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E-mail: [commentletter@efrag.org](mailto:commentletter@efrag.org)

10 February 2010

Ref.: ACC/HvD/LF/ID

Dear Mr. Enevoldsen,

**Re.: FEE Comments on EFRAG's assessments for endorsement of the Amendment to IFRS 1 – First-time adoption of IFRS *Limited Exemption from Comparative IFRS 7 Disclosures for First-time Adopters***

- (1) FEE (the Federation of European Accountants) appreciates the invitation to comment on EFRAG's assessments of the Amendment to IFRS 1 – First-time adoption of IFRS *Limited Exemption from Comparative IFRS 7 Disclosures for First-time Adopters* ("the Amendment").
- (2) We support EFRAG providing a positive endorsement advice and we broadly agree with the assessments formulated by EFRAG, without detailed examinations by FEE of the proposals and underlying assumptions.

**EFRAG's technical assessment of the Amendment against the endorsement criteria**

- (3) In our letter to the IASB dated 5 January 2010, we supported EFRAG's final letter to the IASB and agreed in general with the proposed amendment in the Exposure Draft on IFRS1 *Limited Exemption from Comparative IFRS 7 Disclosures for First-time Adopters*.
- (4) On 28 January 2010, the IASB has issued an amendment to IFRS 1 – First-time adoption of IFRS *Limited Exemption from Comparative IFRS 7 Disclosures for First-time Adopters*. We support EFRAG's assessments of the Amendment against the endorsement criteria, recommending adoption.

### **EFRAG's evaluation of the costs and benefits of the Amendment**

- (5) We broadly agree with the evaluation of the costs and benefits of the Amendment as provided by EFRAG but have not carried out a detailed examination.

### **Assessment Process**

- (6) We believe that, in the current financial reporting environment, Europe needs to make every effort to prevent the creation of new deviations from IFRS. Furthermore, it needs to avoid to the extent possible any timing differences caused by delays in the endorsement mechanisms.
- (7) An enhanced due process for the IASB and IFRIC, improved governance of the IASB and timely and high quality European influence early in the standard setting process should result in international standards and interpretations that are acceptable for Europe. This European influence is expected to be exercised at, or before, exposure draft stage. EFRAG was created for that purpose and has the full support of FEE. As a due process is in place, at both IASB and EFRAG levels, these processes are expected to result in standards that are suitable for positive endorsement.

### **Endorsement**

- (8) FEE supports the endorsement of the Amendment to IFRS 1 – First-time adoption of IFRS *Limited Exemption from Comparative IFRS 7 Disclosures for First-time Adopters*.

We would be pleased to discuss any aspect of this letter you may wish to raise with us.

For further information on this letter, please contact Leyre Fuertes, Project Manager.

Yours sincerely,



Hans van Damme  
President