February saw significant changes of direction in two key projects in the work plan for convergence between IFRS and US GAAP: the accounting treatment of leases and revenue recognition. During their redeliberations, and in the light of the comments they had received from stakeholders, the IASB and the FASB have very significantly amended some of the positions taken in the exposure drafts on these two projects. Though the new directions proposed are still to be confirmed in the definitive standards, a strong message has been sent: the IASB and the FASB are listening (at last!) to the criticisms they receive, and will take the time necessary in order to issue high-quality standards.

Enjoy your reading!

Michel Barbet-Massin
Jean-Louis Lebrun
Date of first application of the future standards on consolidation

At its monthly meeting, the IASB decided that the future standards on consolidation would come into effect on 1 January 2013. These standards are:

- IFRS 10 on Consolidated Financial Statements, (replacing IAS 27 for the consolidation of subsidiaries and SIC 12 on Special Purpose Entities);
- IFRS 11 Joint Arrangements (replacing IAS 31 on Joint Ventures);
- IFRS 12 Disclosure of Involvement with Other Entities (summarising the arrangements in IAS 27, IAS 31 and IAS 28 with amendments due to the publication of IFRS 10 and IFRS 11);
- IAS 27 as amended in 2011;

Early application will be authorised insofar as all the new standards on consolidation will be applied at the same time.

The transitional requirements for IFRS 10 and IFRS 11, ie. a limited retrospective application, have also been confirmed.

The date of 1 January 2013 was chosen after taking into consideration the comments received during the consultation on dates of application and transitional measures. It was generally considered by stakeholders that applying these new standards would not require significant resources.

The new standards, some of which have been expected for several months, will be published very soon. A projected timetable for the run-up to publication will be published on the IASB web site.

Presentation of financial statements: the EFRAG publishes the summary of the roundtables organised with constituents between September and December 2010.

In early July 2010, the IASB published a staff draft of the future exposure draft on the Presentation of Financial Statements\(^1\) (see Beyond the GAAP no 36).

At the same time, the EFRAG decided to consult constituents in conjunction with the IASB’s call for comments, in association with European standard setters. From September to December 2010, these roundtables were therefore held in ten European capitals, in the presence of IASB representatives. A questionnaire was also put online to gather feedback from stakeholders.

The summary of the main comments received was published by the EFRAG on 15 February. It might encourage the IASB to take a fresh look at its work, although the Presentation of Financial Statement project has been postponed until June 2011 at the earliest (see Beyond the GAAP no 38).

The topics addressed at the roundtables were as follows:

(a) Scope of the Financial Statement Presentation project;
(b) Financing section – the definition and the content;
(c) Disaggregation proposals – the principle and application issues;
(d) Statement of cash flows – mandating the direct method for presenting operating cash flows;
(e) Remeasurements;
(f) Costs and benefits of the new presentation model.

\(^1\)The IASB project will radically change the current arrangements under IAS 1 and IAS 7, setting out a new format for financial statements presentation.
The EFRAG noted that constituents favoured an “evolution” of presentation requirements rather than a “revolution”.

The new model of financial statements presentation proposed by the IASB could be a source of significant costs, while the IASB has not yet defined what constitutes performance, or addressed what should be presented in other comprehensive income (OCI).

Unsurprisingly, the proposals for the disaggregation of information on the statement of financial position and in profit or loss, and for the direct method for presenting cash flows, were widely criticised.

EFRAG’s outreach work on this project is set to continue as it is awaiting constituents’ comments on a document presenting its views and questions on the staff draft. Comments are due by 30 April 2011.

A fresh summary of the comments received will then be published.


Endorsement of the May 2010 Improvements to IFRSs

The European Commission has recently endorsed the improvements to IFRSs published by the IASB in May 2010, thus ratifying the eleven amendments published by the IASB nearly a year ago (see Beyond the GAAP No 34).

The amendments to IFRS 3, and its consequential amendments to IAS 32, IAS 39 and IFRS 7, along with the amendments to IAS 21, IAS 28 and IAS 32 resulting from the revision of IAS 27 in 2008, are of mandatory application to current reporting periods at 1 July 2010.

The remaining amendments are of mandatory application to current reporting periods at 1 January 2011 with retrospective application under IAS 8.


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In August 2010, the IASB and the FASB jointly issued an exposure draft on the accounting treatment of leases. In response to the almost 800 letters received during the comment period, the two Boards returned to their deliberations of this project in February 2011.

