used in public communications

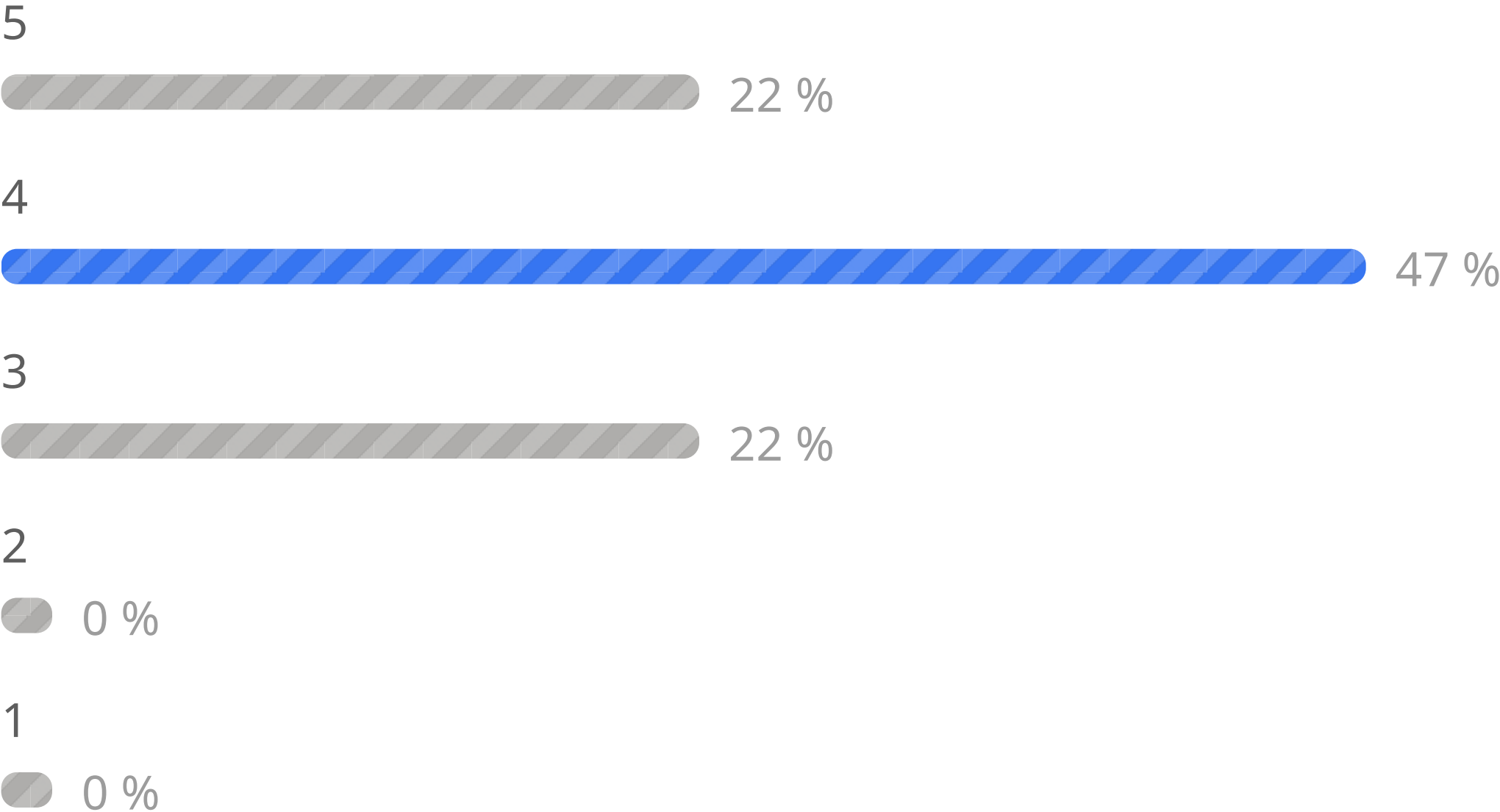


Don't know



0 3 2

**Is it important for investors that entities have to provide a higher level of disaggregation (e.g. line items related to investing and financing categories)? (5 = very helpful – 1 = not helpful)**  
(1/2)



**Is it important for investors that entities have to provide a higher level of disaggregation (e.g. line items related to investing and financing categories)? (5 = very helpful – 1 = not helpful)**  
(2/2)

0 3 2

Don't know



**Is it useful to start the statement of cash flows (indirect method) with operating profit rather than with net profit?**

