



1906/29091

October 30, 2011

International Accounting Standards Board  
30, Cannon St.  
London EC4M6XH  
United Kingdom  
By: [www.iasb.org](http://www.iasb.org)

**Re: Exposure Draft – Mandatory Effective Date of IFRS 9**

We appreciate the opportunity to respond to Exposure Draft “Mandatory Effective Date of IFRS 9” issued by the International Accounting Standards Board (IASB). The response stated below represents the views of the Institute of Certified Public Accountants in Israel.

**Question 1**

The Board proposes to amend IFRS 9 (2009) and IFRS 9 (2010) so that entities would be required to apply them for annual periods beginning on or after 1 January 2015. Do you agree? Why or why not? If not, what alternative do you propose?

*We agree in principle with the extension of the mandatory effective date of IFRS 9. However, we believe that, in light of the prolonged intermediate period between the publication of IFRS 9 (2009) and its effective date of mandatory application (2015), early application shall be avoided.*

*We are aware to the fact that some reporting entities have already adopted early application. As for those reporting entities, we recommend that they will not be required to correct their statements regarding early application of IFRS 9, but other reporting entities will not be able to initiate early application because we believe that such a procedure may increase the reporting variance and will enhance the probability that reporting entities will choose early application that coincides with their interest.*

**Question 2**

The Board proposes not to change the requirement in IFRS 9 for comparative to be presented for entities that initially apply IFRS 9 for reporting periods beginning on or after 1 January 2012. Do you agree? Why or why not? If not, what alternative do you propose?

*According to our approach as above, early application should not be allowed and, therefore, this issue is not relevant.*

*If our abovementioned approach will not be accepted and an early application will be permitted, we believe that the exemption allowing early application of reports lacking comparative figures, should be extended.*

Sincerely yours,



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Adir Inbar, Vice President  
Chairman, The Professional Council



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Arnon Ratzkovsky  
Chairman, The Financial Reporting Committee