

November 29, 2011

International Accounting Standards Board

30 Cannon Street,

London EC4M 6XH

United Kingdom

Dear Sirs,

This letter is the response of the Canadian Accounting Standards Oversight Council ("AcSoc") to the International Accounting Standards Board's (IASB) Request for Views, "Agenda Consultation 2011," issued in July 2011.

AcSoc is the body that plays a similar role nationally in Canada relative to the Accounting Standards Board (AcSB) that the IFRS Foundation Trustees play relative to the IASB. AcSoc serves the public interest by overseeing and providing input to the activities of the AcSB. The AcSB is Canada's national accounting standard setting body, which has adopted a strategy of importing, without modification or interpretation, IFRSs into Canada for publicly accountable enterprises. Additional information about AcSoc can be found at www.acsoc.ca.

The views expressed in this letter take into account the views of individual members of the AcSoc, and reflect Canada's long-time involvement in the development of a single set of high quality, globally accepted financial reporting standards and its current status as a country now completing its transition to IFRSs.

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We commend the IASB for undertaking the agenda consultation initiative and improving the application of its due process by enabling its stakeholders to participate in setting its agenda. This consultation, and subsequent reporting on how the IASB has considered stakeholders' views when setting its work priorities for the next three years, will enhance the transparency and accountability of the IASB.

AcSOC members strongly support the priorities the AcSB has recommended to the IASB in its response to the agenda consultation. We encourage the IASB to take the time needed and carry out the actions necessary to demonstrate that IFRSs are, and will continue to be, of high quality.

Based on our oversight activities, including interactions with Canadian stakeholders on maintaining and enhancing the high quality of financial reporting, we wish to emphasize the following recommendations:

- The IASB should focus a substantial amount of its resources to enhancing the high quality of IFRSs by addressing implementation concerns with its standards, including those recently issued and to be issued shortly. Addressing implementation concerns in a proactive and timely manner will assist jurisdictions in adopting IFRSs and all stakeholders in applying the extensive number of new standards. Taking these actions will help to reduce the diverse application of IFRSs within and between jurisdictions and enhance the quality of IFRS reporting around the globe.
- Stakeholders should be provided a relative “period of calm” from new standard-setting activities in order that they can dedicate their efforts to applying the number of new standards that have been and will be issued shortly. Providing

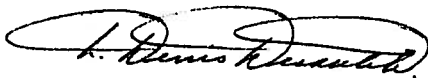
a period of calm would respond to stakeholders' concerns about "standards fatigue" that has resulted from the numerous consultations conducted on proposed changes and the constant flow of new standards and amendments. For Canadians and other stakeholders, those efforts are in addition to the hard work involved in the first-time adoption of IFRSs.

- After the IASB and the US Financial Accounting Standards Board fulfil their commitments under the Memorandum of Understanding, we think it is imperative that the United States is involved in the development of IFRSs in some fashion. Although the Financial Accounting Standards Board should likely participate in a manner different than it does today, its involvement is essential to achieving the goal of having one set of high quality accounting standards that is applied globally.
- The IASB should conduct a project on rate-regulated activities. As there is no guidance in IFRSs on this subject, we are very concerned about the unacceptable level of diversity that is emerging in practice because entities with rate-regulated activities are applying several different accounting frameworks. In particular, the intention of many Canadian entities with rate-regulated activities to adopt US GAAP rather than IFRSs is an outcome that AcSOC members truly regret. The rate regulated industries are an important part of the Canadian economy and the world's economy. We think that the IASB should develop guidance that would result in entities with rate regulated activities reporting on those activities in a comparable manner in accordance with IFRSs.

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We thank you for the opportunity to provide input to your agenda consultation. We would be pleased to elaborate on or clarify any of the points raised in our letter. Please address any questions to the undersigned, Peter Martin, Director, Accounting Standards at +1 416 204-3276 (email peter.martin@cica.ca) or Rebecca Villmann, Principal, Accounting Standards at +1 416 204-3464 (email rebecca.villmann@cica.ca).

Yours truly,



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Accounting Standards Oversight Council

c.c. Tsuguoki Fujinuma and Robert Glauber,
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