INFORMATION FOR OBSERVERS

Board Meeting: **December 2008, London**

Project: **Annual Improvements**

Subject: **Cover note (Agenda paper 11)**

---

1. During the December 2008 Board meeting, the staff will present various agenda papers related to the Annual Improvements to IFRSs project. Following is a summary of the papers to be presented:

2. Issues to be discussed for potential inclusion in the August 2009 Exposure Draft (agenda paper reference listed):

   11A   IAS 18 Revenue – Clarification of inconsistent guidance

   11B   not used

   11C   IAS 40 Investment Property – Change from revaluation method to cost method

3. The Board will also discuss the following carryover issues and the staff's proposed amendments to the October 2007 Exposure Draft (agenda paper reference listed):

   11D   IAS 39 Financial Instruments: Recognition and Measurement – Treating loan prepayment penalties as closely related embedded derivatives

11E IAS 1 Presentation of Financial Statements – Current/non-current classification of convertible instruments

11F IAS 17 Leases – Classification of leases of land and buildings

4. In agenda paper **11G**, the Board will also be asked to consider an amendment proposal made by the IFRIC at its November 2008 meeting to review and amend IFRS 3 by removing the distinction between how 'contractual' and 'non-contractual' customer-related intangible assets are recognized in a business combination.