



## **Alternative performance measures**

IFRS in Focus – A practical guide

July 2016

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# Introduction

## Background

The use of Alternative Performance Measures (APMs), also known as non-GAAP measures, is widespread. Also, by definition, since they are not prescribed by GAAP, there is a certain amount of flexibility in how entities define the APMs that they present and how they present them.

There is evidence of a growing disparity between GAAP and non-GAAP measures of performance. A study of companies in the Dow Jones Industrial Average by FactSet<sup>1</sup> found that the difference between GAAP and non-GAAP earnings per share for companies reporting APMs grew from about 12 per cent in 2014 to 30 per cent in 2015.

In addition to information required by GAAP, APMs can be an important part of the communication between a company and its investors. They can help investors understand the measures used to hold management to account and, in an economy that has moved from an industrial base to one driven more by technology and information, they can help explain certain values within a company not captured in the GAAP amounts.

APMs can also help investors understand the financial effect of what are clearly unusual events that have impacted a company. Few investors would question BP's separation of the financial effect of the unfortunate accident on the Deepwater Horizon oil rig in the Gulf of Mexico in 2010. This separation was clearly helpful to them. What investors do object to is companies that present regular activities as if they are unusual, particularly if they think the presentation is biased.

To be credible, APMs should supplement the information in the financial statements rather than compete with it. And there needs to be discipline around their presentation.

## Regulation and financial reporting standards

In the light of their prevalence and the potential for APMs to be misleading, their use is increasingly in the regulatory spotlight. The International Organisation of Securities Commissions (IOSCO)<sup>2</sup> has published recommendations on the use of APMs by entities worldwide. These recommendations apply to regional and local regulators. For example, the European Securities and Markets Authority (ESMA) has released a set of 'Guidelines'<sup>3</sup> on the use of APMs, to be applied across Europe for regulated information or prospectuses issued on or after 3 July 2016.

Hans Hoogervorst, Chairman of the IASB, has also suggested that the IASB should provide more guidance on the formatting of the income statement to remove some of the potential for inappropriate presentation of APMs<sup>4</sup> in financial statements. Furthermore, other interested groups such as the International Federation of Accountants (IFAC)<sup>5</sup>, the US Securities and Exchange Commission (SEC)<sup>6</sup> and the CFA Society of the UK<sup>7</sup> have also issued position papers on the subject.

None of these groups are seeking to eliminate the use of APMs. Indeed this would be a difficult, if not impossible task, given how common their use is. Out of 100 FTSE-listed companies whose annual reports were reviewed by Deloitte UK, 81 used APMs in the opening summary section of their annual report, 83 presented at least one APM as a key performance indicator ("KPI") and 74 presented APMs somewhere in their financial statements.

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1. [http://www.factset.com/insight/2016/03/earningsinsight\\_03.11.16](http://www.factset.com/insight/2016/03/earningsinsight_03.11.16)

2. <http://www.iasplus.com/en/news/2016/06/iosco-non-gaap>

3. <http://www.iasplus.com/en/news/2015/06/esma-apm>

4. <http://www.iasplus.com/en/news/2016/05/hoogervorst-non-gaap>

5. <http://www.iasplus.com/en/news/2014/09/ifac-paib-guide>

6. <https://www.sec.gov/divisions/corpfin/guidance/nongaapinterp.htm>

7. <http://www.iasplus.com/en/news/2015/07/uk-study>

Instead, they are seeking to ensure that APMs are used to supplement rather than supplant GAAP-compliant financial measures and that they clarify rather than obscure the true financial performance of entities.

There will always be situations in which entities are affected by significant one-off events, and the impact of these should be highlighted to investors. Deloitte's view is that APMs can be useful as a means for companies to present the results of their operations in the way they believe to be most meaningful, provided that they are presented in a clear, unbiased and transparent manner.

#### **This publication:**

1. Explores the key messages from regulators, standard setters and investors about the use of APMs;
2. Sets out what is considered to be best practice when presenting APMs; and
3. Provides real-life examples of how entities are presenting APMs.