As announced last January (see Beyond the GAAP, January 2011), the two Boards met to reconsider the following three aspects:

- definition of a lease;
- definition of the lease term;
- variable lease payments.

Beyond the GAAP here presents the main focus of these discussions and the new positions that seem to be emerging. It should be noted that, at this stage in the deliberations, these positions are not definitive (and will not be so until the final standard is published).

**Definition of a lease**

The ED defines a lease as a contract that conveys to a third party the right to use a specified asset for a given period of time in exchange for consideration.

This definition is accompanied by the following two principles:

- the fulfilment of the contract depends on providing a specified asset or assets; and
- the contract conveys the right to control the use of a specified asset for an agreed period of time.

The many criticisms expressed in the comment letters regarding the lack of clarity and resulting difficulties in applying this definition have persuaded the two Boards to review their approach.

They have therefore asked the staff to identify a principle for identifying two types of leases for both lessees and lessors, with different profit and loss recognition patterns:

- finance leases, with a profit or loss recognition pattern that is consistent with the proposals in the exposure draft (the recognition pattern does not follow a straight-line method);
- other-than-finance leases, with a profit or loss recognition pattern that is consistent with that for operating leases under the existing IAS 17 (i.e. on a straight-line basis).

In our view, this request from the Boards represents something of a return to the current rules under IAS 17 in terms of the distinction between leases, with on the one hand operating leases and on the other finance leases.

However, this distinction should have no impact on the recognition of leases in the lessee’s statement of financial position as proposed in the ED. Whatever the nature of the lease (financial or non-financial) may be, the lessee should always recognise a lease asset and a lease liability.

The two Boards have addressed various aspects of the definition of leases without reaching any final conclusions. The
issues discussed and listed below will be discussed again at future meetings:

- What is a specified asset?
  - an asset of a particular specification?
  - a uniquely identifiable (non-interchangeable) asset?

- How should service contacts be analysed where they require the incidental use of an asset?
  - In principle, a contract requiring the incidental use of an asset to deliver specified services would not be assumed to contain, or to be, a lease.

- Can an asset which is a portion of a larger asset be a specified asset?
  - In principle, yes. However, the Boards questioned whether this principle should be applied to physical assets only or to non-physical assets equally.

- Right to control the use of a specified asset:
  - The definition of control should be reviewed to ensure consistency with the definition given in the exposure draft Revenue from Contracts with Customers.

**Definition of the lease term**

In the ED, the two Boards had proposed to define the lease term as the “longest possible term that is more likely than not to occur”. Under this definition, the lease term was determined by taking into account the effect of all implicit or explicit contractual options for renewal or early termination, as well as business factors such as management intentions and lessee’s past practice. These data were used to identify various possible lease terms. The probability of occurrence for each possible term was then estimated in order to determine the “longest possible term that is more likely than not to occur”.

In view of the many criticisms expressed by commentators, particularly regarding the practicality of such an approach, the two Boards reworked the issue in February and proposed a new definition that would apply to both lessees and lessors.

Under this new definition the lease term would be:

**The non cancellable period for which the lessee has contracted with the lessor to lease the underlying asset, together with any options to extend or terminate the lease when there is a significant economic incentive for an entity to exercise an option to extend the lease, or for an entity not to exercise an option to terminate the lease.**

In our understanding, any option to renew or terminate the lease should be recognised with regard for the terms of the lease. The analysis should focus on the level of economic incentive of the options to extend or terminate the lease. Other factors, such as business factors or management intentions, would in principle be set aside from the analysis.

In other words, whether or not any options for extension or termination are taken into consideration in determining the lease term will mainly depend on the answer to the following questions:

- is the lease payment due for the extended period sufficiently low in relation to the fixed period lease payment to give the lessee a significant incentive for renewing the lease at inception? If so, the optional term will be taken into consideration in determining the lease term. Otherwise it will not.

- is the termination option accompanied by a penalty such that the lessee has no incentive to terminate the lease early? If so, the optional termination date will not be taken into account in determining the lease term. Otherwise, it will be taken into account.

This new definition has the advantage of simplicity, since the lease term is assessed on the basis of objective factors (the...
contract terms), and effectively excludes any subjective estimate which might led to conflicting interpretations of the term of a given lease.

