



Project	Financial instruments – Replacement of IAS 39
Topic	Cover note

Introduction

1. At the September IASB main meeting the Board received a summary comment letter analysis on ED/2009/7 *Financial Instruments: Classification and Measurement*. No decisions were made at the meeting. At the 22 September meeting we intend to start the redeliberation of the exposure draft ('ED'). We plan to continue the discussions on the extra meeting on 29 September.
2. At the same meeting the Board also discussed comments received on its *Request for Information on an Expected Cash Flow Approach*. The Board decided that a future ED on impairment should contain a clear objective and emphasise principles reinforced by clear application guidance.

Papers to be discussed at the 22 September meeting

3. The following papers will be discussed at this meeting.
 - (a) **Paper 1** – Cover note
 - (b) **Paper 2** – Redeliberation of ED *Classification and Measurement: Exception from fair value measurement for some equity instruments*
 - (c) **Paper 3** – Impairment: possible issues to be addressed in the exposure draft by application guidance or clarification
 - (d) **Paper 4** – Impairment: transition

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.

Papers to be discussed on the 29 September meeting

4. The staff expects the following papers to be discussed at the 29 September extra Board meeting:
 - (a) Whether financial liabilities should be in this phase of the project; and
 - (b) Where the “line” between the fair value through profit or loss category and the “other” category is to be drawn.