

Meeting Summary of UKEB's Academic Advisory Group meeting held on 11 September 2026 from 11.00-16:30

Meeting Agenda

Item No.	Item
1	Welcome & introductions
2	UKEB update
3	Proposal for a UKEB research session at the EAA Annual Congress
4	Academic presentation – Prevalence of crypto-assets in US and Europe
5.	Statement of Cash Flows and Related Matters
6.	Assessing direct benefits to users
7	Horizon Scanning
8	A.O.B.

Present	
Amir Amel-Zadeh	UKEB member and AAG Chair
Paul Lee	Chair, UKEB
Thomas Bourveau	AAG member
Mark Clatworthy	AAG member
Adriana Korczak	AAG member
Gilad Livne	AAG member
Argyro Panaretou	AAG member
Ronita Ram	AAG member (virtual)
Ivana Raonic	AAG member
Richard Slack	AAG member
Christian Stadler	AAG member
Mark Gregory	UKEB member (virtual)

Apologies were received from Stefano Cascino, Ioannis Tsalavoutas and Francisco Urzua, AAG members.

Relevant UKEB Secretariat team members also attended the meeting.

Welcome and introductions

1. The Chair welcomed the AAG members.

UKEB update

2. The UKEB Secretariat provided an update to AAG members on ongoing UKEB projects which were not discussed in further detail during the remainder of the meeting. The projects discussed were:
 - a) Intangible Assets; and
 - b) Presentation of Non-Income Taxes (IFRS 18)
3. The Secretariat also presented an overview of the UKEB's proposed Research Strategy.
4. AAG members offered suggestions on specific areas that the UKEB may consider as the Secretariat continues to work on the technical projects that were discussed.
5. AAG members expressed support for the UKEB's proposed Research Strategy and research priorities. They noted that the academic community would welcome the opportunity to deliver research commissioned by the UKEB. Members also offered suggestions regarding the practical aspects of commissioning external research, such as factoring in sufficient time to allow for longer planning cycles in academia.

Proposal for a UKEB research session at the EAA Annual Congress

6. The UKEB Secretariat presented a proposal exploring whether the UKEB should consider hosting a session at the 2027 European Accounting Association (EAA) Annual Conference. The session would support engagement with academics and encourage research relevant to the UKEB's work.
7. Members expressed broad support, noting that the EAA offers an established platform for engagement between academics from the whole of Europe and standard setters.
8. The members suggested practical and logistical factors associated with the 2027 conference, including advice on exploring alternative formats, e.g. symposium and joint sessions with other standard setters.
9. Looking beyond the 2027 conference, the AAG discussed a range of longer-term academic engagement opportunities. These included collaboration with academic journals, conference-linked research fora, development workshops and doctoral programmes, which could help shape research agendas over a longer time horizon. Members noted that influencing academic research typically requires a

longer lead time than a single conference cycle and suggested that a two-to-three-year perspective may be more appropriate where the objective is to encourage research on topics of interest to the UKEB.

Academic presentation

10. An AAG member gave a presentation on the prevalence of crypto-assets in US, UK, and Europe.
11. The research showed that UK companies account for the majority of crypto holdings disclosures among European listed companies.
12. The research also found that listed companies disclosed crypto holdings were characterised by wider information asymmetry and lower market liquidity, however there was no evidence of direct causality.
13. The research also showed that presenting crypto holdings, and the associated gains and losses, in the face of the financial statements, as well as measuring crypto assets at fair value, alleviated the negative capital market effects of disclosing crypto exposures. Additional disclosures, such as the standard as applied, the type of crypto-asset, risks, and impacts, also alleviated market frictions.

Statement of Cash Flows and Related Matters

14. The UKEB Secretariat provided AAG members with an update on the project on Statement of Cash Flows and related matters, including the UKEB's research and the IASB's standard-setting project ahead of an anticipated Exposure Draft in 2027.
15. The AAG members provided feedback on the IASB's tentative decision to date and the IASB's upcoming work in H2 2026 on how to determine the scope of financial institutions that may be permitted to apply an exemption from preparing a statement of cash flows and/or be required to provide supplementary disclosures.

IASB's tentative decision to date

16. AAG members broadly:
 - a) Supported targeted improvements rather than fundamental reform.
 - b) Supported clarification of cash equivalent requirements, particularly through a purpose-test based approach. The three-month benchmark was considered reasonable and retaining it, supported by the purpose-test, was preferable to relying upon principles alone.
 - c) Supported stronger disclosure of non-cash transactions.
 - d) Saw value in enhanced disaggregation, labelling and cross-referencing.

- e) Expressed caution about becoming overly prescriptive in disclosure design of useful, structured summaries, allowing entities greater flexibility in presentation.
- f) Questioned whether some proposals would deliver sufficient benefits, such as valuation outcomes and market efficiency, to justify additional requirements, arguing that any new disclosures should be justified by clear evidence of economic benefits and user need.

Financial Institutions

- 17. AAG members acknowledged that determining the scope is likely to be the IASB's most difficult challenge, particularly for conglomerates and entities with mixed business models.
- 18. The strongest themes emerging from the AAG discussion were:
 - a) The existing statement of cash flows appears to have limited relevance for banks and insurers, particularly from an equity analyst perspective. One AAG member had used AI-assisted analysis on 13,000 European bank analyst reports and found virtually no direct use of statement of cash flow metrics in analysts' key performance indicators.
 - b) A complete exemption may be too extreme, because some useful information could be lost. For example, users may find it more difficult to distinguish between cash-based earnings and earnings driven by fair value accounting. Historical examples from the financial crisis suggest cash flow information can provide useful discipline and transparency.
 - c) A simplified or redesigned cash flow statement tailored to financial institutions may be preferable to either the current model or full exemption.
 - d) Any redesign should be informed by how investors actually analyse and value financial institutions, rather than by applying a non-financial entity model to banks and insurers.

Assessing direct benefits to users

- 19. The Secretariat provided AAG members with an overview of a proposed approach to enhancing engagement with users of IFRS financial statements.
- 20. The Secretariat has currently deployed this approach in the endorsement project for IFRS 20 *Regulatory Assets and Regulatory Liabilities* and the UKEB Post-implementation Review of IFRS 17 *Insurance Contracts*.
- 21. AAG members expressed general support for the Secretariat's approach and provided the following recommendations:

- a) the post-implementation impact on the users should be analysed on a medium-to-long term horizon to understand the full life-cycle impact of a particular Standard.
- b) work should consider the impact Artificial Intelligence would have on overall benefits that are expected by the users of IFRS financial statements in the UK.
- c) the Secretariat may consider users of IFRS financial statements who evaluate management's stewardship.

Any other business

- 22. The Secretariat provided AAG members with a brief overview on the Exposure Draft of *Proposed Targeted Amendments to the IFRS Foundation Constitution*.
- 23. The next AAG meeting is currently scheduled for Friday 16 April 2027 at Harbour Exchange.

END OF MEETING