Even if the weather isn’t quite sure of the season at the moment, the summer heat is certainly present in the IASB premises! Standardising is reaching all-time highs: updating the work plan with the FASB, publishing two new interpretations and issuing several discussion papers to name a few! In short, convergence with US standards is in full swing.

In this key period, the IASB can count on the active contribution of Jean-Louis Lebrun, a partner at Mazars, whose mandate at the IFRIC was renewed for a period of three years. Heartfelt congratulations!

Happy reading!
Michel Barbet-Massin

Appointment at the IFRIC
Jean-Louis Lebrun, a partner at Mazars and member of the IFRIC since 2005, had his mandate as a member of the IFRIC renewed for a period of three years.

Publication of the final interpretations IFRIC 15 and IFRIC 16
On 3 July, the IASB published the following interpretations:

- IFRIC 15 Agreements for the Construction of Real Estate, with retrospective application compulsory as of 1 January 2009 (see the May 2008 edition of Beyond the GAAP);
- IFRIC 16 Hedges of a Net Investment in a Foreign Operation, with prospective application as of 1 October 2008 (see the May 2008 edition of Beyond the GAAP).
**Highlights**

**IASB Agenda**

Continuing on from the principles set in April in collaboration with the FASB, the IASB approved the update to its work plan. As was announced in our April 2008 edition, the main areas involved are:

- Revenue recognition;
- Fair value measurement;
- Consolidation;
- Derecognition;
- Presentation of financial statements;
- Employee benefits;
- Leases.

For more information on each of these areas, please consult our April 2008 edition.

Several scenarios for the future of the IASB’s Insurance project are envisaged in September, but the target of publishing a standard in 2011 remains.

Revision of the conceptual framework should continue alongside other projects, with the published target of defining all elements and evaluation conditions by 2011.

The revised working agenda is available on the IASB website.

**Presentation of financial statements**

The discussion paper presenting the two Boards’ positions on the presentation of financial statements should be published in early September.

At the June meeting, staff reviewed the project in detail in order to draw conclusions from the decision made in April (reduced scope for the reviewed standard), and also deal with the difficulties which arose when the first version of the discussion paper was reviewed.

Although the definition of net income will, in the end, remain the same, proposals which will be opened to discussion include several new innovations and are likely to have a significant implementation cost.

**Conceptual framework – definition of a liability**

At its June meeting, the IASB validated the work relating to defining a liability based notably on the existence of an unconditional obligation. However, the Board was still not unanimous regarding determining if a liability exists.

As it did as part of the review of IAS 37 – Provisions, the Board intends to ask for the entity’s judgement. Taking into account a possible uncertainty will be included in the evaluation of a liability rather than in the conditions for recognition.

**Fair value measurement**

At its June meeting, the Board set out the points that it wished to once again deliberate, in preparation for an exposure draft.

Overall, despite the comments received, the Board believes that several points from US SFAS 157 on fair value measurement should be retained in the future IFRS.

**A new idea to digest over the summer: taxonomy**

Wikipedia defines taxonomy as “the practice and science of classification”. Information is classified in a developing structured architecture. The term is often used regarding content management systems.

What is the relationship between taxonomy and IFRS? The IASC answered this question by publishing “IFRS Taxonomy 2008” on 24 June 2008. For non experts, IFRS Taxonomy 2008 is a complete translation of IFRS 2008 into an eXtensible
Markup Language (XML) that is used to communicate information, which is sometimes financial, between businesses.

Gerrit Zalm, Chairman of the Trustees at IASCF, said that XBRL enables the implementation of the taxonomy and is an essential component of a truly global accounting language. The era of interactive data is born.

In short, what better way to spend the summer than with the people preparing financial statements and the heads of IT architectures?