Finally, the two Boards tentatively decided that the lease term should be reassessed only when a significant event occurs altering the economic incentive to exercise any options to extend or terminate the lease. In our view, the reassessment of contractual terms is likely to be infrequent in practice.

**Variable lease payments**

How variable lease payments should be treated in determining lease assets and lease liabilities attracted lively attention from commentators. The scope of variable lease payments as initially proposed in the ED was large, and many commentators (including Mazars) suggested that it would lead to the recognition of assets and liabilities that did not meet the definitions of assets and liabilities as given in the framework.

During their deliberations in February, the two Boards seemed to have agreed to limit the inclusion of variable lease payments when determining lease assets and liabilities to the following:

- lease payments that depend on an index or rate. They should be measured initially based on the spot rate;
- lease payments for which the variability lacks commercial substance;
- lease payments that meet a high recognition threshold (such as reasonably certain).

The recognition of variable lease payments should be subject to the ability of the lessee and the lessor to measure them reliably. However, the principle for recognising variable lease payments would take precedence over the level of reliability required to estimate variable lease payments.

The Boards will continue their discussion of initial and subsequent measurement of variable lease payments at future meetings.

The Boards also made new proposals on the inclusion of residual value guarantees and term option penalties when estimating lease payments.

- **Residual value guarantees**
  
  In principle, lease payments should include amounts expected to be payable under residual value guarantees, unless these guarantees are provided by an unrelated third party (someone other than the lessee).

- **Term option penalties**
  
  The accounting treatment of term option penalties should be consistent with the accounting treatment of options to extend or terminate a lease.
  
  That is, if a lessee would be required to pay a penalty if it did not renew the lease and the renewal period has not been included in the lease term, then that penalty should be included in the recognised lease payments.

Should these decisions be confirmed in the forthcoming months, they would amount to a significant change of direction in the approach of the IASB and the FASB to the leases project. The outreach activities have certainly provided the Boards with a better understanding of the positions expressed in the comment letters.
The IASB and FASB continue their redeliberations on the Revenue recognition project 

In June 2010, as part of a joint project with the FASB, the IASB published an Exposure Draft on revenue recognition (ED Revenue from Contracts with Customers). After analysing the comment letters, the two Boards have drawn up an ambitious timetable of the issues that require redeliberations during the first half of the year, with a view to the publication of a final standard in June 2011.

During February, the following issues were addressed:
- product warranties;
- costs of obtaining a contract;
- definition of a performance obligation;
- identification of separate performance obligations;
- revenue recognition for services;
- combining contracts;
- contract modifications;
- breakage and prepayments for future goods or services;
- onerous performance obligations.

The decisions taken by the two Boards and described below have not yet been the subject of a formal vote. However, these tentative decisions should serve as the basis for drafting the final standard.

**Product warranties**

The boards decided that an entity should account for an optional warranty (ie a warranty that a customer has the option to purchase separately) as a separate performance obligation. Hence, the entity would differ the portion of revenue allocated to the warranty service. This is in line with the provisions proposed in the ED.

The other warranties (which are not sold separately, such as legal warranties) would be, with a few exceptions, accounted for as cost accruals in accordance with IAS 37. Thus, a warranty provision would be accounted for against an expense, as of today. This is a substantial change compared to the ED.

**Costs of obtaining a contract**

According to the Boards, an entity should recognise an asset for the incremental costs of obtaining a contract that the entity expects to recover (ie, in our opinion, if the contract will be probably obtained and is not onerous). This asset would be amortised on the useful life of the contract. This proposal is in line with the current provisions in IAS 11. The ED proposed to systematically expense these costs.
Definition of a performance obligation

The boards decided to amend the definition of a performance obligation by deleting the word “enforceable”. Thus, a performance obligation is a promise (whether explicit or implicit) in a contract with a customer to transfer a good or a service to the customer.

Identification of separate performance obligations

The boards tentatively decided that an entity should account for a bundle of promised goods or services as one performance obligation if the entity provides a service of integrating those goods or services into a single item that the entity provides to the customer. Thus, in our opinion, a construction contract or a service contract should be analysed as a single performance obligation (except for services rendered after construction, such as maintenance). This is a major change in comparison with the ED.

An entity should account for a promised good or service as a separate performance obligation if:

- the pattern of transfer of the good or service is different from the pattern of transfer of other promised goods or services in the contract, and
- the good or service has a distinct function.

