



IASB Work Program and Projects update CReCER 2011 Development of capital markets in Latin America and the Caribbean

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The views expressed in this presentation are those of the presenter,
not necessarily those of the IASB or IFRS Foundation.

- Main active projects
 - Financial crisis
 - Memorandum of Understanding (MoU)
 - Other
- Future: Agenda consultation

Main active projects

Main active projects

Financial crisis

- Financial Instruments (Impairment, Hedge Accounting, Asset and liability offsetting)
- Classification and measurement

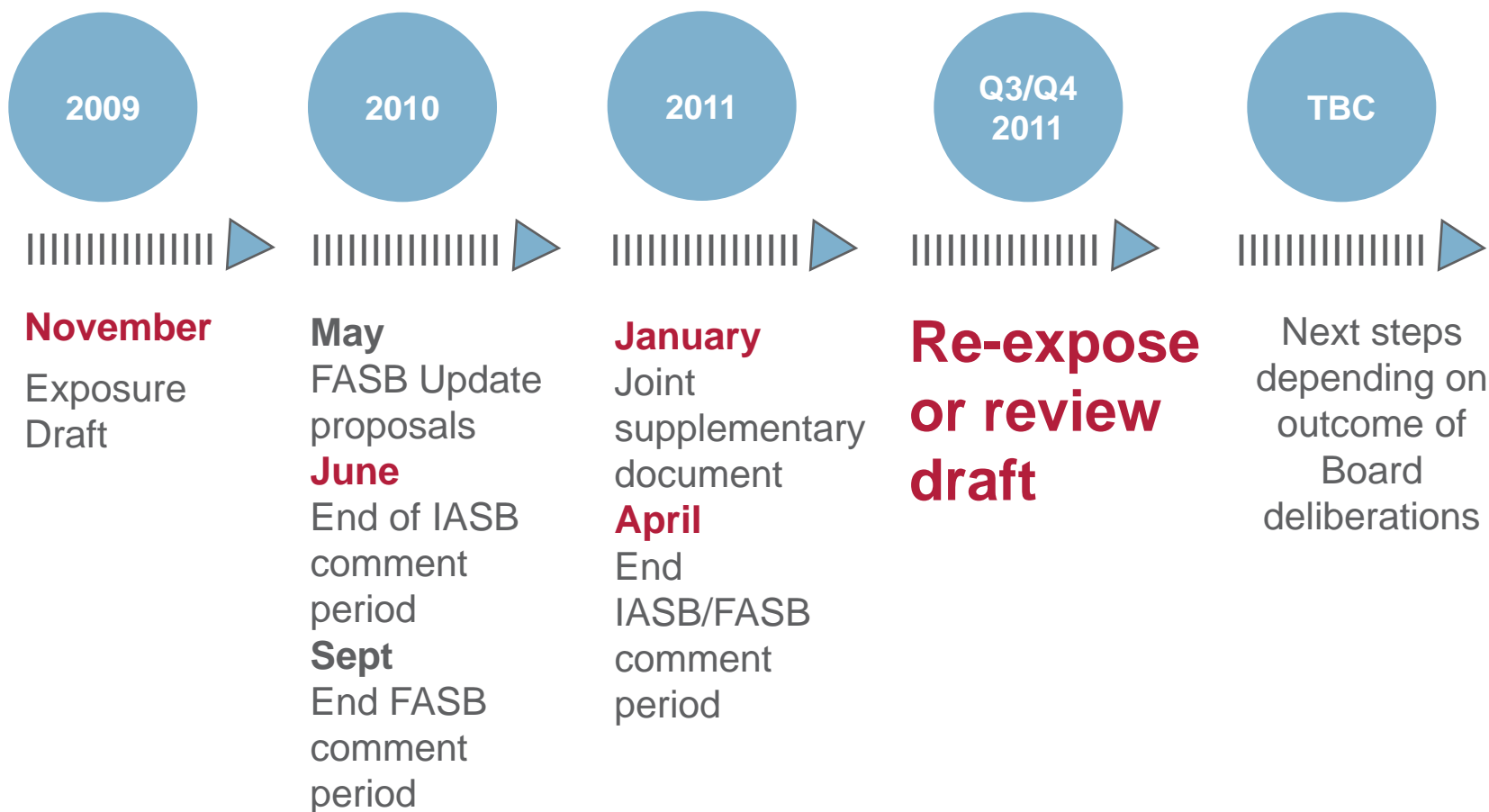
MoU

- Leases, Revenue Recognition

Other

- Insurance contracts

Financial crisis: Impairment



- **General model**
 - Exposed in 2010
 - Extensive outreach
 - Generally well received
 - Target: Ballot in third or fourth quarter
- **Macro hedges**
 - Addresses risk management strategies referring to open portfolios (macro hedging) not covered by the 2010 exposure draft for general hedge accounting.
 - Will be developed further before the general model is completed

Financial crisis: Asset liability and offsetting

- Joint exposure draft published in January 2011
- Boards reach different conclusions in June 2011

	Confirm proposals	IAS 32	US GAAP
IASB	15	0	0
FASB	3	0	4

- The boards are identifying how to reconcile the differences

Financial crisis: Classification and Measurement

- IASB considering deferring mandatory date for IFRS 9 until 1 January 2015 (see July Board)
- IASB monitoring FASB progress (session held with FASB in June)
- FASB still to decide on several matters
- Once the FASB has made its decisions about classification and measurement, the IASB will assess how best to seek views on whether the IASB will need to consider how, or indeed if, it should bridge or reconcile any differences between IFRS 9 and US GAAP.