Round table on IASCF governance

Michel Barbet-Massin, a Partner at Mazars, took part in public round tables related to the revision of the IASCF constitution in London on 19 June. Two topics were discussed:

- IASCF governance: should a Monitoring Group be created and what would be the rights and obligations of such a Group?
- Size and composition: The Trustees propose to increase the number of IASB members to 16 and to include specific geographic criteria instead of the current geographical balance between members.

You can find a detailed presentation of the measures proposed in our April 2008 edition.

This is the first part of the project to review the IASCF’s constitution. This completion of this first part is planned for 1 January 2009. A second phase dealing with any remaining questions should begin in late 2008. Any guidelines or regulations resulting from the second phase of the project should come into effect by 1 January 2010.

CESR: Information extracted from the IFRS database

The following subjects are among the analyses carried out since the publication of the last CESR database extract in December 2007:

- Consolidation of a subsidiary: the CESR reaffirmed that consolidated financial statements should include all subsidiaries of the parent company even in the event that a subsidiary is not IFRS compliant.
- Step acquisitions: should the planned transaction be considered as a whole or as separate transactions?
- Consolidation of special purpose entities: the CESR noticed an inconsistency between the information given in the management report (financial elements of the special purpose entity included) and the information in the notes to the financial statements in which the definition of consolidation scope excludes this entity.
- Application of the pooling of interest method in a business combination under common control: the European regulator accepts that the entity may refer to US SFAS 141 in the absence of a specific requirement governing a business combination under common control within IFRS. Moreover, the CESR accepts pro-forma data throughout the financial statements presented, in line with SFAS 141.
- Identification of the acquirer in a business combination: analysis of a business combination where the arguments supporting one or the other stakeholder as the acquirer are finely balanced.
- Definition of related parties (IAS 24): the CESR indicates that key personnel may be considered related parties even if they are not members of the Board of Directors.

All subjects dealt with by the CESR may be consulted at the following address: http://www.cesr-eu.org.
European effect study relative to IFRIC 12 – Service Concession Arrangements

On 17 June 2008, the European Commission made public its conclusions relative to the effect study (1) on IFRIC 12 – Service Concession Agreements.

Remember that the interpretation published on 30 November 2006 proposed a guide for applying IFRS to service concession arrangements. Three models for recognising service concession arrangements are detailed therein, depending on the terms of the arrangement:

- Financial asset model
- Intangible asset model
- Financial asset and intangible asset model

The conclusions drawn from the study mainly pertain to the following:

- In the short term, the interpretation meets an urgent need for guidance, but this accounting area should be the subject of a specific international standard;
- The Commission underlines the importance of disclosures additional to SIC-29, especially on expected future cash flows, that users require in order to better understand this kind of business;
- Enhanced disclosures on the demand risk to which the operator is exposed would also be helpful to users;
- Companies already applying IFRIC 12 note that IFRIC 12 assists both management and users to better assess the performance and risk exposures related to these service concession agreements;
- There does not seem to be any widespread demand for issuing guidance for accounting on the grantor’s side;
- Most service concession operators’ costs will not be significant as there seem to be very few companies with a really large number of contracts;
- The IASB has committed to do a review after two years of operation of the interpretation, the present version of which must be applied as of 1 January 2008.

As such, the Commission believes that the benefits of the interpretation will outweigh the costs. IFRIC 12 will have positive cost-effect benefits and should therefore be endorsed in the EU.

The ARC vote is planned for October 2008. If the interpretation is adopted, it will have to be applied retrospectively. Specific provisions are nonetheless planned should this prove to be impossible.

European effect study relative to IFRIC 13 – Customer Loyalty Programmes

On 17 June 2008, the European Commission made public its conclusions relative to the effect study (1) on IFRIC 13 – Customer Loyalty Programmes.

Remember that the interpretation published on 1 July 2007 provides guidance on how entities should account for customer loyalty programmes. In particular, the interpretation states that entities shall account for such award credits as a separately identifiable component of the sales transaction in which they are granted. Award credits are allocated at fair value and the revenue relating to the award credit component of the transaction thus identified should therefore be deferred initially and recognised as revenue when the award credits are redeemed and the entity fulfils its obligations to supply awards. Until then, it is recognised as a liability (for payments received in advance) on the balance sheet.