Although it covers all of the sources of guidance referred to above, it is focused mainly on the content of the IOSCO's **Statement on Non-GAAP Financial Measures** (the "Statement") and ESMA's **Guidelines on Alternative Performance Measures** (the "Guidelines").

While the IOSCO Statement and the ESMA Guidelines do not apply to financial statements, or other measures prescribed by legislation (such as information in a directors' remuneration report), they do apply to other information included in annual and half-yearly reports, such as a company's management commentary, Management Discussion & Analysis (MD&A), Operating and Financial Review (OFR) or strategic report as well as more widely in investor communications like prospectuses and Regulatory News Service (RNS) announcements.

#### **Reporting information from the financial statements**

The starting premise in the IOSCO Statement and the ESMA Guidelines is that the information reported outside of the financial statements must be consistent with the information reported in them, where possible. This means that if a financial reporting framework allows an entity to report subtotals in the financial statements that exclude, say, unusual items, a company can report that information outside of the financial statements without further explanation.

It is when companies depart from this principle that the Statement and Guidelines step in to make sure that an investor can understand how the information reported outside the financial statements relates to the information in the financial statements.

# What is an APM?

The IOSCO Statement defines a non-GAAP financial measure as “a numerical measure of an issuer’s current, historical or future financial performance, financial position or cash flow that is not a GAAP measure”.

The ESMA Guidelines and the other documents referred to in this publication include similar definitions.

Therefore, the following commonly used measures would be classified as APMs (list is non-exhaustive):

- Any ‘adjusted’ earnings measure, however described
- Any other measure based on ‘adjusted’ earnings, such as adjusted margin or adjusted earnings per share
- Operating profit/earnings before interest and tax (EBIT)
- Earnings before interest, tax, depreciation and amortisation (EBITDA)
- Free cash flow
- Balance sheet or operating gearing
- Net debt
- Same-store sales/constant currency revenue growth
- Value of order book

Subtotals required by IFRSs, such as gross profit and profit before tax, are not APMs.

APMs are not generally considered to include non-financial measures such as customer numbers, employee numbers or number of stores. However, where a non-financial measure is used to calculate an operating or statistical ratio, such as ‘adjusted earnings per unit’ (calculated using the APM ‘adjusted earnings’), such a ratio would be considered to be an APM.

An APM is a numerical measure of an issuer’s current, historical or future financial performance, financial position or cash flow that is not a GAAP measure.

# Presentation of APMs other than in financial statements

Entities use APMs outside their financial statements in a variety of ways.

For example, APMs may be presented as part of:

- a prospectus prepared to support an IPO;
- the narrative commentary or MD&A included alongside interim financial statements;
- a profit warning;
- a preliminary announcement;
- an investor presentation;
- the ‘front half’ of the annual report;
- a press release;
- any other filing required to comply with local listing rules; and
- any other publication of regulated information.

Common ways in which APMs are used in these documents include:

- APMs are frequently presented as part of a ‘summary of the year’;
- often some of an entity’s KPIs will be APMs; and
- statements from the Chairman, CEO and CFO often contain APMs.

All of these documents and types of APM are within the scope of the **IOSCO Statement** and **ESMA Guidelines**.

However, where an APM (such as an adjusted profit measure) is used only in the financial statements, the ESMA Guidelines do not apply to it. See page 11 for more details on using APMs in financial statements.

## Is compliance with the Statement and Guidelines mandatory?

The IOSCO Statement provides a ‘frame of reference’ and it states that local jurisdictions should develop and implement their own local regulatory requirements for the presentation of APMs.

As regards its Guidelines, ESMA has stated that it expects Competent Authorities to enforce compliance with these guidelines as part of their supervisory practices.

The Guidelines contain a variety of detailed requirements that specify how entities should comply with the underlying principle that APMs should be accompanied by sufficient information to provide an understanding of the messages the APMs are intended to convey.

