



ED/2010/10

Removal of Fixed Dates for First-time Adopters

Proposed amendments to IFRS 1

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Public Discussion

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1. Background

- ED/2010/10 *Removal of Fixed Dates for First-time Adopters: Proposed amendments to IFRS 1*
 - Published for public comment on 26 August 2010
 - Comments due on 27 October 2010
- Issue separated from the AIP project to ensure a more timely finalisation



2. Content

- Proposal to replace the fixed date ‘1 January 2004’ with ‘the date of transition to IFRSs’ in Appendix B B2 and Appendix D D20 of IFRS 1
- Resulting effects
 - B2: IFRS first-time adopters would no longer be required to review if transactions regarding derecognition of financial instruments that took place between 1 January 2004 and the date of transition to IFRSs have been accounted for in accordance with IAS 39 and, if not, to be adjusted accordingly
 - D20: a corresponding relief for applying IAS 39 AG 76 last sentence and IAS 39 AG76A (fair value measurement of financial instruments at initial recognition – day one gains or losses) for transactions entered into between 1 January 2004 and the date of transition to IFRSs



3. Explanation

- The cost of reconstructing transactions back in time to 1 January 2004 is likely to outweigh the benefit to be achieved in doing so.

Thank you very much for your attention!

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