The Commission concludes that IFRIC 13 satisfies the reliability criterion, as the problem of measuring fair value is identical to other standards. Moreover, the interpretation should enable a more consistent application of IAS 18 – Revenue.

Lastly, the Commission recognises that, for some entities which currently use the cost-provisioning approach, the initial modification or creation of appropriate systems could involve significant costs.

As such, the Commission believes that the benefits of the interpretation will outweigh the costs. IFRIC 13 will have positive cost-effect benefits and should therefore be endorsed in the EU.

The ARC vote is planned for July 2008. If the interpretation is adopted, it will have to be applied retrospectively as of 1 July 2008.

(1) The process for endorsement in the EU of standards and interpretations published by the IASB now includes an effect study phase which enables the cost-benefit ratio of applying the new text to be assessed.
European effect study relative to IAS 1 – Presentation of financial statements

On 17 June 2008, the European Commission made public its conclusions relative to the effect study (1) on IAS 1 – Presentation of financial statements, published in September 2007.

Analysis enabled the Commission to conclude that the revised IAS 1 will improve the presentation of financial information, notably regarding the following points:

- All changes in equity arising from transactions with owners in their capacity as owners (i.e. owners changes in equity) to be presented separately from non-owner changes in equity;
- Presentation of a third “statement of financial position” at the beginning of the first comparative period when the entity retrospectively applies an accounting policy or makes a retrospective restatement of items or reclassifies items in its financial statements;
- Requirement to disclose reclassification adjustments relating to components of other comprehensive income. Reclassification adjustments are amounts reclassified to profit or loss in the current period that were recognised in other comprehensive income in previous periods.

In light of the comments received, the Commission believes that the benefits of modifying systems to apply the new requirements governing the presentation of financial information for both users and preparers will outweigh the cost, which will not be significant. The Commission therefore recommends that this standard be adopted with compulsory application as of 1 January 2009.

The ARC position is expected by July 2008.

European impact study relative to IFRIC 14 – The Limit on a Defined benefit Asset, Minimum Funding Requirements and their Interaction

On 17 June 2008, the European Commission made public its conclusions relative to the effect study (1) on IFRIC 14 – The Limit on a Defined Benefit Asset, Minimum Funding Requirements and their Interaction. The interpretation was published in July 2007 (see the September 2007 edition of DOCTR’in).

The interpretation proposes to clarify three points in IAS 19:

- The possible surplus on a plan asset shall be accounted based on the economic benefits “available” either in terms of refund or of diminution in future contribution to the plan. “Available” means “an unconditional right” to refund or to reduce future contributions no matter whether the availability is immediate or at a certain point of time in the future;
- The impact of contractual minimum funding requirements: IFRIC 14 clarifies that the future minimum funding requirements have to be deducted from the asset corresponding to the funding surplus;
- The circumstances when the accumulation of future contractual minimum funding requirements gives rise to a liability: IFRIC 14 clarifies that such a liability shall be recognised only when the accumulation of minimum funding requirements resulting in a funding surplus are unavailable either in terms of refunds or of diminution in future contribution to the plan.

Following the effect study, the Commission judged that IFRIC 14 enhanced consistency in the application of IAS 19. The Commission services believe that IFRIC 14 will have positive cost-benefit effects and that it should therefore be endorsed in the EU without delay. The ARC should announce its decision by July 2008. The interpretation must be applied as of 1 January 2008 and must be applied to the first financial statements presented following the publication of the interpretation.

(1) The process for endorsement in the EU of standards and interpretations published by the IASB now includes an effect study phase which enables the cost-benefit ratio of applying the new text to be assessed.
As the time for closing interim accounts as at 30 June 2008 approaches, DOCTR'in is detailing the latest news and reminding you which standards may be applied.

