

## Question 1

### Operating Profit or Loss

Paragraph 60(a) proposes that all entities present a PNL subtotal for operating profit or loss. This will increase comparability between entities.

1.	Do you agree with this proposal?
2.	Why or why not?
3.	If not, what alternative approach would you suggest and why?

## Question 2

### The Operating Category in the Profit or Loss Statement

Paragraph 46 proposes that entities classify in this category all income and expenses not classified in the other categories such as the investing or financing category i.e. this category is defined as a residual

1.	Do you agree with this proposal?
2.	Why or why not?
3.	If not, what alternative approach would you suggest and why?

### Question 3

#### The Operating Category in the Profit or Loss Statement

Paragraph 48 proposes that entities classify in this category income and expenses from investments made in the course of the entity's main business activities

1.	Do you agree with this proposal?
2.	Why or why not?
3.	If not, what alternative approach would you suggest and why?

#### Question 4

##### The Operating Category in the Profit or Loss Statement

Paragraph 51 proposes that entities providing financing to customers as a main business activity classify in the operating category either:

- income and expenses from financing activities, and from cash and cash equivalents (C&CEs), that relate to provision of financing to customers; or
- all income and expenses from financing activities and all income and expenses from C&CEs

1.	Do you agree with this proposal?
2.	Why or why not?
3.	If not, what alternative approach would you suggest and why?

## Question 5

### The Investing Category in the Profit or Loss Statement

Paragraph 47–48 propose that entities classify in this category income and expenses (including related incremental expenses) from assets that generate a return individually and largely independently of other resources held by the entity

- unless they are investments made in the course of the entity's main business activities

1.	Do you agree with this proposal?
2.	Why or why not?
3.	If not, what alternative approach would you suggest and why?

## Question 6

### Profit or Loss before Financing and Income Tax

- a) Paragraphs 60(c) and 64 propose that all entities (except those classifying all income and expenses from financing and C&CEs as operating), present a subtotal for profit/loss before financing and income tax.
- b) Paragraph 49 proposes which income and expenses an entity should classify as financing

1.	Do you agree with these proposals?
2.	Why or why not?
3.	If not, what alternative approach would you suggest and why?

## Question 7

### Associates and Joint Ventures

- a) The proposed new paragraphs of IFRS 12 would define 'integral' and 'non-integral' associates and JV's and require an entity to identify them
- b) Paragraph 60(b) of the ED proposes that an entity present a PNL subtotal for operating profit or loss AND income and expenses from integral associates and JVs
- c) The ED and proposed new paragraphs of IAS 7/IFRS 12 would require an entity to provide separate info. about integral/non-integral associates and JVs

1.	Do you agree with these proposals?
2.	Why or why not?
3.	If not, what alternative approach would you suggest and why?

## Question 8

### Roles of Primary Financial Statements and Notes

#### Aggregation and Disaggregation

- a) Paragraphs 20–21 set out the proposed description of the roles of the primary financial statements and the notes.
- b) Paragraphs 25–28 and B5–B15 set out proposals for principles and general requirements on the aggregation and disaggregation of information.

1.	Do you agree with these proposals?
2.	Why or why not?
3.	If not, what alternative approach would you suggest and why?



## Question 9

### Analysis of Operating Expenses in the Statement of Profit or Loss

- a) Paragraphs 68 and B45 of the ED propose requirements and application guidance to help an entity decide whether to present its operating expenses by nature or function.
- b) Paragraph 72 proposes requiring an entity that provides an analysis of its operating expenses by function in the PNL statement to provide an analysis by nature in the notes

1.	Do you agree with these proposals?
2.	Why or why not?
3.	If not, what alternative approach would you suggest and why?

## Question 10

### Unusual Income and Expenses

- a) Paragraph 100 of the ED introduces a definition of 'unusual income and expenses'.
- b) Paragraph 101 proposes to require all entities to disclose unusual income and expenses in a single note.
- c) Paragraphs B67–B75 propose application guidance to help an entity identify its unusual income and expenses.
- d) Paragraphs 101(a)–(d) propose what information should be disclosed relating to unusual income and expenses.

1.	Do you agree with these proposals?
2.	Why or why not?
3.	If not, what alternative approach would you suggest and why?

## Question 11

### Management Performance Measures

- a) Paragraph 103 of the ED proposes a definition of MPMs
- b) Paragraph 106 proposes requiring an entity to disclose in a single note information about its MPMs.
- c) Paragraphs 106(a)–(d) propose what information an entity would be required to disclose about its MPMs

1.	Do you agree that information about MPMs as defined by IASB should be included in the financial statements?
2.	Why or why not?
3.	Do you agree with the proposed disclosure requirements for MPMs?
4.	Why or why not?
5.	If not, what alternative approach would you suggest and why?

