

## *Exposure Draft on Revenue from Contracts with Customers*

### **Question 1:**

We agree with EFRAG's proposed answer.

### **Question 2:**

We generally agree with what IASB proposes.

#### EFRAG's Questions:

§ 19 (a): The guidance in IFRS 9 should be enough.

§ 19 (b): We believe that specific guidance should be provided.

§ 19 (c) (i): We believe that technically it would make sense to mention this situation in IAS 1.

§ 19 (c) (ii) and (iii): We agree with what is proposed in the ED, i.e., presenting the uncollectible amounts in a line adjacent to the revenue whether it is the initial estimation or a subsequent change in estimate.

### **Question 3:**

We generally agree with EFRAG's proposed answer. However, relating to § 82 (b), despite in theory we agree with the EFRAG's view, in practice this indicator may be very useful to inhibit that uncertain amounts become "eternally" recognised until a final decision is made.

### **Question 4:**

We agree with EFRAG's proposal.

### **Question 5:**

We understand the EFRAG's concern about excess of specific requirements in the interim financial statement. Though, due to the relevance of the revenue figure we believe that, if material, these disclosures are relevant to the understanding of the interim financial statements.

### **Question 6:**

We agree with EFRAG's proposal, except for the § 50 (a) because, in our view, if the amount of the consideration is not variable, it is certain, so, in practice in this case the entity is more than reasonably assured of the amount to which is entitled.

## **Appendix 2**

### **Time value of money:**

We agree with § 12 (b), i.e., we support the use of the practical expedient but think it should be limited to situations where there are no indications of the time value of money being significant for the contract.

### **Right of return:**

**Question § 29:** Yes, we agree that in many cases it will be difficult to distinguish the three situations.

**Question § 30:** We believe that economically three situations could be different and we generally agree with the IASB proposal.

In our opinion, the emphasis should be placed on the substance of the contract and not on its legal form or naming.

Despite some specific improvements may be made, in general we believe that the IASB's proposal is satisfactory because even though it gives examples like "customer acceptance clause" or "right of return" that could in some cases be difficult to distinguish, in each of these examples IASB gives a reasonable explanation of the economic substance inherent in each of the situations.

**Question § 31:** No, we believe that whatever is the form of the contract if there is evidence of significant economic incentive in returning the asset, that contract should be accounted as a lease according to IAS 17.

**Question § 32:** We agree with the rational implied in the ED.

**§ 36 - Disclosures:**

Probably in most of the situations the costs of providing the disclosures will not be relevant when comparing to the relevance of the disclosed information, because in most of the cases, required information is already prepared for management use and the preparation of the disclosures will be just a matter of aggregation of information that the entity already has available.

**§ 40 - Early application:**

We agree with the possibility of early application.

Lisbon, 14<sup>th</sup> March 2012