You are reminded of the principles which govern the applicability of the standards and interpretations published by the IASB:

- Draft standards currently under study by the IASB may not be applied as they do not form part of the body of published standards.
- Draft interpretations under study by the IFRIC may be taken into account if the following two conditions are respected:
  - The draft does not contradict applicable IFRS;
  - The draft does not modify an existing interpretation already adopted by the EU.
- Standards published by the IASB which have not yet been adopted by the European Union may be applied if the European adoption process is completed before the date that the accounts are closed by the competent body (i.e. often the Board of Directors). The same goes for interpretations which are modifying or replacing existing interpretations.

It should not be forgotten that the notes to the financial statements of an entity which applies IFRS must mention the list of standards and interpretations published by the IASB when not subject to early application. This list must notably be accompanied by the entity’s estimation of the impact of applying these standards and interpretations.

### Current situation of European Union adoption process for standards and amendments published by the IASB after 30 November 2006

<table>
<thead>
<tr>
<th>Standard</th>
<th>Subject</th>
<th>Date effective according to the IASB</th>
<th>Adoption in Europe</th>
<th>Applicable as of December 31, 2008</th>
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</thead>
<tbody>
<tr>
<td>IAS 1 Amendments</td>
<td>Revised presentation of financial statements</td>
<td>1/01/2009 Early application possible</td>
<td>ARC position pending (expected in July 2008)</td>
<td>Consider with care</td>
</tr>
<tr>
<td>IFRS 8</td>
<td>Operating segments: implementation of a management approach. Replaces IAS 14</td>
<td>1/01/2009 Early application possible</td>
<td>22 November 2007</td>
<td>Possible</td>
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<tr>
<td>IAS 23 Amendments</td>
<td>Borrowing costs</td>
<td>1/01/2009 Early application possible</td>
<td>ARC decision pending (expected in July 2008) Adoption planned for December 2008</td>
<td>Yes, if adopted in Europe before closing date.</td>
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</tbody>
</table>
### Standard Subject Date effective according to the IASB Adoption in Europe Applicable as of December 31, 2008

<table>
<thead>
<tr>
<th>Standard</th>
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</thead>
<tbody>
<tr>
<td>IFRS 2</td>
<td>Amendments for Vesting Conditions and Cancellations</td>
<td>1/01/2009 Early application possible</td>
<td>ARC position pending (expected in July 2008)</td>
<td>Consider with care</td>
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<tr>
<td>IAS 32 and IAS 1</td>
<td>Amendments relative to “Puttable Financial Instruments and Obligations Arising on Liquidation”</td>
<td>1/01/2009 Early application permitted</td>
<td>ARC position pending (expected in October 2008)</td>
<td>Yes, if adopted in Europe before closing date.</td>
</tr>
<tr>
<td>IFRS 3</td>
<td>IFRS 3 revised following the “Business Combination phase II” project</td>
<td>1/07/2009 Early application permitted</td>
<td>EFRAG position pending (expected in Q3 2008)</td>
<td>Yes, if adopted in Europe before closing date.</td>
</tr>
<tr>
<td>IAS 27</td>
<td>IAS 27 revised following the “Business Combination phase II” project</td>
<td>1/07/2009 Early application permitted</td>
<td>EFRAG position pending (expected in Q3 2008)</td>
<td>Yes, if adopted in Europe before closing date.</td>
</tr>
<tr>
<td>Improvements to IFRS</td>
<td>Improvements to various IAS and IFRS.</td>
<td>22/05/2008 Early application for certain amendments</td>
<td>EFRAG position pending (expected in July 2008)</td>
<td>Yes, if adopted in Europe before closing date.</td>
</tr>
<tr>
<td>Amendments to IFRS 1 and IAS 27</td>
<td>Cost of a Subsidiary in the Separate Financial Statements of a Parent on First-time Adoption of IFRS</td>
<td>22/05/2008</td>
<td>EFRAG position pending (expected in July 2008)</td>
<td>Yes, if adopted in Europe before closing date.</td>
</tr>
</tbody>
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### Current situation of European Union adoption process for interpretations published by the IFRIC after November 30, 2006