## Use of cross-referencing

The IOSCO Statement confirms that entities may include some or all of the information required by the Statement by cross-reference (other than the inclusion of comparative figures). According to the ESMA Guidelines, such cross-references would need to be clear and specific as to the page, section or chapter of the document being referred to and must be to documents that are readily and easily accessible to users, not to those requiring registration on a website or payment of a fee to access.

## What do the Statement and the Guidelines require?

The detailed requirements regarding the presentation of APMs in the IOSCO Statement and the ESMA Guidelines are summarised on the next few pages.

## 1. APMs should be meaningfully labelled and defined

The terminology used to describe an APM should reflect its content and basis of calculation, as well as the reason for presenting the APM. Misleading labels such as ‘guaranteed profit’ or ‘protected returns’ should not be used, and items such as restructuring costs or impairment losses should not be labelled as ‘non-recurring’, ‘infrequent’ or ‘unusual’ where such a label is misleading. Titles or descriptions should make it clear whether a measure is an APM or not.

The definition of an APM should include the basis of its calculation, any assumptions used and whether it relates to past or expected future performance.

An explicit statement should be made that APMs do not have a standardised meaning prescribed by GAAP and therefore may not be comparable to similar measures presented by other entities.

### Practical insight

When presenting APMs, entities should consider how users will perceive the measures presented. Using clear and specific terms such as ‘constant currency revenue growth’, ‘earnings before interest and tax’ (‘EBIT’) or ‘profit before exceptional items’ immediately tells a user what the information represents (as long as it is clear what items are deemed to be exceptional). On the other hand, describing an APM as ‘headline earnings’, or labelling a measure as ‘revenue growth’ with a footnote indicating that this is ‘at constant exchange rates’ is more likely to be misleading.

Regarding the nature of impairments and restructuring costs, the Statement and Guidelines indicate that such items should not be seen as ‘unusual’ other than in rare circumstances.

With the identification of ‘unusual’ or ‘non-recurring’ items when defining APMs being an area of increased regulatory scrutiny, we are seeing it being identified more commonly as a significant accounting judgement by auditors and audit committees. Entities should also consider the robustness of their internal controls in this area.

An example of a clear definition of an APM and its calculation method is given by Barclays PLC in their **Annual Report 2015**.

### Barclays PLC Annual Report 2015

#### Return on average shareholders’ equity (RoE)

RoE is calculated as profit for the year attributable to ordinary equity holders of the parent, divided by average shareholders’ equity for the year excluding non-controlling and other equity interests.

Adjusted RoE excludes post tax adjusting items for gains on US Lehman acquisition assets, movements in own credit, the revision to the Education, Social Housing and Local Authority (ESHLA) valuation methodology, provisions for UK customer redress, provisions for ongoing investigations and litigation including Foreign Exchange, the gain on valuation of a component of the defined retirement benefit liability, impairment of goodwill and other assets relating to businesses being disposed, and losses on sale relating to the Spanish, Portuguese and Italian businesses.

Average shareholders’ equity for adjusted RoE excludes the impact of own credit on retained earnings.

This measure indicates the return generated by the management of the business based on shareholders’ equity. Achieving a target RoE demonstrates the Group’s ability to execute its strategy and align management’s interests with the shareholders’. RoE lies at the heart of the Group’s capital allocation and performance management process.

Adjusted RoE for the Group decreased to 4.9% (2014: 5.1%) driven by a 3% reduction in Group adjusted attributable profit, as average shareholders’ equity remained in line at £56bn (2014: £56bn).

#### Group adjusted RoE

2015: **4.9%**

2014: 5.1%  
2013: 4.3%<sup>a</sup>

Items such as restructuring costs or impairment losses should not be labelled as ‘non-recurring’, ‘infrequent’ or ‘unusual’ where such a label is misleading.

## 2. The purpose of APMs should be clearly set out

An entity should explain why it believes that an APM provides useful information to a user of the document, as well as the purposes for which it is used by the entity. This allows users to understand their relevance and reliability.

