

By E-mail

International Accounting Standards Board
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Dear Sir / Madam,

Comments on the Exposure Draft ED/2009/11 Improvements to IFRS

The Dubai Financial Services Authority has taken this opportunity to provide commentary on the Exposure Draft ED/2009/11 Improvements to IFRS. We consider this to be a comprehensive paper hence our comments which are set out in an attachment to this letter are rather limited.

We are happy to provide any further elaboration or clarifications on the issues raised and can be contacted on +971 4362 1549 or by e-mail on nlalani@dfsa.ae.

We look forward to participating in any further work in this area.

Yours sincerely



Christian Cameron
Manager
Policy and Legal Services

Comments on Exposure Draft ED/2009/11 Improvements to IFRSs

November 17, 2009



General questions (applicable to all proposed amendments)

Question 1

Do you agree with the Board's proposal to amend the IFRS as described in the exposure draft? If not, why and what alternative do you propose?

DFSA agrees with the Board's proposal to amend IFRS as described in the exposure draft except for IAS 28 – Investments in Associates (Partial use of fair value for measurement of associates)

In our opinion, the first view is realistic which takes into consideration all direct and indirect interests held in associate by either parent or any of the subsidiaries. This is true in the cases where the shareholding is distributed in various subsidiaries but parent is in position to exercise significant influence.

Question 2

Do you agree with the proposed transition provisions and effective date for the issue as described in the exposure draft? If not, why and what alternative do you propose?

DFSA agrees with the proposed transition provisions and effective date for the issue as described in the exposure draft.

Specific questions

Question 3

The Board proposes changes to IAS 34 Interim Financial Reporting to emphasise its disclosure principles. It also adds to the guidance to illustrate better how to apply these principles. The Board published an exposure draft Fair Value Measurement in May 2009. In that exposure draft, the Board proposes that all of the fair value measurement disclosures required in IFRS 7 Financial Instruments: Disclosures for annual financial statements should also be required for interim financial statements.

Do you agree that this proposed amendment is likely to lead to more useful information being made available to investors and other users of interim financial reports? If not, why? What would you propose instead and why?

DFSA agrees that this proposed amendment is likely to lead to more useful information being made available to investors and other users of interim financial reports. However, it is important to consider the costs associated with preparation of these disclosures.

Question 4

The Board proposes changes to IAS 34 Interim Financial Reporting. Do you agree that amending IAS 34 to require particular disclosures to be made in interim financial statements is a more effective way of ensuring that users of interim financial statements are provided with useful information? If not, why? What approach would you propose instead and why?

DFSA agrees that amending IAS 34 to require particular disclosures to be made in interim financial statements is a more effective way of ensuring that users of interim financial statements are provided with useful information. However, it is important to consider the costs associated with preparation of these disclosures.

Question 5

The Board proposes to amend IAS 40 Investment Property to remove the requirement to transfer investment property carried at fair value to inventory when it will be developed for sale, to add a requirement for investment property held for sale to be displayed as a separate category in the statement of financial position and to require disclosures consistent with IFRS 5 Non-current Assets Held for Sale and Discontinued Operations. Do you agree that the proposed amendment should be included within Improvements to IFRSs or should a separate project be undertaken to address this issue? If you believe a separate project should be undertaken, please explain why.

DFSA agrees with the proposed amendment as part of Improvements to IFRSs.



The DFSA is the independent financial services regulator for the DIFC

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