

STAFF PAPER

17 January – 18 January 2012

IFRS Interpretations Committee Meeting

[this box can be used to give additional meeting dates]

Project	2009-2011 Annual improvements cycle (ED June 2011)— Comment letter analysis		
Paper topic	Cover note		
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This paper has been prepared by the staff of the IFRS Foundation for discussion at a public meeting of the IFRS Interpretations Committee. Comments made in relation to the application of an IFRS do not purport to be acceptable or unacceptable application of that IFRS—only the IFRS Interpretations Committee or the IASB can make such a determination. Decisions made by the IFRS Interpretations Committee are reported in IFRIC *Update*. The approval of a final Interpretation by the Board is reported in IASB *Update*.

Introduction

1. The Board published its exposure draft of proposed *Improvements to International Financial Reporting Standards* (ED) (2009 –2011 cycle) on June 2011. The comment period ended on 21 October 2011 and the Board received 67 comment letters.
2. The Board aims to issue the final amendments in Q2 2012, with an effective date of 1 January 2013.
3. This timetable allows two meetings with the IFRS Interpretations Committee (those in January and March) and two with the Board to redeliberate and decide on the Committee’s revised recommendations.
4. The agenda papers for this meeting are as follows:
 - Agenda paper 10A: IFRS 1 *First-time Adoption of International Financial Reporting Standards*—Repeated application of IFRS 1
 - Agenda paper 10B: IFRS 1 *First-time Adoption of International Financial Reporting Standards*—Borrowing costs relating to qualifying assets for which the commencement date for capitalisation is before the date of transition to IFRSs

- Agenda paper 10C: IAS 1—*Presentation of Financial Statements*—Clarification of the requirements for comparative information
 - Agenda paper 10D: IAS 16 *Property, Plant and Equipment*—Classification of servicing equipment
 - Agenda paper 10E: IAS 32 *Financial Instruments: Presentation*—Tax effect of distribution to holders of equity instruments
 - Agenda paper 10F: IAS 34 *Interim Financial Reporting*—Interim financial reporting and segment information for total assets
5. **Appendix A** contains a full list of respondents to the invitation to comment. **Appendix B** contains a breakdown of respondent categories by type and geography.
6. **Appendix C** contains a numerical analysis of comment letters containing a split of comments between those that support and those that oppose each one of the proposed amendments.

Appendix A— List of respondents

CL	Respondent	Country	Region	Entity type	Industry
1	Linus Low	Unspecified	Unspecified	Individual	Unspecified
2	Rajnish Ramchurun	Unspecified	Unspecified	Individual	Unspecified
3	ANZ	Australia	Oceania	Preparer	Banks-Financials
4	Chris Barnard	Unspecified	Unspecified	Individual	Unspecified
5	Deloitte	United States	Global	Accounting firm	Accounting firm
6	Avi Swed	Unspecified	Unspecified	Individual	Unspecified
7	ASB	United Kingdom	Europe	Standard-setter	Standard-setter
8	The Swedish Financial Reporting Board	Sweden	Europe	Standard-setter	Standard-setter
9	ESMA	France	Europe	Securities regulator	Securities regulator
10	Yoshinaga Yuko	Unspecified	Unspecified	Individual	Unspecified
11	Norwegian Accounting Standard Board	Norway	Europe	Standard-setter	Standard-setter
12	BP	United Kingdom	Europe	Preparer	Oil & Gas
13	AFME	United Kingdom	Europe	Preparer/ Representative body	Financials
14	ICAC	Spain	Europe	Standard-setter	Standard-setter
15	IOSCO	Spain	Global	Securities regulator	Securities regulator
16	AASB	Australia	Oceania	Standard-setter	Standard-setter
17	Roche Group	Switzerland	Europe	Preparer	Pharmaceuticals & Biotechnology-Health Care
18	BT	United Kingdom	Europe	Preparer	Telecommunications
19	SAICA	South Africa	Africa	Accountancy body	Accountancy body
20	Nestle S.A.	Switzerland	Europe	Preparer	Personal Goods- Consumer Goods
21	BDO International	United Kingdom	Global	Accounting firm	Accounting firm

CL	Respondent	Country	Region	Entity type	Industry
22	Cobham plc	United Kingdom	Europe	Preparer	Aerospace & Defence-Industrials
23	Group of 100 (Australia)	Australia	Oceania	Preparer / Representative body	Conglomerate
24	BASB	Belgium	Europe	Standard-setter	Standard-setter
25	FAR	Sweden	Europe	Accountancy body	Accountancy body
26	CIPFA	United Kingdom	Europe	Accountancy body	Accountancy body
27	KASB	Korea, Republic of	Asia	Standard-setter	Standard-setter
28	PricewaterhouseCoopers	United Kingdom	Global	Accounting firm	Accounting firm
29	SEAG	Sweden	Europe	Preparer / Representative body	Conglomerate
30	ACTEO	France	Europe	Preparer / Representative body	Conglomerate
31	Grant Thornton Int.	United Kingdom	Global	Accounting firm	Accounting firm
32	ICPAS	Singapore	Asia	Accountancy body	Accountancy body
33	MASB	Malaysia	Asia	Standard-setter	Standard-setter
34	ASC	Singapore	Asia	Standard-setter	Standard-setter
35	FEI	Canada	North America	Preparer / Representative body	Conglomerate
36	GASB	Germany	Europe	Standard-setter	Standard-setter
37	RSM International Limited	United Kingdom	Global	Accounting firm	Accounting firm
38	The Japanese Institute of CPA	Japan	Asia	Accountancy body	Accountancy body
39	The Royal Bank of Scotland	United Kingdom	Europe	Preparer	Banks-Financials
40	Moore Stephens LLP	United Kingdom	Global	Accounting firm	Accounting firm
41	BBA	United Kingdom	Europe	Preparer / Representative body	Banks-Financials