## Question 12

### Earnings Before Interest, Tax, Depreciation and Amortisation

Paragraphs BC172–BC173 of the Basis for Conclusions explain why IASB has not proposed requirements relating to EBITDA.

1.	Do you agree with this proposal?
2.	Why or why not?
3.	If not, what alternative approach would you suggest and why?

### Question 13

#### Statement of Cash Flows

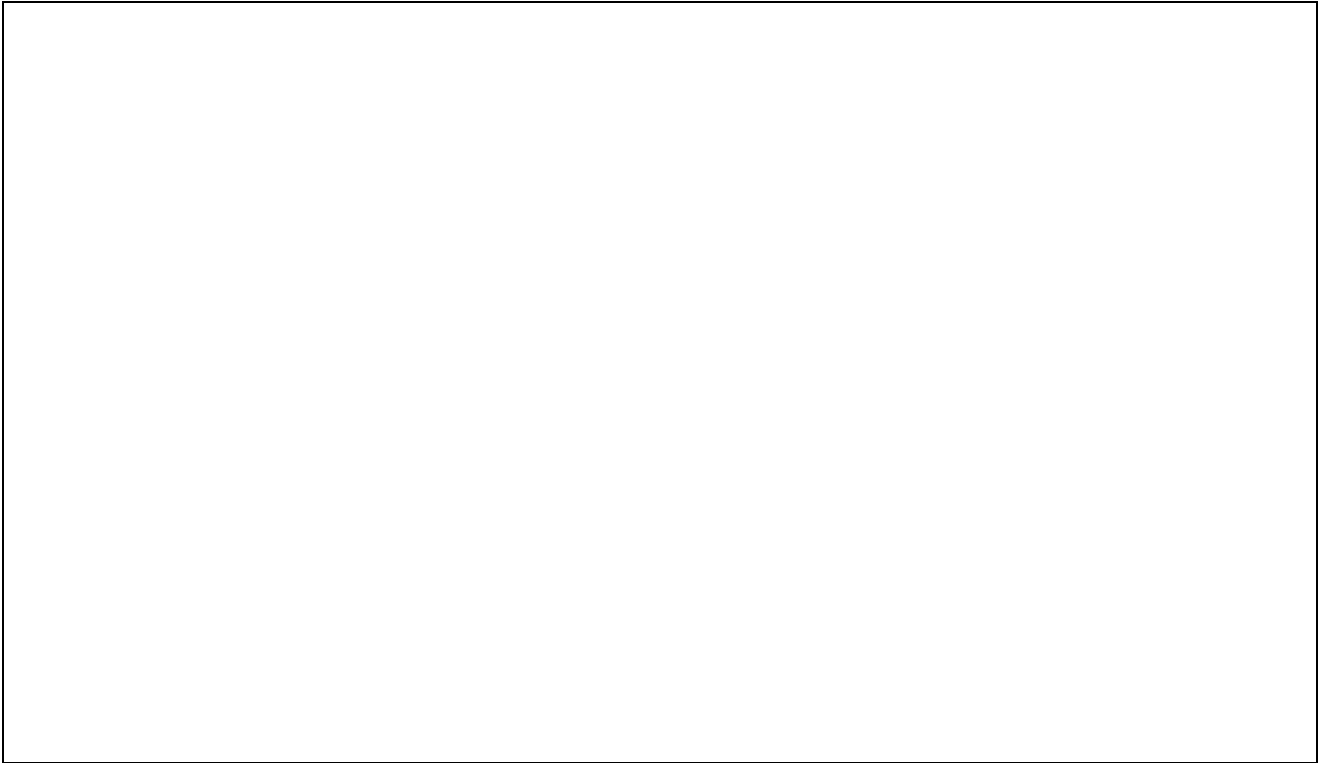
- a) The proposed amendment to paragraph 18(b) of IAS 7 would require operating profit or loss to be the starting point for the indirect method of reporting cash flows from operating activities.
- b) The proposed new paragraphs 33A and 34A–34D of IAS 7 would specify the classification of interest and dividend cash flows.

1.	Do you agree with these proposals?
2.	Why or why not?
3.	If not, what alternative approach would you suggest and why?

**Question 14**

**Other**

Do you have any other comments on the proposals in the ED, including the analysis of the effects (paragraphs BC232–BC312 of the Basis for Conclusions, including Appendix) and Illustrative Examples accompanying the ED?



**THE END**