

[click here to view online version](#)

Australian Government  
Australian Accounting Standards Board

Issue 10-09  
9 March 2009

## International Update

Subject: International Update

### 1. International

#### International Accounting Standards Board ([IASB](#))

1. The IASB has issued amendments that improve the disclosure requirements about fair value measurements and reinforce existing principles for disclosures about the liquidity risk associated with financial instruments ([Press Release](#)).

2. [Webcasts](#) for the 23-24 February 2009 SAC meeting are now available.

3. The [agenda](#) and selected agenda papers ([Day 1](#), [Day 2](#), [Day 3](#), [Day 4](#), [Day 5](#)) for the 16-20 March 2009 Board meeting are now available; items that are to be discussed include:

- emissions trading scheme;
- insurance contracts;
- IFRS for non-publicly accountable entities; and
- post-employment benefits.

4. The [draft agenda](#) for the 26 March 2009 Global Preparers Forum is now available; the following items will be discussed:

- credit crunch impact on IFRS;
- consolidated financial statements ED 10;
- post retirement benefits;
- leasing; and
- revenue recognition.

#### International Federation of Accountants – Other Committees ([IFAC – other committees](#))

1. The IFAC's Developing Nations Committee has released a new good practice guide *The Education, Training and Development of Accounting Technicians*. The new guide is designed to raise awareness of the role and value of accounting technicians in both the public and private sectors ([Press Release](#)).

2. The IFAC's Small and Medium Practices Committee has published the *Guide to Quality Control*

[for Small and Medium Sized Practices](#). This non-authoritative implementation guide is intended to help small and medium sized practices understand and efficiently apply International Standards on Quality Control 1 *Quality Control for Firms that Perform Audits and Reviews of Financial Statements*, and other assurance and related services, as redrafted under the IAASB's Clarity Project ([Press Release](#)).

3. The [meeting summary](#) for the 23-25 February 2009 International Ethics Standards Board for Accountants meeting is now available and includes updates on:

- drafting conventions; and
- responding to emerging and urgent issues.

## 2. United States

Financial Accounting Standards Board (FASB)

1. [Summaries](#) of Board decisions for the 4 March 2009 Board meeting are now available. Tentative decisions have been made on the following projects:

- [Statement 140: transfers of financial assets](#); and
- [Statement 133 implementation issue: embedded credit derivatives scope exception](#).

2. The [FASB Calendar](#) notes that the 11 March 2009 FASB education session has been cancelled.

3. The [handout](#) for the 4 March 2009 Roundtable Meeting is now available and includes the following topics to be discussed:

- measurement of transferor interests in transferred financial assets;
- partial sales and Statement 140 reconsideration events;
- asset classification in guaranteed mortgage securitisations and secured borrowings; and
- embedded credit derivative scope exception.

4. The [handout](#) for the 6 March 2009, Roundtable Meeting *Disclosure of Certain Loss Contingencies*, is now available and includes the following issues to be discussed:

- threshold for disclosure;
- quantitative disclosure;
- qualitative disclosure;
- recoveries from insurance or other arrangements;
- tabular reconciliation of recognised loss contingencies;
- private entity matters;
- audit considerations; and
- costs of enhanced disclosures.

5. The following [Technical Plan and Project Updates](#) page has been updated. Updated projects include:

- [financial statement presentation](#);
- [revenue recognition](#);
- [insurance contracts](#);
- [FAS 107 and APB 28 – interim disclosures about fair value of financial instruments](#);
- [FAS 133 implementation C22 – embedded credit derivatives scope exception](#);
- [disclosure of certain loss contingencies](#); and
- [Statement 140 implementation: transfers of financial assets](#).

6. The [meeting summary](#) for the 13 February 2009 FCAG open session meeting is now available and includes summaries of discussions on:

- purpose of general purpose financial statements;
- financial stability objective of GPFs;
- accounting approach for whole loans; and
- classification of financial instruments.

7. The [webcast](#) for the 5 March 2009 FCAG meeting is now available.

8. The FCAG is seeking written input from constituents in the form of responses to a series of questions to assist the FCAG in discussing accounting and reporting matters related to the financial crisis and making recommendations to the IASB and the FASB ([Details](#)).