CL	Respondent	Country	Region	Entity type	Industry
42	The Institute of Chartered Accountants of India	India	Asia	Accountancy body	Accountancy body
43	Ministry of Finance, People's Republic of China	China	Asia	Government / Policymaker	Government
44	BusinessEurope	Europe	Europe	Preparer / Representative body	Conglomerate
45	ASBJ	Japan	Asia	Standard-setter	Standard-setter
46	Siemens	Germany	Europe	Preparer	Engineering-Industrials
47	Ernst&Young	United Kingdom	Global	Accounting firm	Accounting firm
48	ZICA	Zambia	Africa	Accountancy body	Accountancy body
49	KPMG	United Kingdom	Global	Accounting firm	Accounting firm
50	Allied Irish Banks	Ireland	Europe	Preparer	Banks-Financials
51	CINIF	Mexico	North America	Standard-setter	Standard-setter
52	AcSB	Canada	North America	Standard-setter	Standard-setter
53	The Institute of Chartered Accountants of Nigeria	Nigeria	Africa	Accountancy body	Accountancy body
54	Illinois CPA Society	United States	North America	Accountancy body	Accountancy body
55	ANC	France	Europe	Standard-setter	Standard-setter
56	HSBC Holdings plc	United Kingdom	Europe	Preparer	Banks-Financials
57	CPC	Brazil	South America	Standard-setter	Standard-setter
58	Chartered Accountants Ireland	Ireland	Europe	Accountancy body	Accountancy body
59	Hong Kong Institute of CPA	China	Asia	Accountancy body	Accountancy body
60	DASB	Netherlands	Europe	Standard-setter	Standard-setter

CL	Respondent	Country	Region	Entity type	Industry
61	SEBI	India	Asia	Securities regulator	Securities regulator
62	SwissHoldings	Switzerland	Europe	Preparer / Representative body	Conglomerate
63	Shell International B.V	Netherlands	Europe	Preparer	Oil & Gas
64	ICAEW	United Kingdom	Europe	Accountancy body	Accountancy body
65	Mazars	France	Global	Accounting firm	Accounting firm
66	The Volkswagen Group	Germany	Europe	Preparer	Automobiles & Parts-Consumer Goods
67	EFRAG	Belgium	Europe	Advisory group for endorsement	Government

Appendix B— Respondents by geography

Respondent type Africa Asia Europe America Oceania Global Unspecified Total

Individuals							5	5
Accountancy Body	3	4	4	1				12
Accounting Firm						9		9
Preparer			11		1			12
Representative Body			6	1	1			8
Public Sector		1						1
Regulator		1	1			1		3
Standard Setter		4	9	3	1			17
Total	3	10	31	5	3	10	5	67

Appendix C— Comment letters numerical analysis

Question 1: Do you agree with the Board’s proposal to amend the IFRS as described in the exposure draft?

IFRS 1 Repeated application	Number of Respondents	Percentage of Respondents
Agreement	31	46%
Conditional Agreement	19	28%
Disagreement	5	7%
No response	12	18%
Total	67	100%
IFRS 1 Borrowing costs	Number of Respondents	Percentage of Respondents
Agreement	41	61%
Conditional Agreement	11	16%
No response	15	22%
Total	67	100%
IAS 1 Comparative information	Number of Respondents	Percentage of Respondents
Agreement	32	48%
Conditional Agreement	22	33%
Disagreement	2	3%
No response	11	16%
Total	67	100%
IAS 16 Classification of servicing equipment	Number of Respondents	Percentage of Respondents
Agreement	33	49%
Conditional Agreement	17	25%
Disagreement	7	10%
No response	10	15%
Total	67	100%
IAS 32 Income tax consequences of distributions	Number of Respondents	Percentage of Respondents
Agreement	39	58%
Conditional Agreement	12	18%
Disagreement	2	3%
No response	14	21%
Total	67	100%
IAS 34 Segment information for total assets	Number of Respondents	Percentage of Respondents
Agreement	50	75%
Conditional Agreement	1	1%
Disagreement	1	1%
No response	15	22%
Total	67	100%

Question 2: Do you agree with the proposed transitional provisions and effective date for the issue as described in the exposure draft?

IFRS 1 Repeated application	Number of Respondents	Percentage of Respondents
Agreement	45	67%
Conditional Agreement	1	1%
Disagreement	1	1%
No response	20	30%
Total	67	100%

IFRS 1 Borrowing costs	Number of Respondents	Percentage of Respondents
Agreement	48	72%
No response	19	28%
Total	67	100%

IAS 1 Comparative information	Number of Respondents	Percentage of Respondents
Agreement	51	76%
Disagreement	2	3%
No response	14	21%
Total	67	100%

IAS 16 Classification of servicing equipment	Number of Respondents	Percentage of Respondents
Agreement	42	63%
Conditional Agreement	2	3%
Disagreement	5	7%
No response	18	27%
Total	67	100%

IAS 32 Income tax consequences of distributions	Number of Respondents	Percentage of Respondents
Agreement	48	72%
Conditional Agreement	2	3%
Disagreement	1	1%
No response	16	24%
Total	67	100%

IAS 34 Segment information for total assets	Number of Respondents	Percentage of Respondents
Agreement	42	63%
Disagreement	8	12%
No response	17	25%
Total	67	100%