<table>
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<tr>
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<th>Subject</th>
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<th>Applicable as of December 31, 2008</th>
</tr>
</thead>
<tbody>
<tr>
<td>IFRIC 11</td>
<td>Group and Treasury share transactions</td>
<td>Annual periods beginning on or after 1/03/07</td>
<td>2 June 2007</td>
<td>Possible</td>
</tr>
<tr>
<td>IFRIC 12</td>
<td>Service Concession Agreements</td>
<td>Annual periods beginning on or after 1/01/08 Early application permitted</td>
<td>ARC vote pending (expected in October 2008)</td>
<td>Possible (to be approached with care pending the ARC vote)</td>
</tr>
<tr>
<td>IFRIC 13</td>
<td>Customer Loyalty Programmes</td>
<td>Annual periods beginning on or after 1/01/08 Early application permitted</td>
<td>ARC vote pending (expected in July 2008)</td>
<td>Possible</td>
</tr>
<tr>
<td>IFRIC 14</td>
<td>IAS 19 – The Limit on a Defined Benefit Asset, Minimum Funding Requirements and their Interaction</td>
<td>Annual periods beginning on or after 1/01/08 Early application encouraged</td>
<td>ARC vote pending (expected in July 2008)</td>
<td>Possible</td>
</tr>
<tr>
<td>IFRIC 15</td>
<td>Agreements for the construction of Real Estate</td>
<td>Annual periods beginning on or after 1/01/09 Early application encouraged</td>
<td>EFRAG position pending (no date given)</td>
<td>Possible</td>
</tr>
<tr>
<td>IFRIC 16</td>
<td>Hedges of a Net Investment in a Foreign Operation</td>
<td>Annual periods beginning on or after 1/01/08 Early application permitted</td>
<td>EFRAG position pending (no date given)</td>
<td>Possible</td>
</tr>
</tbody>
</table>
Over the last six years, preparation of a new standard for recognising revenue, developed jointly by the IASB and FASB, has stirred the interest and excitement of all stakeholders in financial communication. In fact, the joint project seemed to call into question the transparency of financial information and create insurmountable complications in companies’ day-to-day management. This double counter-performance was made possible firstly by looking to disconnect the amount of revenue recognised from the contract price and, secondly, by introducing the re-measurement at fair value at each end of period of all deliverables which make up an order backlog. The future seems to have been made clearer since the decisions taken by the two Boards at their joint meeting in April. What happened?

Revenue recognition: a priority project for the two Boards

Last April, the IASB and FASB updated their working agenda in order to facilitate the possible change from US GAAP to IFRS by US companies by 2013. The target for developing a stable platform, similar to the one that was proposed in Europe in March 2004 with a view to adopting IFRS in 2005, was set at June 2011. The revision of the standard governing revenue recognition was judged to be one of the major priorities in this work plan. In such a tight deadline, the IASB and FASB immediately preferred the more conservative model – the customer consideration model – in order to give themselves every chance of the widest consensus on a solid standard, rather than risk wasting valuable time and energy on costly controversies.

So what is it all about? Regardless of the valuation model used, the signature of a contract leads to a net asset or liability, for example, deducting the value of deliverables to be given to a customer from the cash that will be received. In the customer consideration model, as deliverables are valued on the basis of the contract prices agreed between the client and the entity, this net asset equals zero on the date that the contract is signed. An accounting adjustment identical to what we use today or, in the absence of the start of execution, the reciprocal obligations are not recognised.

