

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

Our ref RJ - comment letter on  
proposed amendments to IAS 39  
Financial Instruments

Amsterdam, 5 October 2004

Dear Ms Thompson:

**Comments on Exposure draft of proposed amendments to IAS 39 Financial Instruments: Recognition and Measurement: Transition and Initial Recognition of Financial Assets and Financial Liabilities**

We appreciate the opportunity to respond to your invitation to comment on the “*Exposure Draft of Proposed Amendments to IAS 39 Financial Instruments: Recognition and Measurement, Transition and Initial Recognition of Financial Assets and Financial Liabilities*” (Hereafter referred to as ED). Our response consists of general comments and answers to the questions raised in the ED.

***Question 1***

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

We agree with the proposed amendments, except for the transition requirements as noted below.

We would prefer that the transition requirements are simplified and made more consistent with other transition requirements in respect of IAS 39. Rather than determining a date that is based on US GAAP transition for a similar issue, we would prefer that the date of transition is consistent with the date of transition for IAS 39: 1 January 2005. In addition we propose to allow an option to entities to apply the amendment as of any earlier date prospectively for all transactions. Entities that would want to avoid a reconciliation difference with US GAAP would

have the opportunity to do so, while for others the requirements would not lead to an unnecessary burden.

***Question 2***

*Do the proposals contained in this ED appropriately address the concerns set out in paragraph 5 of the Background on this ED? If not, why not and how would you address those concerns?*

See our response to question 1.

***Question 3***

*Do you have any other comments?*

No.

If you have any queries regarding our comments and responses, please do not hesitate to contact us.

Yours sincerely,

Prof. dr. Martin Hogendoorn  
*Chair Council for Annual Reporting*