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**International
Accounting Standards
Board**

This document is provided as a convenience to observers at IASB meetings, to assist them in following the Board's discussion. It does not represent an official position of the IASB. Board positions are set out in Standards.

These notes are based on the staff papers prepared for the IASB. Paragraph numbers correspond to paragraph numbers used in the IASB papers. However, because these notes are less detailed, some paragraph numbers are not used.

INFORMATION FOR OBSERVERS

Board Meeting: 16 October 2008, London

Subject: IASB Work Plan – Directors' comments (Agenda paper 10)

Purpose of this paper

1. This paper provides an overview of our work plan and our comments. Other papers deal with:
 - (a) IASB Work plan – projected timetable at 30 September 2008 (agenda paper 10A).
This is marked up to show changes since the Board's last discussion of the work plan (July 2008 for revenue recognition and June 2008 for all other projects).
 - (b) IFRIC issues being considered by the IFRIC (agenda paper 10B)
 - (c) Technical plan material (agenda paper 10C, not provided to observers). This provides more detail on individual projects.
2. The rest of this paper highlights the following aspects of the work plan:
 - (a) Summary of changes since the last work plan (paragraphs 3-5)
 - (b) Major risks to the timetable (paragraph 6)
 - (c) Other issues (paragraph 7)

(d) Inactive projects (paragraph 8)

(e) Research agenda (paragraph 9)

Summary of changes since the last work plan

3. The following projects have been added to the active agenda since June:

(a) Moved from the research agenda to the active agenda in July:

(i) Derecognition

(ii) Financial instruments with characteristics of equity

(b) Financial instruments – enhanced disclosures (IFRS 7): in September, the Board adopted a staff recommendation to enhance the disclosure requirements in IFRS 7 *Financial Instruments: Disclosures*, as part of its response to the credit crisis. We expect to publish an exposure draft in the coming weeks. The work plan does not yet project a date for the final standard: **we will add this in the work plan discussion at the October meeting.**

4. The June work plan included the following projects that no longer appear:

(a) Financial instruments: eligible hedged items. This project finished in July when we issued the final standard.

(b) Impairment: the staff carried out some preliminary research on the differences between IAS 36 *Impairment of Assets* and US requirements. We plan no further work in this area.

5. The following changes have been made to the timings discussed in July (for revenue recognition) and June (for all other projects):

<i>Project</i>	<i>June plan</i>	<i>New plan</i>	<i>Comments</i>
Consolidation	IFRS 2009 H2	IFRS 2009 H1	We plan to complete this project without delay, but note that this is a difficult and important topic.
Financial statement presentation	DP 2008 Q3	DP 2008 Q4	Some slippage in issuing DP. This puts more pressure on the plan, but we still plan to finish by June 2011.
Liabilities	IFRS 2010	IFRS 2009 H2	We have added more staff to the project and the team will now deal with some issues in parallel, rather than in series. On the other hand, there has been some controversy in the US about contingency disclosures and this debate may affect our timing.
Management commentary	ED 2008 Q4	ED 2009 Q1	Drafting has taken longer than indicated in the previous plan.
Revenue recognition	ED 2009 H2	ED 2010	Slippage because (1) DP comment period 6 months, not 4 months (2) Further discussion was needed in September.

<i>Project</i>	<i>June plan</i>	<i>New plan</i>	<i>Comments</i>
Annual improvements 2008-2010 cycle	-	ED 2009 H2 IFRS 2010	Previous version of the plan included only 2007-2009 cycle.
Related party disclosures	IFRS 2008 Q4	ED 2008 Q4 IFRS 2009 H2	Board decided in September to adopt a revised approach, requiring re-exposure.
Conceptual framework phase C	DP 2009 H1 ED 2010 Final Chapter 2011	DP 2009 H2 ED 2010 TBD	

Major risks to the timetable

6. In commenting on the work plan in June, we identified two projects (Financial statement presentation and Revenue recognition) as posing particular risks that we may not be able to complete them by June 2011. There has already been some slippage in the timetable for both projects. Both project teams believe they can still complete the projects by June 2011, but the slippage has put further pressure on already tight timetables. We need to manage these projects tightly if we are to bring them in on time.

Other issues

7. We offer the following comments on some of the other projects:

(a) Fair value measurement. The work on the expert advisory panel on inactive markets has taken more staff time than we had expected and this has caused some slippage on the timetable for the standard on fair value measurement. We had previously planned to hold roundtables in December 2008, but do not now expect to be ready until March 2009. Overall, the project timetable has gone back around three months.

(b) Income taxes. There has been some slippage, but we expect to publish an exposure draft by the end of 2008. In the second half of 2008, the FASB will review its strategy for short-term convergence projects in light of the possibility that some or all US

public companies might be permitted or required to adopt IFRS at some future date. As part of that review, it will seek input from US constituents by issuing an Invitation to Comment containing the IASB's proposed replacement of IAS 12. At the conclusion of that review, it will decide whether to undertake projects that would eliminate differences in the accounting for taxes.

- (c) Insurance contracts. The FASB plans to decide later this year whether to participate in this project.

Inactive projects

8. The following projects are inactive:

- (a) Common control transactions. The Board added this project to its active agenda in December 2007 and will begin work on it when staff currently working on related projects become available.
- (b) Government grants. The Board deferred work on this project pending progress on related projects: revenue recognition, related parties and emissions trading schemes.

Research agenda

9. The research agenda contains the following projects:

- (a) Extractive activities. We expect to publish the project team's discussion paper around the end of 2008.
- (b) Financial instruments (replacement of existing standards). In the light of comments received on the discussion paper *Reducing Complexity*, the Board and FASB will discuss possible next steps in November.
- (c) The Board decided in December 2007 not to add to its active agenda a project on intangible assets. National standard setters have expressed an interest in carrying out research for a possible future project in this area.