APMs should not be used to avoid presenting adverse information to the market.

### Practical insight

Explaining why management believe the APMs presented give useful information helps give users confidence that the APMs are not being presented to manipulate their perceptions of the entity's results.

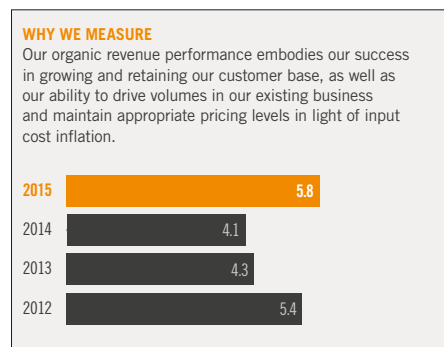
Consistency between the APMs used in the MD&A, OFR or strategic report and those used internally (for example, those reported to management and presented in the financial statements as part of IFRS 8 disclosures, and those used to determine executive performance-related remuneration) makes it easier to explain this. As well as a narrative explanation, the importance of APMs used as KPIs can be demonstrated by illustrating how they link to other information in the report, for example the entity's strategy or the determination of directors' remuneration.

The link between KPIs and strategy can be illustrated in a variety of ways – one of the most common is to present a table with rows showing each element of the company's strategy and the KPI(s) used to measure success in this area (this presentation can also be used to illustrate which of the company's principal risks affect each strategy element as well).

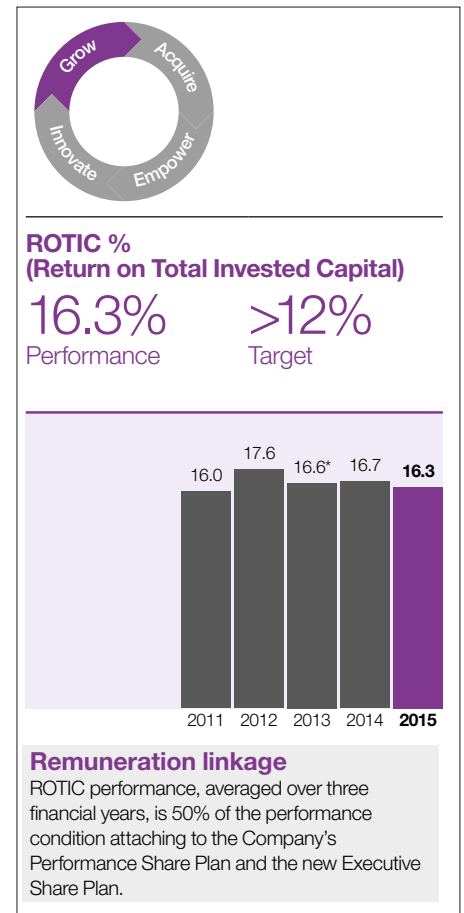
Another common presentation is to use a symbol to represent each strategy element and simply present the relevant symbols next to each KPI. A similar approach is also commonly used to indicate which KPIs are used in determining directors' performance-related remuneration.

In their **Annual Report 2015**, Compass Group PLC give a clear explanation of why they have identified various APMs as KPIs for their business. Halma plc clearly shows in their **Annual Report and Accounts 2015** how APMs used as KPIs are linked to the company's strategy and the determination of directors' remuneration.

### Compass Group PLC Annual Report 2015



### Halma PLC Annual Report and Accounts 2015





### 3. Equivalent GAAP measures should be presented with equal or greater prominence

For each APM presented, the most directly comparable reconcilable GAAP-compliant line item, subtotal or total presented in the financial statements should also be presented. APMs should not be displayed with more prominence, emphasis or authority than these measures stemming from the financial statements and should not distract from their presentation.

#### Practical insight

The SEC has recently published ***Compliance and Disclosure Interpretations on Non-GAAP Financial Measures***, which addresses the meaning of 'equal prominence' in a US context. It indicates that it would consider the following presentations as giving more prominence to APMs.

