

Project	<b>Financial Instruments: Replacement of IAS 39</b>
Topic	<b>Hedge accounting: accounting for the time value of options—cover note</b>

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## Accounting for the time value of options—overview of papers

1. This series of agenda papers addresses the accounting for the time value of options.
2. It contains two papers (4A and 4B).
3. Agenda paper 4A sets out the issue and provides some staff analysis.
4. Agenda paper 4B contains:
  - (a) a proposal for a new accounting treatment for the time value an option has at inception (ie that is included in the option premium paid); and
  - (b) a staff recommendation and question to the Board.

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This paper has been prepared by the technical staff of the IFRS Foundation 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 IFRS Interpretations Committee 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.