



3 November 2008

International Accounting Standards Board  
30 Cannon Street  
London EC 4M 6XH  
UNITED KINGDOM

The Group of 100 Incorporated  
Level 28, 385 Bourke Street  
Melbourne VIC 3000 AUSTRALIA  
www.group100.com.au  
Telephone: (03) 9606 9661  
Facsimile: (03) 9670 8901  
Email: g100@group100.com.au  
ABN: 83 398 391 246

[commentletters@iask.org.uk](mailto:commentletters@iask.org.uk)

Dear Sir/Madam

**Exposure Draft "Annual Improvements to IFRSs"**

The Group of 100 (G100) is an organization of chief financial officers from Australia's largest business enterprises with a purpose of advancing Australia's financial competitiveness. The G100 is pleased to provide comments on the Exposure Draft.

As a general comment the G100 believes that to implement the requirements of a Standard a preparer should need only to refer to the Standard and material which is described as an integral part of the Standard. We do not consider that it is reasonable or fair to preparers, to clarify the requirements of a Standard by amending the Basis for Conclusions which is not an integral part of the Standard. Accordingly, it is inappropriate to clarify the operation of IFRS 8 in the way proposed.

**Q1** *Do you agree with the Board's proposal to amend the IFRS as described in the exposure draft? If not, what and what alternative do you propose?*

a. *IFRS 2 Share-based Payment*  
**Agree.**

b. *IFRS 5 Non-current Assets held for Sale and Discontinued Operations*  
**The G100 agrees with the proposed amendment. Non-current assets that are classified as held for sale or are discontinued operations should be subject to the requirements of IFRS 5 and not the detailed general disclosure requirements of other IFRSs.**

c. *IFRS 8 Operating Segments*  
**See above.**

d. *IAS 7 Statement of Cash Flows*  
**Agree.**

e. *IAS 18 Revenue*

**The G100 supports the proposed amendment to add an example to the Appendix of IAS 18 which is an integral part of the Standard.**

**It is suggested that the factors indicating that an entity is acting as a principal should also include the entity having discretion in the selection of suppliers and in determining the specification of the product or service. In addition, the factors indicating that an entity is acting as an agent should include examples of exposure to significant risks and rewards associated with the sale of goods or rendering of services such as bearing the credit risk.**

f. *IAS 36 Impairment of Assets*

**Agree.**

g. *IAS 38 Intangible Assets*

~ *Consequential amendments arising from IFRS 3*

**Agree.**

~ *Transitional provisions*

**Since the amendments relate to the same subheading in IAS 38 the G100 considers that they should apply from the same date (see response to Q2).**

h. *IAS 39 Financial Instruments: Recognition and Measurement*

**Agree.**

**Q2.** *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?*

**Except as outlined below, the G100 agrees with the transitional provisions and effective date. We believe that as an annual improvements project the effective date of all the changes should as far as possible be the same. Accordingly, we believe that having different effective dates in respect of changes to IAS 38 will be a nuisance and inconvenience to preparers and practical concerns would be reduced if the changes to IAS 38 were to coincide with the effective date of IFRS 3 (revised).**

- Q3** *The Board proposes to include in the Appendix of IAS 18 'Revenue' guidance on determining whether an entity is acting as a principal or as an agent. What indicators, if any, other than those considered by the Board should be included in the guidance proposed?*

**See response to Q1(e).**

Yours sincerely

A handwritten signature in black ink, appearing to read 'A Reeves'.

**Tony Reeves**  
National President

