

## STAFF PAPER

25-26 September 2013

## Accounting Standards Advisory Forum

Project	Accounting for Macro Hedging
Paper topic	Overview

This paper has been prepared by the staff of the IFRS Foundation for discussion at a public meeting of the Accounting Standards Advisory Forum and does not represent the views of the IASB or any individual member of the IASB. Comments on the application of IFRSs do not purport to set out acceptable or unacceptable application of IFRSs. Technical decisions are made in public and reported in IASB *Update*.

1. Agenda papers 4A – 4E provide background material on the project on accounting for macro hedging.
2. Paper 4A provides background information about the reasons for the project including a discussion of the dynamic risk management activities to which the accounting would apply.
3. Paper 4B provides a summary of the revaluation model that is to be included in the forthcoming discussion paper. *The staff recommends that you read sections 1 and 2 of this document as it provides an overview of the model. The later sections are included for information purposes and are not essential reading.*
4. The summary of the model included in paper 4B is an extract of a larger document and does not fully reflect some of the issues that the Board has discussed recently. As we would be interested in the views of ASAF on these matters we have also included recent board papers addressing:
  - the potential scope of the model (eg whether it should apply to the whole banking book or to sub portfolios) - ASAF Agenda paper 4C
  - whether consideration should be given to including the revaluation effect in OCI rather than in profit or loss – ASAF Agenda paper 4D
  - the disclosures that should support the model - ASAF Agenda paper 4E