



Project **Derecognition**

Topic **Cover note**

Papers at this meeting

1. The staff intend to discuss **Papers 3A-C** with the Board at this meeting. These papers deal with concerns by respondents to the Exposure Draft ED/2009/3 *Derecognition* about:
 - (a) the need for greater clarity of the definition of ‘transfer’ and the meaning of ‘access’ as that term is used in the alternative derecognition approach, and
 - (b) the proposed accounting for repurchase and securities lending transactions.
2. The staff have also prepared **Paper 3D**. This paper addresses the request by some Board members at the IASB meeting in December 2009 who wanted to better understand the knock-on effects from requiring symmetry in the derecognition of financial assets and liabilities for transactions that result in the substantial modification of the associated debt instruments. The staff do not plan to discuss this paper, unless the Board has questions on it.

Next steps

3. At the IASB meeting in March 2010, the staff intends:
 - (a) to provide the Board with the complete derecognition model for financial assets and financial liabilities (on the basis of the tentative decisions made in this and previous meetings)
 - (b) to ask the Board for what the next due process document should be
 - (c) to discuss disclosures and transition requirements
 - (d) to discuss any sweep issues.

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

4. Provided that the Board makes decisions on the papers for this and the March meeting, the staff believe that the Board could publish the next due process document in April 2010.