
STAFF PAPER

Week of 20 May 2013

FASB | IASB Meeting

FASB Education Session 15 May 2013
IASB Education Session 23 May 2013

Project	Revenue recognition		
Paper topic	Cover memo – May 2013		
CONTACT(S)	Kristin Bauer	kdbauer@fasb.org	+1 203 956 3469
	Allison McManus	amcmanus@ifrs.org	+44 (0) 20 7246 6462

This paper has been prepared by the staff of the IFRS Foundation and the FASB for discussion at a public meeting of the FASB or IASB. It does not purport to represent the views of any individual members of either board. Comments on the application of US GAAP or IFRSs do not purport to set out acceptable or unacceptable application of U.S. GAAP or IFRSs. The FASB and the IASB report their decisions made at public meetings in FASB Action Alert or in IASB Update.

Introduction

1. This paper provides:
 - (a) background on the status of the revenue recognition project; and
 - (b) an overview of the papers for the May 2013 meeting.

Background

2. In February 2013, the Boards substantially completed their redeliberations on the revised exposure draft *Revenue from Contracts with Customers*, which was issued in November 2011 (“the 2011 ED”). The staff are in the process of completing the remaining steps in each Board’s respective due process requirements and drafting the forthcoming final revenue standard. If necessary, the staff will bring to the Boards any new “sweep issues” that arise during drafting. In addition, the staff will complete an analysis of the costs and benefits of the final revenue standard and its potential effects. As noted in IASB only agenda paper 7C, the staff will ask the FASB for permission to proceed to a ballot draft of the final revenue standard at a future meeting.

IASB Agenda ref	7
FASB Agenda ref	170

Overview of May 2013 revenue recognition papers

3. The staff have prepared the following paper for discussion at the May 2013 joint Board meeting:
 - (a) **IASB Agenda paper 7A / FASB Board memo 170A – *Application of the model: Credit card reward programs***. This paper considers feedback on the 2011 ED regarding how the revenue model would apply to credit card reward programs.

4. The staff have prepared the following papers for discussion at the May 2013 IASB-only meeting:
 - (a) **IASB Agenda paper 7B – *Transition: First-time adopters and IAS 8 disclosures***. This paper addresses: (a) transition methods available for first-time adopters, and (b) the applicability of disclosures required by paragraph 28(f) of IAS 8 *Accounting Policies, Changes in Accounting Estimates and Errors* to entities already applying IFRSs who use the retrospective transition method.
 - (b) **IASB Agenda paper 7C – *Due process summary***. This paper summarises the due process steps the IASB has taken in developing the revenue recognition standard. This paper also includes three questions for the Board to complete the due process on the project and to allow the staff to finalise the standard.