

FAP 010/2548

July 25, 2005

Mr. Warren McGregor  
IASB member  
The International Accounting Standards Board  
30 Cannon Street  
London  
EC4M 6XH  
United Kingdom

Ref: Your letter dated February 18, 2005 : “Memorandum of Understanding on the role of Accounting Standard-Setters and their relationships with the IASB”

Dear Mr. McGregor:

Thailand’s Federation of Accounting Professions (FAP) would like to extend our appreciation on the IASB’s effort in setting out its vision of the respective roles of national and regional standard-setters and of the IASB to achieve a single set of high quality, understandable, and enforceable global accounting standards. Generally, we agree that the proposed MoU should be able to identify responsibilities that the IASB and other standard-setters should use their best endeavors to fulfill in the interests of facilitating the ongoing adoption of or convergence with IFRSs.

We also would like to inform you that The Accounting Professions Act B.E. 2547 (2004) Section 34 states that Thai accounting standards which are set by the Federation’s Accounting Standard-Setting Committee have to be applicable to the local practice. Within this Committee, a Technical Working Group is established to advise on technical issues as well as compliances. With the approval of the Oversight Board, the FAP has set up a special subcommittee to vet the accounting standards set by the Committee to ensure that the standards do not cause problems and harm to the economy and enterprises. This whole process will keep the accounting standards in Thailand both practical for the nation and complying with the international standards.

Besides, the Securities and Exchange Commission of Thailand (SEC) has its own stringent measures imposed on auditors of listed companies. In the pipeline, the FAP will require CFOs of listed companies to undergo certain trainings to keep them responsible for the standards.

Thus, we reassure you that our Federation in constant consultation with the SEC and the Department of Business Development, Ministry of Commerce, is willing to follow your guidance on standard-setting and keep up with the development of international standards.

Yours sincerely,

***Kesree Narongdej***

Professor Kesree Narongdej  
President  
Thailand’s Federation of Accounting Professions