9. The [minutes](#) for the 5 February 2009 Valuation Resource Group meeting are now available and include:

- SEC study on mark-to-market accounting;
- proposed FASB Staff Position on FASB Statement 157-c;
- The American Institute of Certified Public Accountants draft Issues Paper on valuation considerations for interests in alternative investments; and
- goodwill impairment considerations.

#### Emerging Issues Task Force (EITF)

1. The [proposed agenda](#) and [meeting materials](#) for the 19 March 2009 EITF meeting are now available and include:

- EITF Issue No. 08-1 *Revenue Arrangements with Multiple Deliverables*;
- EITF Issue No. 09-1 *Accounting for Own-share Lending Arrangements in Contemplation of Convertible Debt Issuance*;
- EITF Issue No. 09-2 *Research and Development Acquired In an Asset Acquisition*; and
- EITF Issue No. 08-9 *Milestone Method of Revenue Recognition*.

#### Governmental Accounting Standards Board (GASB)

1. The [final agenda](#) for the 10-12 March 2009 Board meeting is now available and includes:

- public/private partnerships;
- Conceptual Framework – recognition and measurement attributes; and
- GAAP hierarchy.

2. The [revised agenda](#) for the 12-13 March 2009 Governmental Accounting Standards Advisory Council (GASAC) meeting is now available and two items have been added from the last version:

- GASAC Discussion of Communication and Public Relations Issues; and
- The Financial Accounting Foundation Report.

#### Other

1. The US Comptroller of the Currency, John C. Dugan, has delivered remarks on [Loan Loss Provisioning and Pro-cyclicality](#) at an Institute of International Bankers on 2 March 2009. He expressed concern about accounting standards that require banks to limit their loan loss provisions to 'incurred' losses rather than 'expected' losses. As a result, in Mr Dugan's view, 'loan loss provisioning has become decidedly pro-cyclical, magnifying the impact of the downturn'.

2. The US House of Representatives Financial Services Subcommittee on Capital Markets, Insurance, and Government Sponsored Enterprises will hold a hearing on mark-to-market accounting for financial instruments on 12 March 2009 in Washington ([Hearing Notice](#)).

### 3. Europe

#### European Financial Reporting Advisory Group (EFRAG)

1. The EFRAG has issued its [final comment letter](#) to the IASB Exposure Draft *Post-implementation Revisions to IFRIC Interpretations* (proposed amendments to IFRIC 9 and IFRIC 16) ([Press Release](#)).
2. The EFRAG has issued its [draft comment letter](#) on the IASB Exposure Draft ED 10 *Consolidated Financial Statements*. Comments are requested by 20 March 2009 ([Press Release](#)).
3. The EFRAG has updated the EFRAG [Endorsement Status Report](#) as of 3 March 2009 ([Press Release](#)).
4. The EFRAG Supervisory Board has issued its [draft comment letter](#) on the International Accounting Standards Committee Foundation *Review of the Constitution: Identifying Issues for Part 2 of the Review*. Comments are requested by 27 March 2009 ([Press Release](#)).
5. The EFRAG has appointed 17 new members to the Financial Instruments Working Group ([Press Release](#)).

Australian Accounting Standards Board, Level 7, 600 Bourke Street, Melbourne, VIC, 3000  
**Telephone:** +61 3 9617 7600 **Facsimile:** +61 3 9617 7608 **Email:** [standard@aab.gov.au](mailto:standard@aab.gov.au)  
[www.aasb.gov.au](http://www.aasb.gov.au)

The AASB International Update announces important updates to the AASB website. This service is provided as a courtesy to subscribers. Subscribers should not rely on the service as a definitive publication of updates to the AASB website. The Australian Accounting Standards Board does not guarantee, and accepts no legal liability whatsoever arising from or connected to, the accuracy, reliability, currency, timeliness or completeness of the notification service. Notifications may be sent on the following working day. Invalid email addresses and those with a full mailbox will be removed from the list. Access to the AASB web site is subject to the terms and conditions outlined at <http://www.aasb.gov.au/Copyright.aspx>. Please note that in most cases documents are available at a later date from relevant sections.

[Click here if you would like to unsubscribe from this newsletter](#)