



Welcome to IASB Update

This IASB Update is a staff summary of the tentative decisions reached by the Board at a public meeting. As a project progresses, the Board can, and sometimes does, modify its earlier tentative decisions. Tentative decisions do not change existing requirements until those decisions are incorporated in a new or amended standard.

The International Accounting Standards Board met in London on 4 May 2010 for an additional Board meeting. The US Financial Accounting Standards Board (FASB) participated via video conference. The boards discussed:

- Conceptual framework - measurement
- Consolidation
- Other comprehensive income

Conceptual framework - measurement

The boards discussed a staff paper that proposed working towards a neutral discussion paper that would be the first due process document for the measurement phase of the conceptual framework project. The paper included possible discussion questions as well as possible alternative views with respect to those questions.

The boards decided not to produce a neutral discussion paper, but instead to continue to attempt to develop preliminary views using the questions and views in the staff paper as a starting point.

[Go to the project page on the IASB website](#)

Consolidation

The IASB and the FASB discussed the overall disclosure principles, disclosures for consolidated subsidiaries, disclosures for unconsolidated structured entities and the disclosures related to investment companies.

In March 2010, the boards tentatively decided that a reporting entity should disclose information that helps users of financial statements to understand the nature of, and changes in, the risks associated with the reporting entity's involvement with other entities and how those risks affect future cash flows. At the meeting on 4 May, the boards clarified that for disclosure purposes a reporting entity has an involvement with a structured entity when the reporting entity is exposed to variability of returns from its involvement with the structured entity.

The boards discussed whether a reporting entity should disclose (a) income from its involvement with structured entities that it has set up or sponsored and (b) the fair value of assets recognised by those structured entities at the time that the structured entities are established. The IASB tentatively decided that, subject to further drafting changes, these disclosures should be included in the disclosure standard. The FASB tentatively decided not to specifically require such disclosures, but that the disclosure related to the income from the entity's involvement with structured entities that it has set up or sponsored should be covered by the overall disclosure principles.

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Future board meetings

The IASB meets at least once a month for up to five days.
The next Board meetings in 2010 are:

17 - 21 May
14 - 18 June
19 - 23 July
13 - 17 September

To see all Board meetings for 2010, [click here](#).

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Podcast summaries

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The boards discussed but did not reach any decisions on the overall disclosure principles or the disclosures for subsidiaries. The boards will continue their discussion at their next meeting.

The boards also discussed the disclosure requirements for investment companies. The boards tentatively decided that an investment company should disclose:

- a. whether it has provided any financial or other support to any of its controlled investees that it was not previously contractually required to provide; and
- b. the nature and extent of any significant restrictions on the ability of its controlled investees to transfer funds to the investment company.

The boards also tentatively agreed that an investment company should not be required to present summarised financial information for controlled investments. The IASB will discuss at a future meeting whether an investment company should provide additional disclosures about the investees, similar to the current disclosure and presentation requirements in US GAAP for investment companies.

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Other comprehensive income

The boards discussed whether to change the title of the proposed accounting update for the statement of comprehensive income.

The IASB tentatively decided to change the title of the Statement of Comprehensive Income to Statement of Profit or Loss and Other Comprehensive Income. The title would not be mandatory, but it would be used in all IFRS literature.

The FASB tentatively decided to keep using the title Statement of Comprehensive Income for the proposed accounting update.

The boards plan to issue the proposals in May 2010 for comments.

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