



Foreningen af Statsautoriserede Revisorer

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Dear Madam

**ED of proposed amendments to IASB Exposure Draft of proposed amendments to IAS 39:
Transition and Initial Recognition of Financial Assets and Financial Liabilities**

The Danish Accounting Standards Committee is pleased on behalf of the Institute of State Authorized Public Accountants in Denmark (FSR) to submit its views on the IASB Exposure Draft of proposed amendments to IAS 39: Transition and Initial Recognition of Financial Assets and Financial Liabilities ("the Exposure Draft").

Overall we support the proposals in the Exposure Draft. We believe that the practical difficulties of retrospective application are adequately addressed.

However, we suggest that the relation to the requirement in AG72 to incorporate bid/offer spreads in determination of fair values of financial assets and financial liabilities be explained. This includes clarification of what is an "offsetting risk position".

If you would like further clarification of the points raised in this letter, we would be happy to discuss these with you.

Yours sincerely

Eskild Nørregaard Jakobsen
Chairman of FSR's Accounting
Standards Committee

Ole Steen Jørgensen
Head of Department