- Presenting an APM using a style of presentation (e.g., bold, larger font) that emphasises the APM over the comparable GAAP measure.
- An APM that precedes the most directly comparable GAAP measure (including in an earnings release headline or caption).
- Providing a tabular disclosure of APMs without preceding it with an equally prominent tabular disclosure of the comparable GAAP measures or including the comparable GAAP measures in the same table.
- Providing discussion and analysis of an APM without a similar discussion and analysis of the comparable GAAP measure in a location with equal or greater prominence.

While there is no certainty that other regulators would interpret this requirement in the same way as the SEC, entities may wish to bear this list in mind when considering whether they are satisfied that they have not given APMs undue prominence.

Of the UK listed companies surveyed for Deloitte's 2015 Annual Report Insights publication, only 46% of those that presented APMs in the opening summary section of their annual report gave equal prominence to the corresponding GAAP figures.

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### 4. Comparatives should be given for all APMs

The IOSCO Statement requires that an APM should be accompanied by a comparative figure for previous financial period(s).

The ESMA Guidelines go further and require that, where the APM itself relates to forecast future performance, the most recent actual figure should be given as a comparative.

Where it is impractical to provide a comparative, the reason for this should be disclosed.

## 5. Clear reconciliations should be given

Where it is derived from a line item, subtotal or total presented in published financial statements, a reconciliation of the APM to that item should be disclosed unless the APM itself is directly identifiable from those financial statements.

The ESMA Guidelines further set out that, where such financial statements have not or will not be published, the APM should be reconciled to an item that will or would be included in those financial statements.

According to the Guidelines, the reconciliation should separately identify and explain the material reconciling items. Sufficient information should be given to enable a user to identify the reconciling items in the financial statements or, if they cannot be extracted directly from the financial statements, the reconciliation should show how they are calculated.

Where the APM is not reconcilable in this way because it does not derive from the financial statements, an explanation about the consistency of that APM with the entity's accounting policies should be given.

Reconciliations should also be given for comparative figures.

### Practical insight

From a practical perspective it will often be desirable to present these reconciliations in an appendix to the annual report and cross-reference to this from the location where the APMs are presented. Presenting the reconciliations of all APMs in a clear separate section of the annual report allows users to identify easily where to find these reconciliations without affecting the flow of earlier sections of the report.

Presenting reconciliations alongside one another also allows users to compare the calculation of each APM and validate their consistency, for example seeing how the adjusting items identified in relation to performance measures translate into adjustments to cash-flow measures.

Using a tabular presentation when giving reconciliations is likely to be most practical as it will enable reconciliation of prior year comparatives to be given alongside current year figures. Again, this will enable users to see that consistent adjustments are being made year on year, for example the release of part of a previously identified exceptional provision expense.

BT Group Plc includes a separate appendix to its **Annual Report 2016** in which it explains how it uses alternative performance measures. The extract shown below is drawn from that appendix.

### BT Group PLC Annual Report 2016

A reconciliation from net cash inflow from operating activities, the most directly comparable IFRS measure, to reported and normalised free cash flow, is set out below.

Year ended 31 March	2016 £m	2015 £m	2014 £m
<b>Net cash inflow from operating activities</b>	<b>5,179</b>	<b>4,796</b>	<b>4,796</b>
Add back pension deficit payments	880	876	325
<b>Included in cash flows from investing activities</b>			
Net capital expenditure	(2,459)	(2,318)	(2,346)
Interest received	10	10	6
Sales of non-current financial assets and dividend received from associates and joint ventures	17	8	4
<b>Included in cash flows from financing activities</b>			
Interest paid	(558)	(590)	(614)
<b>Reported free cash flow</b>	<b>3,069</b>	<b>2,782</b>	<b>2,171</b>
Net cash outflow from specific items	232	154	356
Cash tax benefit of pension deficit payments	(203)	(106)	(77)
<b>Normalised free cash flow</b>	<b>3,098</b>	<b>2,830</b>	<b>2,450</b>

## 6. Unless there are good reasons for change, presentation of APMs should be consistent over time

The IOSCO Statement requires that if an entity chooses to change an APM, the change and the reason for the change should be explained and restated comparatives should be provided.

