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Group Financial Control
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International Accounting Standards Board,
First Floor,
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24th November 2009

Exposure Draft ED/2009/11
Improvements to IFRSs

Dear Sirs,
Allied Irish Banks p.l.c. welcome the opportunity to comment on the IASB Exposure Draft ED/2009/11 Improvements to IFRSs.
Following a review of the above Exposure Draft, please see our answers to the questions posed below.

Question 1

Do you agree with the Board's proposal to amend the IFRS as described in the exposure draft? If not, why and what alternative do you propose?

Yes, we agree with the proposals to various accounting standards put forward by the Board.
In particular we agree with the proposed amendments to IFRS 7. The proposal to clarify that the disclosure requirements in paragraph 36(a) applies only to financial assets whose carrying amounts do not show the reporting entity's maximum exposure to risk. This will remove any duplication for assets that are presented in the statement of financial position because the carrying amount of these assets often represents the maximum exposure to credit risk.
The removal of the requirement to disclose the carrying amount of financial assets that would otherwise be past due or impaired whose terms have been renegotiated, will ease the difficulty entities had in meeting this disclosure. This IFRS 7 disclosure requirement was ambiguous in nature for many entities and often there was difficulty in disclosing it.

Question 2

Do you agree with the proposed transition provisions and effective date for the issue as described in the exposure draft. If not, why and what alternative do you propose?

Yes we agree with the majority of the proposed transition provisions and effective dates for the issue. However a number of proposed amendments have an effective date of 1 January 2010. There is a limited timeframe between the finalisation of the amendments by the IASB and the effective date of the amendment for implementation.

Question 3

The Board proposes changes to IAS 34 Interim Financial Reporting to emphasise its disclosure principles. It also adds to the guidance to illustrate better how to apply those principles. The Board published an Exposure Draft Fair Value Measurement in May 2009. In that exposure draft, the Board proposes that all of the fair value measurement disclosures required in IFRS 7 Financial Instruments: Disclosures for annual financial statements should also be required for interim financial statements.

Do you agree that this proposed amendment is likely to lead to more useful information being made available to investors and other users of interim financial reports? If not, why? What would you propose instead and why?

Yes we agree that by providing the IFRS 7 Fair Value Measurements disclosures in the interim financial statements this gives a full understanding to the reader of the use of fair value in the interim statements. The methodology and assumptions used in fair value models would therefore be disclosed and provide the reader with an insight into the computation of fair value amounts.

Question 4

The Board proposes changes to IAS 34 Interim Financial Reporting. Do you agree that amending IAS 34 to require particular disclosures to be made in interim financial statements is a more effective way of ensuring that users of interim financial statements are provided with useful information? If not, why? What approach would you propose instead and why?

We agree with the proposal to enhance interim report disclosures as this will enhance reporting at the interim period and increase transparency for the reader. Increased disclosure at the interim period will also ease the burden of the year end disclosure requirements for entities.

Question 5

The Board proposes to amend IAS 40 Investment property to remove the requirement to transfer investment property carried at fair value to inventory when it will be developed for sale, to add a requirement for investment property held for sale to be displayed as a separate category in the statement of financial position and to require disclosure consistent with IFRS 5 No-current Assets Held for Sale and Discontinued

Operations. Do you agree that the proposed amendment should be included within Improvements to IFRSs or should a separate project be undertaken to address this issue? If you believe a separate project be undertaken, please explain why.

We agree with the proposals above.

If you require clarification with regard to the above, please do not hesitate to contact us.

Yours sincerely

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Marian Sweeney
Group Financial Control