0 3 4

Yes



No



Don't know



# EFRAG PFS webinar 26 May 2020

21 - 26 May 2020

Poll results

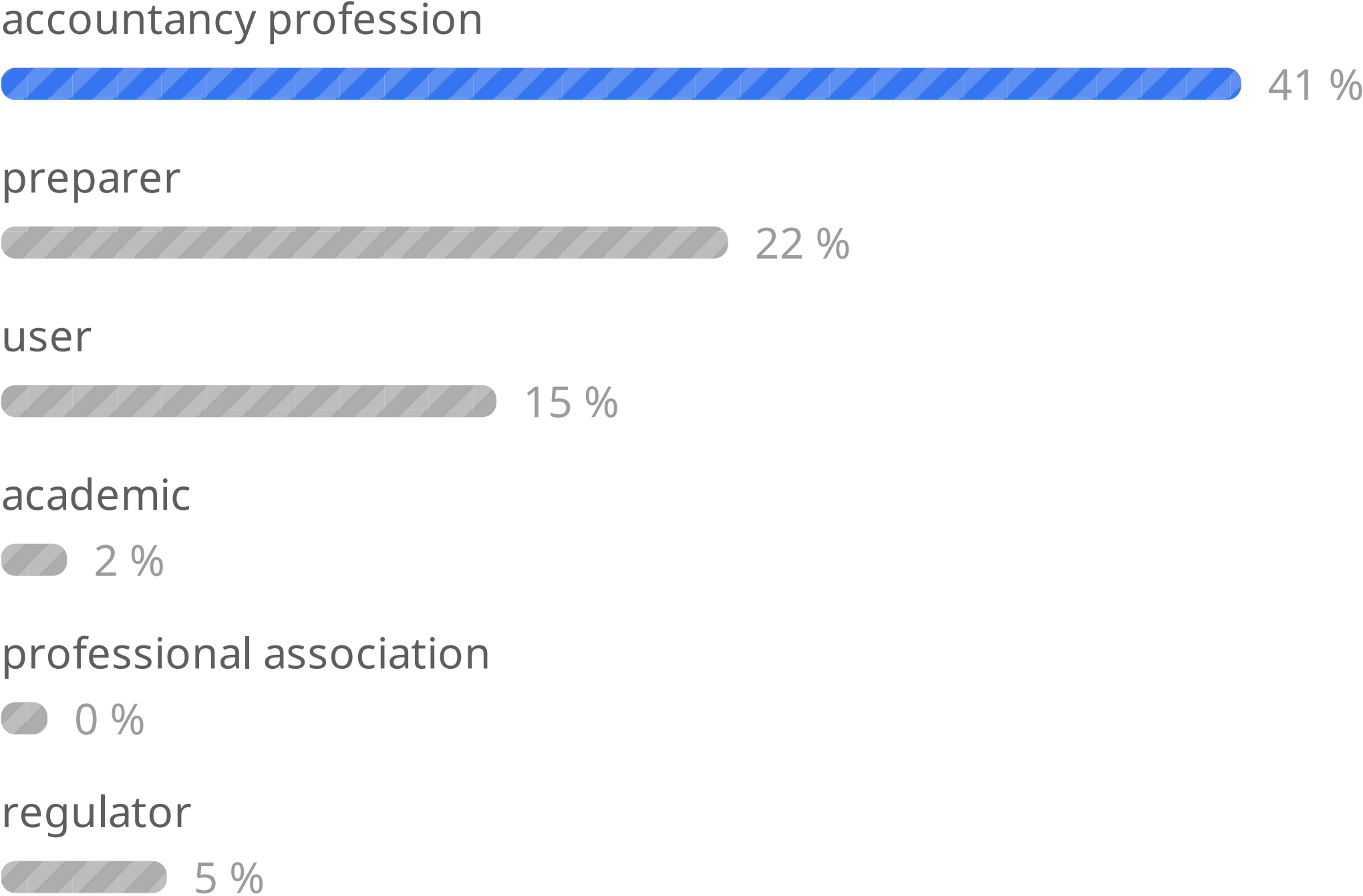
# Table of contents

- Q1. What is your professional background?
- Q2. Do you think it is useful to require the disclosure of any performance (non-GAAP) measures defined by management in the financial statements?
- Q3. If entities would have to provide disclosures on performance measures defined by management in the financial the statements, which ones should be disclosed?
- Q4. Do you consider the disclosures of unusual items useful?
- Q5. Unusual items and extraordinary items: are they the same?

