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Mr Stig Enevoldsen
Chairman
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35 Square de Meeûs
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Our ref MT/288

Contact Mary Tokar

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16 December 2009

Dear Mr Enevoldsen

Adoption of IAS 24 *Related Party Disclosures* (revised 2009)

We appreciate the opportunity to comment on the European Financial Reporting Advisory Group's (EFRAG) draft endorsement advice regarding the International Accounting Standards Board's (IASB) IAS 24 *Related Party Disclosures* (IAS 24 (2009)), which was published by the IASB on 4 November 2009. This letter expresses the views of the international network of KPMG member firms.

We have read and considered IAS 24 (2009) and EFRAG's draft endorsement advice on IAS 24 (2009) in which EFRAG considers the requirements of the Regulation (EC) No. 1606/2002 of the European Parliament and of the Council on the application of International Accounting Standards. Our consideration focused on EFRAG's conclusion regarding the assessment of IAS 24 (2009) against the endorsement criteria and in this response we are not addressing any points raised by EFRAG in Appendix 2 and 3 of its invitation to comment.

We provided comments to the IASB on the February 2007 Exposure Draft of *Proposed Amendments to IAS 24 Related Party Disclosures: State-controlled Entities and the Definition of a Related Party* in our comment letter dated 17 May 2007. We also provided comments to the IASB on the December 2008 Exposure Draft *Relationships with the State – Proposed Amendments to IAS 24* in our comment letter dated 17 March 2009. We have followed the IASB's redeliberations on the comment letters on the exposure drafts and while not all of our suggestions were adopted by the IASB we do not believe that those comments, which were input to the Board's deliberations, represent fatal flaws that would cause us to recommend non-endorsement.

We support consistent application of International Financial Reporting Standards globally and consistent with this objective we support EFRAG's recommendation to adopt for use in Europe IAS 24 (2009) as issued by the IASB.



Please contact Mary Tokar at +44 (20) 7694 8871 if you wish to discuss any of the issues raised in this letter.

Yours faithfully

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