The ESMA Guidelines state that such a change would be appropriate only in exceptional circumstances where the new APM better achieves the same objectives, perhaps if there has been a change in the strategy. The revised APM should be reliable and more relevant. The Guidelines further state that in restating comparatives, only information available at the end of the financial period for which the original APM was presented should be used – restatements should not make use of hindsight.

If an entity stops disclosing an APM, the reason why this APM no longer provides relevant information should be explained.

The ESMA Guidelines clarify that, in relation to prospectuses, this requirement for consistency does not extend across different prospectuses in terms of time or the nature of securities being issued, only within a single prospectus.

### Practical insight

Like reconciliations, it is likely to be most practical to explain changes in APMs either in a footnote, a note to the financial statements or an appendix to the report. Centrica PLC explains how it has restated its adjusted profit measures in its **Annual Report and Accounts 2015**. A separate explanation is not required outside of the financial statements because Centrica has drawn this information from the financial statements and uses the information consistently throughout the whole annual report.

### Centrica PLC, Annual Report and Accounts 2015

#### Restatement of adjusted profit measures

During the period, the Directors have amended the definition of the adjusted profit measures. Previously, the Directors had identified two Strategic Investments, the 2009 acquisitions of Venture Production plc; the operating results of which are included in the 'Centrica Energy – Gas' segment, and the acquisition of a 20% interest in Lake Acquisitions Limited (Nuclear) which owns the former British Energy Group nuclear power station fleet now operated by EDF; the results of which are included within the 'Centrica Energy – Power' segment. The depreciation resulting from fair value uplifts to property, plant and equipment (PP&E) on acquisition of these Strategic Investments was excluded from adjusted operating profit and, net of taxation, from adjusted earnings. Following the conclusion of the strategic review and the future role of the Exploration and Production (E&P) and Nuclear businesses, the Directors have decided to remove the adjustment for depreciation of fair value uplifts of PP&E acquired on Strategic Investments in the definition of adjusted operating profit and adjusted earnings.

Accordingly, 2014 results have been restated and the impact is summarised in the table below. This table also quantifies the impact on current year results.

Year ended 31 December	Notes impacted	2015 £m	2014 £m
Centrica Energy – Gas adjusted operating profit	4(c)	5	(31)
Centrica Energy – Power adjusted operating profit	4(c)	(57)	(58)
Centrica Energy – Gas adjusted operating profit after taxation	4(c)	1	(12)
Centrica Energy – Power adjusted operating profit after taxation	4(c)	(32)	(47)
Centrica Energy – Power share of results of joint ventures and associates before interest and taxation	4(d)	(57)	(58)
Centrica Energy – Gas depreciation and impairment of property, plant and equipment	4(d)	5	(31)
Share of adjusted results of joint ventures and associates	6(b)	(57)	(58)
Adjusted earnings	10	(31)	(59)
Earnings per ordinary share		Pence	Pence
Earnings – adjusted basic	10	(0.6)	(1.2)
Earnings – adjusted diluted	10	(0.6)	(1.2)

# Other sources of guidance

As well as the IOSCO Statement and the ESMA Guidelines discussed in detail above, various other bodies have issued (non-mandatory) guidance on the presentation of APMs outside the financial statements.

IFAC's ***Developing and Reporting Supplementary Financial Measures – Definition, Principles, and Disclosures*** sets out five disclosure principles that will be met by an entity following the IOSCO Statement and ESMA Guidelines. It also gives guidance on the development of APMs, including the assessment of whether they should be reported at all – something which is not dealt with by the IOSCO Statement or the ESMA Guidelines. Another suggestion made is that an entity should consider whether obtaining internal or external assurance on APMs would be beneficial, by weighing the costs of doing so against the benefits of additional accountability, transparency and reliability.

