



Department of Treasury and Finance

Contact: Peter Gibson
Phone: 612 6215 3551
Our Ref: RMS11/07057

1 Treasury Place
GPO Box 4379
Melbourne Victoria 3001
Telephone: (03) 9651 5111
Facsimile: (03) 9651 2062
DX 210759

Mr Hans Hoogervorst
Chairman
International Accounting Standards Board
1st Floor
30 Cannon Street
London EC4M 6XH
United Kingdom

Dear Mr Hoogervorst,

Exposure Draft ED/2011/3 Mandatory Effective Date of IFRS 9

The Australian Heads of Treasuries Accounting and Reporting Advisory Committee (HoTARAC) welcomes the opportunity to respond to the International Accounting Standards Board (IASB) on the Exposure Draft ED/2011/3: *Mandatory Effective Date of IFRS 9*.

HoTARAC is an intergovernmental committee that advised Australian Heads of Treasuries on accounting and reporting issues. The Committee is comprised of the senior accounting policy representatives from all Australian States, Territories and the Australian Government.

HoTARAC supports the IASB's proposal to defer IFRS 9 *Financial Instruments* application from 1 January 2013 to the periods beginning on or after 1 January 2015, given the delay in the completion of the IAS 39 replacement project beyond June 2011. This proposal aligns with HoTARAC recommendation in its submission to IASB *Request for Views on Effective Dates and Transition Methods*. HoTARAC commends the IASB for considering constituents' views on this matter.


HoTARAC also supports the requirement for entities adopting IFRS 9 on or after 1 January 2012 to state comparatives.

In addition, although HoTARAC would prefer the finalisation of the project to replace IAS 39 as soon as possible, consistent with its previous comments, HoTARAC strongly agrees that the IASB should consider adequate consultation with its constituents for the development of high quality standards and welcomes the Board's decision to re-expose specific areas of its financial instruments project.

HoTARAC agrees with IASB's intention to allow entities to apply all requirements originating from the project to replace IAS 39 at the same time.

If you have any queries regarding HoTARAC's comments please contact Peter Gibson from the Australian Department of Finance and Deregulation on 612 6215 3551.

Yours sincerely

A handwritten signature in black ink, appearing to read 'G Hehir', with a long horizontal flourish extending to the right.

Grant Hehir

CHAIR

**HEAD OF TREASURIES ACCOUNTING AND REPORTING ADVISORY
COMMITTEE**

6 October 2011