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Project	<b>Consolidation - Disclosures</b>
Topic	<b>Cover Memo</b>

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1. At the March 2010 meeting, the IASB and the FASB will begin their joint deliberations of the proposed disclosures in ED 10 *Consolidated Financial Statements* and the current disclosure requirements in SFAS No. 167 *Amendments to FASB Interpretation No. 46(R)*.
2. As part of the preparations for the joint deliberations, the staff has identified the following issues to be discussed by the IASB at its February meeting:
  - (a) Agenda paper 6A discusses whether the proposed disclosures in ED 10 and ED 9 *Joint Arrangements* could be combined into a comprehensive disclosure standard for a reporting entity's involvement with other entities that is not in the scope of IAS 39 *Financial Instruments: Recognition and Measurement* and IFRS 9 *Financial Instruments*;
  - (b) Agenda paper 6B analyses:
    - (i) whether a reporting entity should disclose information about its risk exposure from its involvement with unconsolidated entities; and
    - (ii) whether those disclosures should be integrated into the proposed comprehensive disclosure standard for involvement with other entities.

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This paper has been prepared by the technical staff of the IASCF for discussion at a public meeting of the IASB.

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

Comments made in relation to the application of an IFRS do not purport to be acceptable or unacceptable application of that IFRS—only the IFRIC or the IASB can make such a determination.

The tentative decisions made by the IASB at its public meetings are reported in *IASB Update*. Official pronouncements of the IASB, including Discussion Papers, Exposure Drafts, IFRSs and Interpretations are published only after it has completed its full due process, including appropriate public consultation and formal voting procedures.

IASB Staff paper

3. We intend to deliberate the following disclosure issues jointly in March:
  - (a) the disclosure objectives in the final consolidation standard;
  - (b) whether and how the specific disclosures requirements for consolidated entities proposed in ED 10 and required by SFAS No. 167 should be amended;
  - (c) whether and how the specific disclosures for unconsolidated structured entities proposed in ED 10 and variable interest entities required by SFAS No. 167 should be amended;
  - (d) how the disclosure requirements for joint arrangements and associates in ED 9 and IAS 28 could be integrated within a comprehensive disclosure standard;
  - (e) whether the boards should require disclosures about reputational risk.