A good or service has a distinct function if either:

- the entity regularly sells the good or service separately, or
- the customer can use the good or service either on its own or together with resources that are readily available to the customer.

Consequently, a sale contract with a two-year maintenance component should be split into two separate performance obligations: the sale of the good and the maintenance service.

Revenue recognition for services

The boards tentatively decided that, to recognise revenue for a service, an entity must determine that a performance obligation is satisfied continuously and must then select a method for measuring progress toward complete satisfaction of that performance obligation.

The boards tentatively decided that an entity satisfies a performance obligation continuously if at least one of the following two criteria is met:

- the entity’s performance creates or enhances an asset that the customer controls as the asset is being created or enhanced, or
- the entity’s performance does not create an asset with an alternative use to the entity (i.e., in our opinion, for instance the sale of the asset to another customer) and at least one of the following conditions is met:
  - the customer receives a benefit as the entity performs each task,
To clarify how an entity should measure progress toward complete satisfaction of a performance obligation, the boards tentatively decided that the final revenue standard should:

- emphasise that the objective of measuring progress is to faithfully depict the entity’s performance (i.e., the pattern of transfer of goods or services to a customer), and
- clarify the descriptions in the ED of output and input methods.

**Combining contracts**

The boards tentatively decided that an entity should combine, and account for as a single contract, two or more contracts that are entered into at or near the same time with the same customer (or related entities) if one or more of the following criteria are met:

- the contracts are negotiated as a package with a single commercial objective,
- the amount of consideration in one contract depends on the other contract, and
- the goods and services in the contracts are interrelated in terms of design, technology, or function.

The staff will consider further the implications of limiting the combination of contracts to contracts with the same customer (or related entities). This limitation was not included in the ED and is conflicting with current provisions in IAS 11, which allow a combination of a group of contracts, whether with a single or with several customers.

**Contracts modifications**

The boards tentatively decided that if a contract modification results only in the addition of a separate performance obligation or obligations (such as, in our opinion, the construction of an additional asset) at a price that is commensurate with that additional performance obligation, the entity should account for the contract modification as a separate contract. Otherwise, the entity should consider that the modification is linked to the initial contract and reallocate the transaction price to each separate performance obligation.

**Breakage and prepayments for future goods or services**

The boards discussed the accounting for a customer’s non-refundable prepayment for future goods or services, such as payments received in return for customer’s rights exercisable in the future (such as, in our opinion, award credits granted to customers as part of a customer loyalty program that can be redeemed for awards such as free or discounted goods or services).

The issue addressed by the Boards is to assess when an entity should recognise revenue attributable to the portion of the customer’s rights that is not exercised (often referred to as breakage).
According to the Boards:

- if an entity can reasonably estimate the amount of expected breakage, the entity should recognise the effects of the expected breakage as revenue in proportion to the pattern of rights exercised by the customer.
- otherwise, the entity should recognise the effects of the expected breakage when the likelihood of the customer exercising its remaining rights becomes remote.

**Onerous performance obligations**

The boards tentatively decided that the unit of account for the onerous test should be the contract, specifically the remaining performance obligations in the contract, and not each performance obligation as proposed in the ED. This proposal in the ED was the target for criticism.

It is worth noting that the two Boards’ tentative decisions take into account the critics raised in the responses to the ED and the comments received during the round tables and that substantial modifications have been made. These tentative decisions will have to be confirmed in the final standard.

At their meetings in March, the Boards will discuss onerous contracts, determining the transaction price (including variable consideration, collectibility, and the time value of money), allocating the transaction price, and contract costs.
On 31 January 2011 the IASB and the FASB jointly published a supplementary document on the impairment of financial assets. The document takes the form of a supplement to the exposure drafts published separately by the IASB in November 2009 and the FASB in May 2010.

In their original exposure drafts, the two Boards proposed to move from an incurred loss approach to an expected loss approach. However, their proposals diverged, notably on the timing expected losses shall be recognised in profit or loss. The objective of the Supplement published in January 2011 is to reconcile the positions of the two Boards and to resolve the operational difficulties identified in the case of the impairment for open portfolios.

The comments period runs until 1 April 2011.

After recalling the original proposals made by the IASB and the FASB, Beyond the GAAP will present the main joint proposals exposed by the two Boards in the Supplement. We will then turn our attention to the IASB’s specific proposals contained in an appendix to the document.