Are there still challenges in this debate? Yes, there are still major challenges. First of all, the problem of valuation linked to revenue recognition has not been completely resolved as the relevance of the customer consideration model still has to be tested – from the standardiser’s point of view – in activities such as insurance or maintenance services.
Difficulties in applying the current standard

One of the benefits of the two Boards’ new working approach with a view to June 2011 is bringing to the forefront the difficulties identified while using the current IFRS. In particular, this involves breaking down a contract into its different deliverables and determining the conditions for delivering said deliverables, i.e. the conditions required for recognising revenue.

According to the IASB and FASB, breaking down a contract into its different deliverables, consistently and on the basis of a principle which is applicable to all industries, requires that a deliverable be defined as “the smallest economic resource that an entity undertakes to supply to his client, individually or in conjunction with other economic resources”. According to standardisers, the search for a universal definition requires that the usefulness of the deliverable in the eyes of the client be completely ignored. The only condition imposed on the deliverable is that it can be individually sold. If this definition is kept, it will mean that companies will need to break down contracts. No need to say that preparers will consider it is far from the way they run their business as far as relevance and cost benefits are concerned.

Determining when to recognise revenue is the thorniest issue. The IASB is proposing that a deliverable be transferred to the client when the client is able to benefit from the economic advantages of this deliverable. The dividing line between the upon completion and percentage of completion approaches could move significantly as certain so-called “construction” contracts and service provision contracts risk being recognised upon completion, for example.

As such, despite the most recent developments, the debate that will ensue at the end of 2008 following the publication of the IASB’s discussion paper will certainly be animated, following on from the reaction produced by the preliminary reflections published by the EFRAG in 2007.
The publication of the 2007 annual financial statements is the first year that most listed companies will have applied IFRS 7. Implementing this standard was a major challenge for banking groups against the backdrop of the credit crunch. Industrial and commercial groups were also affected and often encountered many difficulties in applying this standard. Mazars carried out surveys at 35 Eurolist companies in order to gain an understanding of the path taken but also become aware of the areas for improvement with a view to 2008 publications.

Is IFRS 7 applicable as of 30 June 2008?

Before even looking into practices in 2007, it is time to ask how IFRS 7 should be applied to interim financial statements. Should we publish an aged balance of receivables due at June 30? Should sensitivity to interest rate or currency risks also be included in interim notes to financial statements?

The type and volume of information to be disclosed depends on the choice of the entity when publishing interim financial statements:

- If the entity publishes “complete” financial statements, i.e. with identical set of financial statements to those published at year-end, all regulations which come under IFRS 7 must therefore be applied;
- If the entity publishes condensed financial statements as is permitted under IAS 34, information to be disclosed as governed by IFRS 7 will be dictated by the principles of the standard relative to interim financial statements. In particular, information is required if the entity has undergone major changes since the last annual publication. As such, as regards credit risk, information on past due receivables not covered by depreciation may be justified, for example by strong seasonal effects, a significant increase in business volume or the timeframe for recovering receivables, etc.

Return of experience: what information was published on credit risk?

Information on credit risk was one of the key points introduced by the standard and was also one of the main difficulties when applying it. Publication of an aged trial balance for receivables past due but not impaired has given a major headache to many groups which have had to centralise information which is often only available in subsidiaries. It represents useful information for the person reading the financial statements as for 30% of the group’s studied client receivables represent over 20% of the balance sheet and receivables past due but not impaired may represent over 30% of receivables.

Beyond producing these balances, the narrative information that should be made available to the reader is sometimes missing. In particular, it is not always obvious to understand why a significant receivables past due but not impaired balance does not constitute a major credit risk for the issuer.

Lastly, regulations governing the depreciation of receivables often remain laconic, or at the very least, rather brief given the challenges facing us. 2008 will certainly enable industrial and commercial groups to add qualitative information to their figures, as the standard requires.
Information on liquidity risk is still incomplete

Debt maturity timing is generally disclosed. However, for a certain number of groups, this only includes the nominal amount of debt. We should remember that the standard requires a maturity analysis for financial liabilities to be presented showing their remaining contractual maturities. It therefore includes all cash flows payable for financial liabilities, nominal and interest.

