

International Financial Reporting Standards

Agenda Paper 1
December 2014

Overview and Operating Procedures

Transition Resource Group for Impairment of Financial Instruments

The views expressed in this presentation are those of the presenter, not necessarily those of the IASB or IFRS Foundation.

- Completed IFRS 9 *Financial Instruments* issued in July 2014, effective from 1 January 2018
- New expected credit loss model is a fundamental change, with significant implications from an implementation as well as systems perspective
- IASB believes that having a discussion forum such as the ITG to provide support for stakeholders post publication will enhance robust and consistent implementation

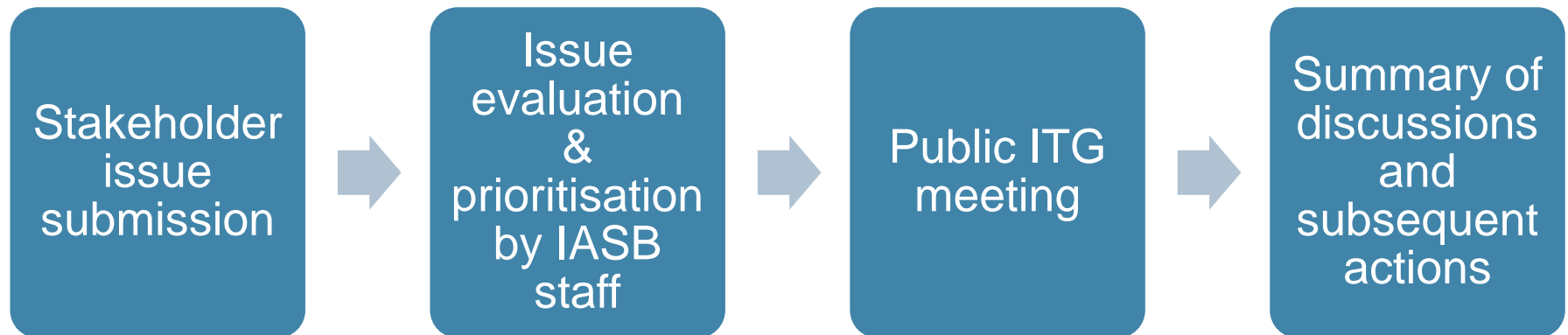
Purpose of ITG

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- To solicit, analyse and discuss stakeholder issues arising from implementation of the new impairment requirements
- To inform the IASB about those implementation issues, which will help the IASB determine what, if any, action will be needed to address those issues
- To provide a public forum for stakeholders to learn more about the new impairment requirements from others involved in implementation
- ITG will not issue guidance

Process and members

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Members of the ITG include preparers and auditors with expertise, skills or practical knowledge relating to the expected credit loss model and knowledge about accounting for financial instruments under IFRS, representing a broad spread of geographical areas.

How to submit an issue

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- Any stakeholder can submit a potential implementation issue
 - We encourage submissions as soon as possible
- Issues submitted should:
 - Relate to implementation of the new impairment requirements
 - Indicate that the requirements could be applied in different ways leading to diversity in practice
 - Be pervasive (relevant to a wide group of stakeholders)
- Submissions not meeting the submissions criteria will not be discussed at the ITG
- Submission forms will not be public
 - Discussion of issues will be in public

- ITG will meet in public to discuss selected issues
 - Meeting agenda and issue papers will be public
- ITG members to give their views and experiences on issues
- Face-to-face 1 day meetings in London
- Over implementation period before impairment requirements take effect in 2018
- Frequency:
 - Anticipated to be two to three meetings a year, depending upon complexity and volume of issues

Questions

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- Do any members of the ITG have any questions about the operating procedures of the ITG?

Thank you

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