The two Boards’ original proposals

The financial crisis exposed the limitations of the existing impairment model

The incurred loss approach for the impairment of financial assets was sharply criticised during the financial crisis. It was accused of leading entities to delay the recognition of impairment losses (“too little, too late”), by making it mandatory to identify a loss event before any recognition of impairment losses.

Accordingly, and spurred on by investors, the G20 and the Financial Stability Board (FSB), the two standard setters (IASB and FASB) proposed to move from an incurred loss approach to an expected loss approach.

Initial proposals diverged in content and form

- A different timetable...

The IASB had decided to address the impairment of financial assets in the second phase of its project to revise IAS 39. The impairment approach proposed by the IASB arose from the conclusions of phase 1 on the classification and measurement of financial assets which were incorporated into the new IFRS 9 in October 2010. The IASB’s original proposal was the subject of a specific exposure draft, Financial Instruments: Amortized Cost and Impairment, published in November 2009.

In contrast, the FASB took a global approach that aimed to address all the aspects of the accounting for financial instruments under US GAAP. The FASB’s proposals on the impairment of financial assets were included in the exposure draft Accounting for Financial Instruments and Revisions to the Accounting for Derivative Instruments and Hedging Activities published on 26 May 2010.
... with different objectives and approaches.

The two Boards’ original proposals diverged in their primary objective.

As we understand it, the main objective of the IASB was to harmonise the timing of recognition of credit losses with that of the associated revenue. In the current incurred loss approach, interest income recognised at the start of the life of the financial asset is overstated, because it is recognised on a “gross” basis not taking account of expected credit losses. These losses are not recognised until they are judged to have incurred, which may take several years.

This fact led the IASB to propose that expected losses shall be reflected at inception in determining the effective interest rate of an instrument in order to recognise revenue net of credit risk losses in profit or loss. It considered that this approach would make it possible to reflect in the financial statements the performance of the financial asset which serves as the basis for investment decision.

The primary objective of the FASB was different. The standard setter sought to ensure that the impairment allowance recorded on the balance sheet was sufficient to cover all estimated losses for the remaining life of a financial asset. The FASB accordingly proposed that impairment losses should be recognised in profit or loss immediately when granting the loan, on the basis of all losses expected by the management. The FASB’s approach thus primarily aimed to resolve the main limitation of the existing incurred loss model – impairment losses are recognised too late.

The two Boards proposed a joint approach in the Supplement published in January 2011

A new joint exposure draft motivated by the objectives of convergence and operational simplification

The two Boards have spent significant time re-examining their original proposals, often jointly, on the basis of the comment letters in response to their separate exposure drafts and to the feedback received from an Expert Advisory Panel (EAP).

The objective of the January 2011 Supplement is to establish the basis of a common expected loss approach in the case of open portfolios. This type of portfolio is the operationally most complex area. The IASB aims to establish a model with impacts close to its original proposal, while taking account of the FASB’s primary objectives and reducing operational complexity. The impairment model thus established would then be applied to other situations.

The IASB has chosen to exclude short-term trade receivables from the scope of this text. The treatment of credit risk on such financial instruments will be tackled as part of the current project on revenue recognition.

The main proposals of the common impairment method for open portfolios

- An approach based on a distinction between good book / bad book

This joint approach is based on a distinction between good books (performing loans) and bad books (doubtful loans). This reflects the distinction often made by banks for internal credit risk management purposes. For accounting purposes, the classification of instruments within these two types of portfolio is based on the entity’s internal practices.

This measure should make it easier to manage accounting and prudential information where an entity opts to organise its information systems and operational monitoring on the basis of its regulatory constraints.

For financial assets classified in ‘good book’, expected losses would be recognised over the average lifetime of the portfolio.
The proposed model also introduces a ‘floor’ for impairment allowance which shall be at least equal to the credit losses expected to occur in the foreseeable future. The Supplement states that this ‘foreseeable future period’ shall be a minimum of twelve months.

This approach proposed for financial assets in the ‘good book’ makes it possible:

- to partially address the IASB’s primary objectives by recognising the credit risk losses over the lifetime of the financial instrument;
- to partially address the FASB’s primary objectives by requiring entities to record an impairment allowance in the statement of financial position covering the credit losses expected to occur within the foreseeable future.

Conversely, in the case of the ‘bad book’ the proposed approach would require the immediate recognition of an impairment allowance for the entire amount of credit losses expected over the life of the financial assets. This measure, which is close to the existing incurred losses approach, meets the FASB’s objectives and ensures that the total amount of the impairment allowance recognised in the statement of financial position is at least equal to the losses that have incurred.

