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**SEND VIA EMAIL**

The Accounting Principles and Auditing Standards Committee of the Florida Institute of Certified Public Accountants met and discussed the Exposure Draft (ED) of the proposed amendments for IAS 39, "Financial Instruments: Recognition and Measurement Cash Flow Hedge Accounting of Forecast Intragroup Transactions."

The Committee agreed with the proposed amendments, and, specifically addressed the questions outlined in the Invitation to Comment. The Committee agreed with the proposals (e.g., Question 1 and Question 2) and agreed they appropriately address the International Accounting Standards Board (IASB) concerns.

The Committee further discussed any other comments on the proposals. After discussion the Committee had the following comments:

1. The Committee acknowledged that the IASB is unfortunately facing the same problems as the Financial Accounting Standards Board (FASB) in that the standard setting entities are sometimes too quick to issue a new standard and then months or years later an adjustment must be made to the standard. We believe that our profession is losing credibility because of these actions.
2. It was agreed to that the Committee viewed the examples in the ED as informative and to the point.
3. The Committee was somewhat confused by the comment made in paragraph BC12. It states that the IASB considered whether the proposal is consistent with IAS 21 and that under IAS 21 the group did not have a functional currency. The Committee felt that it is unrealistic for an entity not to have a functional currency and believed the Board should look at this item again.

The Committee appreciates the opportunity to share our views and concerns. Members of the Committee are available to discuss any questions you may have regarding this response.

Very truly yours,

Kathryn M. Means, CPA, Chair

Committee members coordinating this response:

Lillian Conrad, CPA

John Martinovich, CPA

Kay Means, Chair

FICPA Accounting Principles and Auditing Standards Committee

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