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June 13, 2002

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

Dear Sir or Madam:

Exposure Draft of Proposed Improvements to International Accounting Standards

My name is Hong Van Le. I am writing in response to the invitation to comment on the above exposure draft. These are my personal comments and should not be construed to represent the views of organizations with which I am associated.

General comments

I would like to commend the Board for the great effort in improving the existing International Accounting Standards. As the Board goes forth with future projects, I also would like to request that the Board strive to ensure future standards are sound and simple. Theoretically correct but extremely complicated standards are of little value to users. Finally, future projects similar to the current one to improve existing standards need to be conducted periodically to guarantee that International Financial Reporting Standards (IFRSs) are principle-based as much as possible. All of these above request will make the IFRSs easier to be retrieved, to understand, to implement and to be used for audits.

IAS 1-Presentation of Financial Statements

Question 1 I agree

Question 2 I agree

Question 3 I agree

Question 4 I agree with the exposure draft but would like to suggest that the last sentence in paragraph 63 be altered to read as follows:

(b) when the financial statements are authorized for issue, the period of grace is incomplete and it is probable that the breach will be rectified **before the expiration of the period of grace.**

Question 5 I agree

Question 6 I agree

Additional comment for IAS 1 I would like to suggest that the Board **require** the information in paragraph 92 to be presented within the statement of changes in equity and eliminate the option of presenting this information either within the statement of changes in equity or in the notes. This requirement is needed to:

- Eliminate alternatives in the presentation of the information in paragraph 92 therefore simplifying the implementation of International Financial Reporting Standards (IFRS)
- Facilitate the analysis of the financial data by presenting all the changes in equity from the beginning to the end of a period in one location

IAS 2-Inventories

Question 1 I agree

Question 2 I disagree. I would like to suggest that the write-downs of inventories not be reversed subsequently when the circumstances that previously caused inventories to be written down below cost no longer exist. The disallowance of inventory write-down reversal would:

- Present the entity's assets on a more conservative basis. The increase in selling price of the inventories instead will simply be recognized in net income when the inventories are sold.
- Facilitate the implementation of IFRS since, at the end of a period, entities do not have to:
 - determine the amount of inventory whose value was written down in prior period, which is still on hand at the end of the current period
 - calculate the amount of previous write-down associated with the inventory still on hand at the end of the current period
 - assess the portion of the previous write-down that needs to be reversed at the end of the current period

Additional comments for IAS 2 I would like to request for a clarification of the language in paragraph 16A. Specifically, I would like to have the concept of “estimated point-of-sale costs at the point of harvest” defined for the uninitiated readers such as I am. Also, the last sentence of paragraph 16A “ This is the cost of the inventories at that date for application of this Standard” is unclear since I am not sure whether the word “cost” in this sentence refers to the cost of agricultural produce harvested from biological assets or to the estimated point-of-sale cost.

IAS 8-Accounting Policies, Changes in Accounting Estimates and Errors

Question 1 I agree

Question 2 I agree

IAS 16-Property, Plant and Equipment

Question 1 I agree

Question 2 I agree

Question 3 I agree

Additional comments for IAS 16 I would like to request for the elimination of the allowed alternative method of measurement subsequent to initial recognition of property, plant and equipment except for land (IAS 16.29). In other words, only the book value of land, an asset with indefinite useful life and whose value tends to increase with time, should be revalued periodically to reflect its current fair value. All other property, plant and equipment assets should only be recognized at their initial cost less any accumulated depreciation and any accumulated impairment losses. This elimination of the allowed alternative would make implementation of IFRS simpler for the preparers and ensure that property, plant and equipment in the balance sheet are measured on a more conservative basis.

IAS 17-Leases

Question 1 I agree

Question 2 I agree

IAS 21-The Effects of Changes in Foreign Exchange Rates

Question 1 I agree

Question 2 I agree

Question 3 I agree

Question 4 I agree

Question 5 I agree

IAS 24-Related Party Disclosures

Question 1 I agree

Question 2 I disagree. The standard should require disclosure of related party transactions and outstanding balances in the separate financial statements of a parent or a wholly-owned subsidiary that are made available or published with consolidated financial

statements for the group to which that entity belongs. The argument for this requirement is presented in paragraphs B4 to B6 of Appendix B.

IAS 27-Consolidated and Separate Financial Statements

Question 1 I agree

Question 2 I agree

Question 3 I agree

IAS 28-Accounting for Investments in Associates

Question 1 I agree

Question 2 I agree

IAS 33-Earnings Per Share

Question 1 I agree

Question 2 No comments

IAS 40-Investment Property

Question 1 I agree

Question 2 I agree

Question 3 I agree