



Project **Request for views on FASB FSPs**

Topic **Cover note**

Background

1. On 9 April 2009, the US Financial Accounting Standards Board (FASB) finalised and issued FASB Staff Positions (FSPs):
 - (a) FSP FAS 157-4, *Determining Fair Value When the Volume and Level of Activity for the Asset or Liability Have Significantly Decreased and Identifying Transactions That Are Not Orderly*
 - (b) FSP FAS 107-1 and APB 28-1, *Interim Disclosures about Fair Value of Financial Instruments*
 - (c) FSP FAS 115-2 and FAS 124-2, *Recognition and Presentation of Other-Than-Temporary Impairments*The FSPs are attached as Appendix A of this paper.
 2. In October 2008 the IASB and the FASB announced their joint approach to dealing with reporting issues arising from the global financial crisis. The boards reiterated the importance of working co-operatively and in an internationally co-ordinated manner to consider accounting issues emerging from the global financial crisis.
 3. In light of that commitment, following publication by the FASB of the proposed FSPs on 17 March 2009, the IASB posted a *Request for views* on the FASB's proposals on its public website.
 4. The objective of the IASB *Request for views* was to seek views from IFRS stakeholders on the FASB proposals. The views were sought to help the IASB decide whether to consider formulating any proposals for public comment. The *Request for views* was clear that any proposed changes in IFRSs that may result from the *Request for Views* will be subject to due process. The comment period
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This paper has been prepared by the technical staff of the IASB for the purposes of discussion at a public meeting of the IASB.

The views expressed in this paper are those of the staff preparing the paper and do not purport to represent the views of any individual members of the Board or the IASB.

Decisions made by the Board are reported in IASB *Update*.

Official pronouncements of the IASB are published only after the Board has completed its full due process, including appropriate public consultation and formal voting procedures.

IASB Staff paper

for the *Request for views* ended on 20 April 2009. The *Request for views* is attached as Appendix B of this paper.

5. In addition to posting a *Request for views*, the IASB have also asked its Expert Advisory Panel for its views on FASB FSP 157-4. This panel was formed in May 2008 in response to the recommendations of the Financial Stability Forum in their April 2008 report *Enhancing Market and Institutional Resilience*. The expert advisory panel comprised measurement experts from preparers and auditors of financial statements, users of financial statements, regulators and others.
6. Paper 16A addresses views received on FSP FAS 157-4, *Determining Fair Value When the Volume and Level of Activity for the Asset or Liability Have Significantly Decreased and Identifying Transactions That Are Not Orderly*.
7. Paper 16B addresses views received on FSP FAS 115-2 and FAS 124-2, *Recognition and Presentation of Other-Than-Temporary Impairments*.
8. Generally, the papers will address US GAAP changes resulting from the FSPs and major differences between IFRSs and US GAAP (as amended by the FSPs). The papers will also present an analysis of responses received on the *Request for views* and questions to the Board.