



Project **Financial Statement Presentation**

Topic **Cover note**

February joint meeting topics

1. The following papers will be discussed at the February 2010 joint meeting:
 - (a) **Paper 4A/76A:** Application guidance for analysis of changes in significant asset and liability line items (FASB education session also)
 - (b) **Paper 4B/76B:** Definition of a remeasurement and related guidance (FASB education session also)
 - (c) **Paper 4C/76C:** New subcategories for ‘financing arising from operating activities’ and for ‘assets and liabilities arising from equity’
 - (d) **Paper 4D/76D:** Statement of cash flows for entity with funds held on deposit (FASB education session also)
 - (e) **Paper 4E/76E:** Divergent issues
 - (f) **Paper 4F/76F:** Sweep issues
 - (g) **Paper 4G/76G:** Support for package of decisions.

2. At the joint meeting we expect the boards to do the following in the **two** hours allotted to the FSP project:
 - (a) reach agreement on requirements for the analysis of changes in significant asset and liability line items;
 - (b) reach agreement on the definition of a remeasurement (the proposed definition was discussed at small group meetings in January);
 - (c) affirm the definition of the new subcategory *financing arising from operating activities* and the inclusion of assets and liabilities arising from equity in the debt category (as discussed at small group meetings in January);
 - (d) review each divergent issue and decide whether to remain divergent;

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FASB/IASB Staff paper

- (e) discuss the staff's treatment of sweep issues in the staff draft of the exposure draft;
- (f) express support for the package of decisions for the exposure draft, affirm the staff recommendation for the comment period and direct the staff to prepare an exposure draft for balloting.

Next steps

3. The only remaining topic to be deliberated jointly is **transition**. We plan to address transition at one of the early March joint meetings (it also will be a topic at the February 12, 2010 meeting with the project's working group).
4. The FASB will discuss the following topics as noted below in March:
 - (a) Application of the proposed model to **nonpublic entities**
 - (b) **Phase A** issues to be included in the exposure draft (including **extraordinary items**)
 - (c) **IAS 1 paragraphs** new to US GAAP to be included in the FASB Exposure Draft.
5. Board members and staff will meet with members of our working group [the Joint International Group (JIG) and the Financial Institution Advisory Group (FIAG)] on Friday, February 12 in Norwalk. (There will be some staff, board, and working group members participating by video from London.) At that meeting we will discuss the substantive changes made to the presentation model proposed in the discussion paper with a focus on operability and communication of the boards' tentative decisions (they will receive the staff draft of the exposure draft prior to that meeting). We also will discuss transition and ways in which to assess costs and benefits. The February joint meeting is a few days after that meeting.
6. The work plan for the financial statement presentation project envisages publication of an exposure draft in April 2010. **If** the boards reach decisions on all issues at the February joint meeting and no major issues arise at the February working group meeting or in the fatal flaw review of the exposure draft, we think we will be on track to get close to that publication date.