

**INTERNATIONAL ACCOUNTING
STANDARDS BOARD**

**30 Cannon Street,
London EC4M 6XH
UNITED KINGDOM**

**To kind attn of: Mrs. Sandra Thompson
Senior Project Manager**

**Re: Exposure Draft of proposed Amendments to
IAS 39 – Financial Instruments: Recognition and Measurement**

Subject: Commentary and proposals on Fair Value Option (FVO) *)

Dear Lady,

I took notice of the matter in question checking my e-mail box on The NBR INTRANET network and I thought my commentary and proposals could help you to solve the problem in a way to make statisticians, accountants, fiscal officers and supervisors to be frieds on this topic.

In my opinion, FVO could be used both for negociable and non-negotiable (when necessary) financial instruments in a way to meet all purposes. The key is in the accounting manner of recording and disclosing the financial instruments under FVO.

*That key could be, in fact, a **bifunctional corrective account** reflecting the extent of incresing or decreasing in value of a certain financial asset due to the circumstances acting whithin a certain reporting period. It reflects the increasings on DEBIT side and decreasings on CREDIT side. Conversely, the increasings and decreasings should be reflected on PROFIT & LOSS account.*

CONDITION: *All financial assets should be recorded and kept at nominal(book) value.*

Financial periodical statements should include a special annex (with aproprate explanatory notes) reflecting these particular value wavings of financial assets, by categorries (similar with that of the provisions for credit risks, for example).

So, the value of a financial instrument could be determined or combined for different purposes, adjusted and traced at any period in time. This method would provide the users of micro and macro economic/ financial statistics with a flexible and acurate instrument of valuation.

I'm looking forward for your answer,

Best regards,

Mihai Dogaru 

Banking adviser,
NBR - Statistics Division

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**) Please note that all of the above represent
a personal opinion!*