

International Accounting Standards Board
30 Cannon Street
London
EC4M 6XH

7 November 2008

Dear Sirs

Improvements to IFRS

The Association of Chartered Certified Accountants (ACCA) is pleased to have this opportunity to comment on the exposure draft of the second annual improvements to International Financial Reporting Standards. The exposure draft of improvements was considered by ACCA's Financial Reporting Committee and I am writing to give you their views.

We have no objection to the proposed improvements.

We would question however whether all of these amendments are needed. The treatments now made more specific by the amendments, for example those amending IFRS2, IAS36 and IAS38, were already required in our view by any reasonable reading of the existing standard. Unnecessary changes to the standards are to be avoided given the costs and time required both to give the changes legal effect in the increasing number of countries adopting IFRS and also for companies to monitor any changes.

In the proposed additional guidance for IAS18 on agency arrangements, we have no further indicators to add. The UK standard FRS5 Application Note G highlights additionally the disclosure of the agency arrangement to third parties as important. We do not think this should be a critical factor in determining whether the accounting for revenue should be on a gross or net basis.

In Paragraph 21(b) the nature of "inventory risk" would be better specified in more detail.

If there are any matters arising from the above please be in touch with me.

Yours sincerely

A handwritten signature in black ink, appearing to read 'R Martin', with a stylized, flowing script.

Richard Martin
Head of Financial Reporting