# Q1. What is your professional background?

(1/2)

0 4 1



**Q1. What is your professional background?**  
(2/2)

0 4 1

other





**Q2. Do you think it is useful to require the disclosure of any performance (non-GAAP) measures defined by management in the financial statements?**

030

Yes, entities should be required to provide disclosures about performance measures defined by management



No, entities should not be required to provide disclosures about performance measures defined by management



It should be optional for the entities to provide disclosures about performance measures defined by management



Indifferent



**Q3. If entities would have to provide disclosures on performance measures defined by management in the financial the statements, which ones should be disclosed?**

0 3 9

(1/2)

All performance measures defined by management used in public communications, including ratios



Management-defined performance measures that are subtotals of income and expenses used in public communications, outside financial statements (IASB proposal)



Performance measures defined by management released jointly with the annual or interim report, including earning releases



**Q3. If entities would have to provide disclosures on performance measures defined by management in the financial the statements, which ones should be disclosed?**

0 3 9

(2/2)

Performance measures defined by management not specified by IFRS Standards that are voluntarily presented within the financial statements

 10 %

# Q4. Do you consider the disclosures of unusual items useful?

0 3 9

Yes, if it concerns identified items with limited predictive value (IASB definition)



Yes, but the IASB definition is too narrow



No, the IASB definition is too broad



No, too judgemental



Not sure



## Q5. Unusual items and extraordinary items: are they the same?

0 3 5

Yes, they have the same definition in the ED



Yes, they are very similar or basically the same



No, they are different concepts and both defined in the ED



No, they are different concepts and the ED focuses on unusual items



# **EFRAG, NASB, NFF, IASB - PFS joint outreach event, 17 June 2020**

05 - 18 Jun 2020

Poll results

# Table of contents

- Q1. What is your professional background?
- Q2: Do you think that the new required allocation (operating, investing and financing) of items in the subtotals will result in better information?
- Q3: Do you agree that the results from associates and joint ventures should be presented separately in two different categories OF the income statement?
- Q4: Which statement best reflects your view on Management Performance Measures (MPMs)?
- Q5: What is your impression of the implementation effort?
- Q7: Do you agree in operating profit as the starting point when using the indirect method to report cash flows?

# Q1. What is your professional background?

0 8 9

investor/analyst



preparer



auditor



regulator



academic



other





**Q2: Do you think that the new required allocation (operating, investing and financing) of items in the subtotals will result in better information?**

0 5 3

Yes, as it will improve comparability



No, as it will impose uniformity and reduce the space for entity specific allocations



Don't know



**Q3: Do you agree that the results from associates and joint ventures should be presented separately in two different categories OF the income statement?**

Yes, I agree with the IASB's proposal



Yes, but I would prefer another split than integral versus non-integral



No, all results should be presented in the operating category



No, all results should be presented in the investing category



I do not know



## Q4: Which statement best reflects your view on Management Performance Measures (MPMs)?

0 4 5

I agree with IASB's proposal

7 %

I agree with including MPMs in the financial statements, but the IASB scope is too narrow as it focuses only on subtotals of profit or loss

69 %

MPMs should not be included in the financial statements

18 %

I do not know

7 %

# Q5: What is your impression of the implementation effort?

0 4 3

Information is easily available. Reorganisation and representation will require limited effort



Much of the information is available, but some additional data must be registered and gathered



System updates are needed, possibly with significant changes



I do not know



**Q7: Do you agree in operating profit as the starting point when using the indirect method to report cash flows?**

0 4 1

Yes



No



I do not know



# EFRAG PFS roundtable event

01 Sep - 01 Sep 2020

Poll results

## Table of contents

- Question 1: What is your professional background?
- Question 2: Are the IASB's proposals for classifying income and expenses (operating, investing and financing) clear and easy to implement?
- Question 3: Does having the same labelling of the categories in the statement of profit or loss and statement of cash flows raise any implementation challenges?
- Question 4: Do you consider that the IASB proposals on splitting integral and non-integral associates and joint ventures can be easily and consistently implemented by your company?
- Question 5: What system changes would be required for your company to provide disclosures by nature when presenting by function?
- Question 6: Is the IASB definition of management performance measures (MPMs) easy to implement and capturing the right items?
- Question 7: Is the IASB definition on unusual items easy to implement and capturing the right items?