Main active projects: Memorandum of Understanding – MoU

MoU: Revenue recognition

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- Board decided in June to re-expose the proposals
 - 120 day comment period
 - Narrow scope re-exposure
 - All documents exposed (including application guidance and basis for conclusions)
- Aiming for completion in first half of 2012

- Main decisions expected to be finalised in July
 - Lessor accounting
 - Lessee accounting
- Decision to re-expose or not likely to be in late July
- Aiming for completion in first half of 2012

Other projects: Insurance contracts

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- Joint project with FASB
- IASB and FASB due process steps not aligned
- Decision to re-expose or not likely to be in the fourth quarter

Future: Agenda consultation

WHAT

- Seek **broad input** on overall strategic direction and balance of work plan
- Assess global financial reporting needs

WHY

- Introduced by the Trustees to **enhance accountability and legitimacy** of IFRSs
- Reflects feedback received on Constitution Review

HOW

- Comments will feed into Board's work plan decisions

- What should be our broad strategic direction ?
- How should we allocate our time and resources and balance the development of financial reporting with the maintenance of the IFRSs?
 - What should we do with the projects that have been paused?
 - Which areas are of key importance for financial reporting?

The Board's initial views

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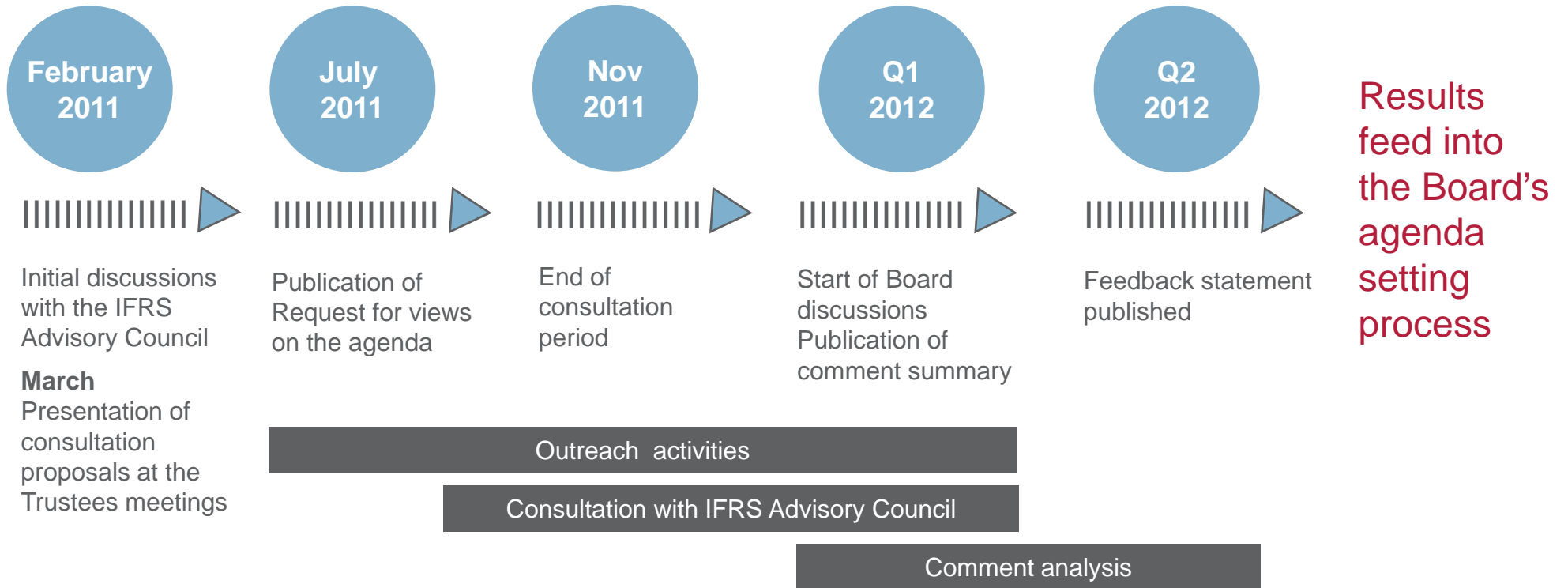
- Development of financial reporting
 - Investing in researching key strategic issues
 - Completion of the conceptual framework
 - Completing MoU projects
 - Selected standards-level projects
- Maintenance of existing IFRSs
 - Post-implementation reviews
 - Responding to implementation needs
- Possible expansion of research function



Potential projects

- Potential topics (some deferred and some new)
 - Examples include:
 - Agriculture: bearer biological assets
 - Foreign currency translation
 - Other Comprehensive Income – what should be included and should it be recycled?
- What should we address, how and why?

Timeline



Thank you.

Expressions of individual views by members of the IASB and its staff are encouraged. The views expressed in this presentation are those of the presenter. Official positions of the IASB on accounting matters are determined only after extensive due process and deliberation.

