

Jan. 24, 2024

IFRS Interpretations Committee
7 Westferry Circus,
Canary Wharf
London E14 4HD, United Kingdom

RE: IFRS IC Tentative Agenda Decision – Disclosure of Revenues and Expenses for Reportable Segments (IFRS 8)

Dear Colleagues,

The Saudi Organization for Chartered and Professional Accountants (SOCPA) welcomes the opportunity to offer its views on the above Tentative Agenda Decision (TAD) discussed by the IFRS Interpretations Committee (the IFRS IC) in November 2023. SOCPA supports the IFRS IC's work and efforts to bring consistency in the application of IFRS Standards and welcomes that the IFRS IC is responding swiftly to submissions that it has received.

SOCPA believes that "management approach" underpins the IFRS 8. By basing disclosure on internal organizational structures and information used by management, it aims to offer users a view of the entity "through the eyes of management", as referred to in the basis for conclusions on IFRS 8, regardless of the CODM's specific review process. However, this should not be interpreted in such a way, restricting disclosures to only information actually reviewed by the CODM instead of the specific disclosure requirements in IFRS 8.

SOCPA also believes determining whether an item represents material information requires judgement and an entity assesses whether an item represents material information in the context of its financial statements taken as a whole. The Conceptual Framework for Financial Reporting and IAS 1 have adequate guidance for an entity to determine "material items" and whether "material items" include amounts that are an aggregation of individually quantitatively immaterial items, in respect of disclosures required by paragraph 23(f) of IFRS 8.

Based on the above, SOCPA agrees with the findings of the IFRS IC of deciding not to add a standard-setting project to the work plan and instead publishing an agenda decision.

Please feel free to contact Dr Abdulrahman Alrazeen at (razeena@socpa.org.sa) for any clarification or further information.

Sincerely,



Dr. Ahmad Almeghames

SOCPA Chief Executive Officer