0 4 6

# Question 1: What is your professional background?

(1/2)

preparer – financial institution



preparer - corporate



accountancy profession



user



academic





# Question 1: What is your professional background?

(2/2)

0 4 6

professional organisation

 4 %

regulator

 2 %

other

 2 %

0 4 6

## Question 2: Are the IASB's proposals for classifying income and expenses (operating, investing and financing) clear and easy to implement?

Yes, the IASB's proposals are clear and easy to implement.

 4 %

Yes, the IASB's proposals are clear but more guidance is needed (e.g. meaning of main business activity) to facilitate implementation.

 61 %

No, the IASB's proposals are not clear and not easy to implement. More guidance is needed to facilitate implementation.

 22 %

I do not agree with the IASB's proposals, regardless of whether they are clear and easy to implement.

 13 %

0 3 8

### Question 3: Does having the same labelling of the categories in the statement of profit or loss and statement of cash flows raise any implementation challenges?

No, it does not raise any implementation challenges as the differences between the different categories are clear.

 18 %

Yes, it raises implementation challenges as having the same labelling can be confusing when preparing the financial statements.

 74 %

It is indifferent.

 8 %

0 4 6

**Question 4: Do you consider that the IASB proposals on splitting integral and non-integral associates and joint ventures can be easily and consistently implemented by your company?**

(1/2)

Yes, the proposals are easy to implement, the split does not require significant judgement and they can be applied consistently.

 9 %

Yes, the split does not require significant judgement, but would welcome more guidance to facilitate implementation and help consistent application.

 13 %

No, the split will always require significant judgement and may lead to diversity in practice.

 70 %

**Question 4: Do you consider that the IASB proposals on splitting integral and non-integral associates and joint ventures can be easily and consistently implemented by your company?**

0 4 6

(2/2)

Not an issue as my company's associates and joint ventures are not material.

 9 %

0 3 9

## Question 5: What system changes would be required for your company to provide disclosures by nature when presenting by function?

All the information is available and no significant changes to the systems are needed.



The information is available but it would require a significant change to the systems to be able to disclose the total operating expenses by nature.



The information is not available and it would require a significant change to the systems to be able to disclose the total operating expenses by nature.



It does not affect my company as it presents operating expenses by nature in its financial statements.



0 4 5

## Question 6: Is the IASB definition of management performance measures (MPMs) easy to implement and capturing the right items?

Yes, it is easy to implement and captures the right items.



Yes, it is easy to implement however the scope should be widened.



No, management should only be required to provide disclosures on MPMs when it uses them in the financial statements as entities already have to comply with ESMA's Guidelines on APMs.



No, management-defined performance measures should not be included in the financial statements together with IFRS defined measures.



0 4 4

## Question 7: Is the IASB definition on unusual items easy to implement and capturing the right items?

Yes, it is easy to implement and captures the right items.

 0 %

Yes, it is easy to implement however the scope should be widened to reflect unusual items that occur for a limited period of time.

 23 %

Yes, it is easy to implement however the scope should be narrow to avoid abuse.

 5 %

No, more guidance is needed.

 64 %

No, what is unusual should be a management decision.

 9 %



# PFS-DASB

10 - 19 Sep 2020

Poll results

## Table of contents

- Question 1 - What is your background?
- Question 2 - Do you think that the new required allocation (operating, investing and financing) of items in the subtotals will result in better information?
- Question 3 - Do you agree that the results from associates and joint ventures should be presented separately in two different categories of the income statement?
- Question 6 - Should unusual items be disclosed in a separate note as proposed by the IASB?

# Question 1 - What is your background?

0 3 6

Investor/analyst



Preparer



Auditor



Regulator



Academic



Other



**Question 2 - Do you think that the new required allocation (operating, investing and financing) of items in the subtotals will result in better information?**

0 3 8

Yes, as it will improve comparability



No, as it will impose uniformity and reduce the space for entity specific allocations



I do not know



**Question 3 - Do you agree that the results from associates and joint ventures should be presented separately in two different categories of the income statement?**

0 3 7

Yes, I agree with the IASB's proposal



Yes, but I would prefer another split than integral versus non-integral



No, all results should be presented in operating category



No, all results should be presented in investing category



I do not know



## Question 6 - Should unusual items be disclosed in a separate note as proposed by the IASB?

0 3 1

Yes



Yes, but should include more items than proposed by the IASB



No, this is sufficiently regulated in existing IFRS



I do not know