The SEC's ***Compliance and Disclosure Interpretations on Non-GAAP Financial Measures*** (C&DIs) provide guidance on a number of areas related to non-GAAP measures. The C&DIs do not prohibit companies from using non-GAAP measures that comply with the SEC's existing rules. However, based on the C&DIs, companies preparing earnings releases and periodic filings should consider the following questions about using a non-GAAP measure:

1. Is the measure neither misleading nor prohibited?
2. Is the measure presented with the most directly comparable GAAP measure and with no greater prominence than the GAAP measure?
3. Is the measure appropriately defined and described, and clearly labelled as non-GAAP?

4. Does the reconciliation between the GAAP and non-GAAP measure clearly label and describe the nature of each adjustment, and is each adjustment appropriate?
5. Is there transparent and company-specific disclosure of the substantive reason(s) why management believes that the measure is useful for investors and the purpose for which management uses the measure?
6. Is the measure consistently prepared from period to period in accordance with a defined policy, and is it comparable to that of the company's peers?
7. Is the measure balanced (i.e., it adjusts not only for non-recurring expenses but also for non-recurring gains)?
8. Does the measure appropriately focus on material adjustments and not include immaterial adjustments that would not seem to be a focus of management?
9. Do the disclosure controls and procedures address non-GAAP measures?
10. Is the audit committee involved in the oversight of the preparation and use of non-GAAP measures?

The CFA Society of the UK's ***Non-IFRS Earnings and Alternative Performance Measures: Ensuring a Level Playing Field*** provides an investor perspective on APMs, drawing on a survey of 292 of its members conducted in April 2015. According to their findings, the majority of investors make use of APMs, although most trust the IFRS numbers more than the APMs presented.

Interestingly, of a list of ten items commonly excluded from 'underlying earnings' (such as impairments and restructuring charges), there were none where a majority of respondents thought it was appropriate to exclude them – although perhaps a more important message is that as long as the adjustments are transparent and consistent, users can make up their own minds as to whether they are appropriate or not.

Nine suggestions for reporting higher quality APMs are also included, the majority of which overlap with the requirements of the IOSCO and ESMA guidelines. Two additional suggestions made are:

- To explain whether APMs are audited or not, and clearly identify unaudited measures.
- To explain known deviations from common practice, especially with regards to sector peers.

According to their findings, the majority of investors make use of APMs, although most trust the IFRS numbers more than the APMs presented.

# Presentation of APMs in financial statements

As noted above, the IOSCO Statement and ESMA Guidelines do not apply to APMs presented in an entity's financial statements.

However, when it amended IAS 1 *Presentation of Financial Statements* in 2014, the IASB added principles around the use of additional line items and subtotals in the income statement. Subtotals must be comprised of line items made up of amounts recognised and measured in accordance with IFRSs. They must also be presented and labelled in a manner that makes the line items that constitute the subtotal clear and understandable, be consistent from period to period and not be displayed with more prominence than the subtotals and totals specified in IFRSs.

These requirements give some discipline to, and constrain how, an entity can present information in the primary financial statements. A company can report EBIT and EDITDA, or present some unusual expenses separately provided that they follow these requirements. As such, they are consistent with the ESMA requirements. If the information complies with IFRSs it can be used outside of the financial statements without any further explanation.

The IASB is continuing to look at this area as part of its ***Principles of disclosure*** project. In his **recent speech** to the annual conference of the European Accounting Association, Hans Hoogervorst, Chairman of the IASB, suggested that the Board should consider a variety of measures, including defining more subtotals in the income statement and providing definitions of operating income and EBIT.

# Conclusion

Regulatory scrutiny of APMs has never been higher and, while the introduction of the IOSCO Statement does not change the principles of transparency that entities should already be applying when using APMs, it does introduce significantly more detail about exactly how this should be achieved. For entities that are already following best practice in reporting their APMs, complying with the Statement may require very little change in their reporting. For others, the changes will be more significant, with the inclusion of detailed reconciliations being one area that may require a significant increase in disclosure.

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