

8 October 2004

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Ms Sandra Thompson  
Senior Project Manager  
International Accounting Standards Board  
30 Cannon Street  
London EC4M 6XH  
United Kingdom

(By post and email: [CommentLetters@iasb.org](mailto:CommentLetters@iasb.org))

Dear Ms Thomson,

**RESPONSE TO EXPOSURE DRAFT OF PROPOSED AMENDMENTS TO IAS 39  
FINANCIAL INSTRUMENTS: RECOGNITION AND MEASUREMENT – CASH  
FLOW HEDGE ACCOUNTING OF FORECAST INTRAGROUP TRANSACTIONS**

1. We are writing to provide our comments on the Exposure Draft of the proposed amendments to IAS 39 *Financial Instruments: Recognition and Measurement – Cash Flow Hedge Accounting of Forecast Intragroup Transactions* issued by the International Accounting Standards Board (IASB) in July 2004. Our comments below address the specific questions set out in the “Invitation to Comment” section.

**Question 1**

Do you agree with the proposals in this Exposure Draft? If not, why not? What changes do you propose and why?

**We are in agreement with the proposals in this Exposure Draft as they provide clarifications on the designation of a highly probable forecast external transaction denominated in the functional currency of an entity as a hedged item in a foreign currency cash flow hedge.**

**Question 2**

Do the proposals contained in this Exposure Draft appropriately address the concerns set out in paragraph 3 of the Background on this Exposure Draft? If not, why not and how would you address those concerns?

**We are of the view that the proposals appropriately address the concerns set out in paragraph 3 of the Background on this Exposure Draft.**

**Question 3**

Do you have any other comments on the proposals?

**We do not have any further comments.**

2. Should you require any further clarification, please contact Mr Ramchand Jagtiani, Deputy Director, at the Institute of Certified Public Accountants of Singapore via email at [jagtiani@icpas.org.sg](mailto:jagtiani@icpas.org.sg). Thank you.

Yours sincerely,

Derek How  
Secretary, CCDG