

# Hedge accounting

Exposure draft *Hedge Accounting*  
*OUTREACH SUMMARY*

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

# Exposure draft *Hedge Accounting*

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- Exposure draft issued in December 2010
- Comment letter deadline was 9 March 2011
- During the 3-month consultation period for the exposure draft the Board conducted extensive outreach across all major geographical regions

# Outreach summary

- **Overview:**

- Feedback from preparers, auditors, regulators, users, standard setters, treasurers, risk management experts and academics
- More than 2500 individuals participated

Geographical region	Number of meetings
Africa	10
Asia-Pacific	44
Europe	47
North America	10
Central America	14
South America	20
<b>Total</b>	<b>145</b>

- **Main positives include:**

- The Board's objective to link hedge accounting with risk management
- The Board's proposal to remove the 80-125% bright line for hedge effectiveness
- The Board's proposal to allow risk components for non-financial items

- **Main negatives include:**

- Disappointment that the exposure draft does not address macro-hedging
- The exposure draft does not enable entities to fully reflect their risk management strategy for some economic hedges

# Papers discussed at the April 2011 IASB meeting

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For more detail please refer to Agenda Paper **7A** of the April 2011 IASB meeting

(Refer to Agenda paper **7B** for a summary of the comment letters received)