Moreover, few groups specified the assumptions used to determine certain cash flows:

- Contractual maturity of financial instruments without a contractual term
- The rate used for variable rate loans
- The exchange rate used for interest on loans in foreign currencies

Many groups have maintained their disclosure on financial debt as it was (maturities on the basis of nominal debt) and disclosed information on contractual maturities in a specific note on liquidity risk. Some are not limited to financial liabilities and therefore also bring financial asset maturities under the spotlight.

Information on derivatives is much more consistent but relates to much smaller amounts. It is often difficult to determine which instruments are included in the maturity time schedule and to which cash flows they pertain. Certain groups have carried out fair value maturity time schedule whereas the standard requires that financial liabilities be based on undiscounted cash flows. The maturity schedule should therefore include future cash flows on derivatives: interest only or nominal and interest for derivatives which will result in an exchange of nominal amount.

Sensitivity: information could be more complete

The standard requires the disclosure of information on the sensitivity of profit (loss) and shareholders’ equity to the principal risks (interest rate, currency, equity, etc.). Most groups had already developed specific information on interest rate risk before the application of IFRS 7. Although sensitivity was presented in most cases, information was limited to the group’s net exposure to interest rate risk and the sensitivity of profit (loss) to the change in floating rates.

Sensitivity should be measured in terms of the following elements:

- The impact of variable rate change on floating rate loans or fixed-rate loans transformed into floating rate loans on profit or loss.
- The impact of a change in interest rates on profit (loss) for derivatives for which there is no hedge accounting.
- The impact on shareholders’ equity of a change in interest rates on derivatives used as cash flow hedges.

Concerning foreign currency risk, the information required by IFRS 7 is limited to financial instruments (debts and receivables in foreign currency, indebtedness, derivatives). These elements only make up a small part of the foreign currency risk for an industrial and commercial group. The information does not concern the impact of exchange rates on activity!
**Complete information on commodities**

The information on financial risks linked to commodities is often well developed by the groups concerned. The information disclosed goes well beyond the requirements of the standard insofar as many commodities transactions benefit from being exempt from IAS 39 (i.e., use of commodities for the entity’s production cycle without settling the net amount) and therefore do not fall within the scope of IFRS 7.

The information disclosed notably pertains to:

- The type of exposure and the management method for risks linked to commodities;
- Segmentation of transactions in terms of accounting regulations (i.e., use of the exception provided for in IAS 39);
- Sensitivity calculation. The only examples in the sample where sensitivity is expressed in the form of a VaR (Value at Risk) calculation are risks linked to commodities.

This study shows that applying IFRS 7 has brought up many difficulties for industrial and commercial groups. 2007 was clearly a transition year. We expect that 2008 will enable issuers to usefully complete the information on certain points touched on by our study.
**Events / publications**

**Seminars on “Current developments in IFRS”**

Mazars’ Technical Department will host a number of seminars throughout 2008 dedicated to current developments in IFRS. These seminars are organised by Francis Lefèbvre Formation. Next sessions will be held on 26 September and 19 December 2008.

A one-day seminar dedicated to the preparation of accounts will also be held at the end of 2008 with Francis Lefèbvre Formation.

Registration forms can be obtained from Francis Lefèbvre Formation, 13-15 rue Viète, 75017 Paris.

**Frequently asked questions**

- Outsourcing of logistics platforms;
- Derecognising nature of a discount agreement of professional receivables;
- Taxable temporary difference on shares in subsidiaries: should a deferred tax liability be recognised on a taxable temporary difference generated by an intra-group disposal?
- Deferred tax asset recognition post-allocation date for the cost of a business combination;
- Period over which trade fair and event expenses might be recognised.

**Upcoming meetings of the IASB, IFRIC and EFRAG**

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<td>15-19 September, 2008</td>
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The drafting of the present edition was completed on July 16th, 2008.