The proposed impairment model also reflects the way in which ‘bad book’ assets are managed. They are usually no longer managed with a view to receiving regular payments from the debtor, but rather with the aim of recovering all or part of the financial asset.

The main proposals of the approach exposed in the Joint Supplementary Document are summarised below:

<table>
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<tr>
<th>Good Book</th>
<th>Risk management</th>
<th>Bad Book</th>
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<tr>
<td>Recognition of expected losses over the average lifetime of the portfolio</td>
<td></td>
<td>Immediate recognition of the entire amount of expected credit losses</td>
</tr>
<tr>
<td>Floor = Credit losses expected to occur within the foreseeable future (≥ 12 months)</td>
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</tbody>
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The diagram below illustrates the amount of impairment allowance recognised at the balance sheet date:

**IMPAIRMENT ALLOWANCE**

- Recognition of expected losses over the average lifetime of the portfolio
- Expected losses on the Good Book over the foreseeable future (≥ 12 months)
- Expected losses on the Bad Book

**Additional impairment allowance**

- Lower when:
  - The foreseeable future is long
  - The lifetime of the underlying portfolio is short
  - Expected losses occur “early”

**Floor**

In practice, we observe that the impact of the ‘floor’ is greater when the foreseeable future period applied in the good book approach is long. The ‘floor’ entails that most of the losses expected on a portfolio are recognised very rapidly when the losses occur in the early years of the life of a loan. Finally, for open portfolios containing loans with maturity ranging from three to five years, a foreseeable future period which is longer than the twelve months required could mean that the mechanism for spreading expected losses is inoperative in practice.

**IASB-only proposals**

The IASB has also published an IASB-specific Appendix Z on proposed presentation in the statement of comprehensive income and disclosure requirements. The FASB has opted not to address these areas because of its different timetable. This appendix also contains questions on issues which have only been re-deliberated by the IASB.

**The decoupling option**

The conclusions of both commentators and the Expert Advisory Panel stressed the operational difficulties of implementing the expected loss approach originally proposed by the IASB. One of the main difficulties lies in the integration of the impairment in the EIR mechanism, because the accounting systems which currently calculate effective interest rates are often not integrated with the credit risk systems that contain the information necessary to calculate the expected losses.
To simplify the operational implementation of the approach, the supplementary document proposes to treat recognition of interest income (EIR) separately from recognition of impairment losses.

**Presentation in the statement of comprehensive income and disclosures**

Appendix Z proposes to require the following line items to be presented separately in the statement of comprehensive income:

- interest revenue calculated using the effective interest rate;
- impairment losses (including reversals of impairment losses).

Appendix Z also lists the disclosures required which are specific to the new impairment model proposed. These disclosures mainly relate to:

- changes in the impairment allowance in the statement of financial position;
- information and assumptions used in determining expected credit losses;
- the entity’s internal credit risk management processes, in order to enable users of financial statements to gain a better understanding of the relationship between how financial assets are managed and how expected credit losses are estimated.

**Next steps for the impairment project?**

The two Boards will use the comments they receive on this supplementary document in finalising their common approach to the impairment of financial assets. During the comment period, they will continue to discuss other aspects of the proposals in their respective original exposure drafts.

With respect to timetable, the IASB still intends to publish its definitive standard on the impairment of financial assets by 30 June 2011.

The effective date for IFRS 9 will be the subject of future deliberations and will take account of the comments received during the recent consultation on the effective dates of the various current projects.
Events and FAQ

Frequently asked questions

IFRS
- Recognition and measurement of contingent liabilities in a business combination;
- Accounting treatment of a partnership;
- Application of IFRS 5;
- Put held on an associate;
- Accounting effects of the discontinuation of a brand;
- Inclusion of legal costs in provision for disputes;
- Accounting treatment of an irrevocable right to use a network;
- Provision for a warranty obligation within a group.

Events/publications

Seminars on “Current developments in IFRS”
Mazars’ Technical Department will host a number of seminars throughout 2011 dedicated to current developments in IFRS. These seminars, organised by Francis Lefebvre Formation, will be held on 25 March, 24 June, 23 September and 9 December 2011.

To register, please contact Francis Lefebvre Formation – www.tif.fr, +33 (0)1 44 01 39 99.