

Rådet för finansiell rapportering

The Swedish Financial Reporting Board

RFR-rs 2008:2

International Accounting Standards Board
30 Cannon Street
London EC4M 6 XH
United Kingdom

Exposure Draft of Proposed Improvements to International Financial Reporting Standards

We appreciate the opportunity to respond to the International Accounting Standard Board's Exposure Draft of Proposed Improvements to International Financial Reporting Standards. This letter represents the views of the Swedish Financial Reporting Board.

We support the initiative to implement an annual improvement process. However, it is important that such a process is not used to implement significant changes, with effects in other areas, which instead should be subject to a broad review and evaluation. Nor should this process be used for implementing amendments of a detailed nature, which would result in IFRS is no longer being a principles based set of standards.

We have not reviewed the amendments in detail but have noted a question of principle around amendment 4. The IASB is in amendment 4 proposing a change in IAS 1 that would require a company, which is unable to make a statement of compliance of IFRS to make a specific disclosure. Such disclosure should describe each difference between the basis used and IFRS and the effect on the reported financial position and performance, if IFRS had been applied. We consider that the IASB should operate under the assumption that its standards are fully complied with. The fact that some companies prepare their financial statements in accordance with principles similar to IFRS is not something that the IASB should associate itself with. The increased use of IFRS may mean that endorsement procedures are being established in many jurisdictions, in addition to EU. The fact that there, as a consequence, may be deviations from the application of full IFRS is a legal or regulatory matter, which the IASB should not associate itself with in its standards.

We consider it important that going forward sufficient time is given to implement changes as a result of the annual improvement process. We therefore recommend that each year all future improvements be published no later than 1 November.

If you have any questions concerning our comments please address our Executive member Carl-Eric Bohlin by e-mail to:
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Stockholm, January 28, 2008

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