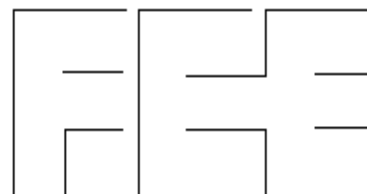


Date
31 October 2005

Le Président

Fédération
des Experts
Comptables
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Patricia Buchanan
Project Manager
International Accounting Standards Board
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Email: commentletters@iasb.org

Dear Madam,

Re: IASB Draft Technical Correction 1: Proposed Amendments to IAS 21 – Net Investment in a Foreign Operation

FEE (Fédération des Experts Comptables Européens, European Federation of Accountants) is pleased to submit its views on Draft Technical Correction 1. FEE as a founding organisation of EFRAG has also contributed to the EFRAG commenting process by submitting our views on their preliminary comments. We support the EFRAG's draft comment letter published on 12 October 2005. We would like to make the following observations:

1. In our letter to the IASB dated 6 October 2005, responding to the IASB's consultation on the draft Technical Corrections Policy, we express serious doubt whether a "fast track mechanism" for technical corrections is needed. In our view, the existing mechanisms: changes to standards; IFRIC interpretations and editorial changes, each with their due process, should be sufficient. If a change to a standard does not change anything in the financial statements, we would see no reason to undertake the change. If the change will have an impact, the change can only be introduced with full exposure and respecting the full due process. We refer you to our letter of 6 October 2005.
2. The issuance of a first draft Technical Correction, while the consultative process on the Board's proposed policy is still ongoing, might indicate that the IASB is committed to adopting its proposals irrespective of the outcome of that consultation. Furthermore, it risks giving the perception that the contents of comment letters on IASB proposals are not given due consideration. It is not the best way to improve the image and the acceptance of the IASB as a transparent international organisation and to gain recognition of its consultation process when the policy is not yet adopted.
3. The term "technical correction" is not precisely and narrowly defined in the draft policy and as a consequence we do not see how this draft technical correction 1 fall within the situations described as issues addressed by such process. It would be helpful if such explanations were included in the Basis for Conclusions.
4. The proposal includes a one-month comment period. Such a period is far too short to allow for a proper due process in organisations that have to consult with their members, as it is our case.

5. We agree technically with the amendments proposed to IAS 21. The amendments to IAS 28 are not explained in the Basis for Conclusions and we could not understand the reasoning behind them. We recommend that the Board elaborates on those amendments in the Technical Correction.

We would be pleased to discuss with you any aspect of this letter which you may wish to raise with us.

Yours sincerely,

A handwritten signature in black ink, appearing to read 'David Devlin', with a stylized, cursive script.

David Devlin
President