

International Accounting Standards Board  
30 Cannon Street  
London EC4M 6XH  
UK

Cc: EFRAG

Oslo, October 20<sup>st</sup>, 2011

Dear Sir/Madam

## **ED/2011/2: Improvements to IFRSs**

Norsk RegnskapsStiftelse (the Norwegian Accounting Standards Board) is pleased to comment on the Exposure Draft on *Improvements to IFRSs*.

This comment letter replaces our comment letter sent September 23<sup>rd</sup>. We ask you to please disregard our first comment letter sent September 23<sup>rd</sup> (CL11) and replace it with this letter.

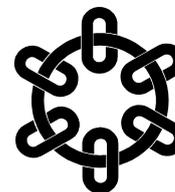
In the past we have questioned some of the issues included in the Annual Improvements projects. Some of the issues we believe were too significant to be dealt with via the Annual Improvements project, other issues we believe were not urgent or significant enough to qualify for changes to IFRS through the Annual Improvements project. This time, we think the proposed changes in this exposure draft are appropriately addressed through Annual Improvements.

Our detailed comments to the questions in the order suggested by you are set out in the appendix to this letter.

Please do not hesitate to contact us if you would like to discuss any specific issues addressed in our response, or related issues, further.

Yours faithfully,  
**Norsk RegnskapsStiftelse**

Erlend Kvaal  
Chairman of the Technical Committee on IFRS of Norsk RegnskapsStiftelse



## Appendix

**Issue 1: IFRS 1 – *First-time Adoption of IFRSs* – Clarification of borrowing costs exemption, and**

**Issue 2: IFRS 1 – *First-time adoption of IFRSs* – Repeated application of IFRS 1**

### **Question 1**

***Do you agree with the Board’s proposal to amend the IFRS as described in the exposure draft? If not, why and what alternative do you propose?***

We support the proposed changes to IFRS 1.D23 and IFRS 1.39M. Further we support the intention behind the proposed IFRS 1.2A. However, we have concerns regarding the wording of the proposed paragraph 2A relating to financial statements that “did not contain an explicit and unreserved statement of compliance with IFRS”. Our concern is that this text might be interpreted as a formalistic separation between entities that actually did not apply IFRS in its previous annual financial statements and entities that did apply IFRS but intentionally or unintentionally did not include an explicit and unreserved statement of compliance with IFRS. An unintentionally missing statement of compliance with IFRS is an error that should be corrected in accordance with the guidance in IAS 8, but should not lead to a forced use of IFRS 1.

### **Question 2**

***Do you agree with the proposed transitional provisions and effective date for the issue as described in the exposure draft? If not, why and what alternative do you propose?***

We agree with the proposed transitional provisions and effective date.

**Issue 3: IAS 1 – *Presentation of Financial Statements* – Clarification of requirements for comparative information**

### **Question 1**

***Do you agree with the Board’s proposal to amend the IFRS as described in the exposure draft? If not, why and what alternative do you propose?***

We agree with the proposed changes.

### **Question 2**

***Do you agree with the proposed transitional provisions and effective date for the issue as described in the exposure draft? If not, why and what alternative do you propose?***

We agree with the proposed transitional provisions and effective date.

**Issue 4: IAS 1 – *Presentation of Financial Statements* – Consistency with the updated *Conceptual Framework***

### **Question 1**

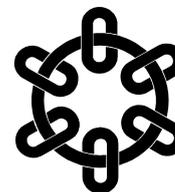
***Do you agree with the Board’s proposal to amend the IFRS as described in the exposure draft? If not, why and what alternative do you propose?***

We agree with the proposed changes.

### **Question 2**

***Do you agree with the proposed transitional provisions and effective date for the issue as described in the exposure draft? If not, why and what alternative do you propose?***

We agree with the proposed transitional provisions and effective date.



**Issue 5: IAS 16 Property, Plant and Equipment – Clarification of accounting for servicing equipment**

**Question 1**

***Do you agree with the Board’s proposal to amend the IFRS as described in the exposure draft? If not, why and what alternative do you propose?***

We agree with the proposed changes.

**Question 2**

***Do you agree with the proposed transitional provisions and effective date for the issue as described in the exposure draft? If not, why and what alternative do you propose?***

We agree with the proposed transitional provisions and effective date.

**Issue 6: IAS 32 – Financial Instruments: Presentation – Tax effect of distributions to holders of equity instruments**

**Question 1**

***Do you agree with the Board’s proposal to amend the IFRS as described in the exposure draft? If not, why and what alternative do you propose?***

We agree with the proposed changes.

**Question 2**

***Do you agree with the proposed transitional provisions and effective date for the issue as described in the exposure draft? If not, why and what alternative do you propose?***

We agree with the proposed transitional provisions and effective date.

**Issue 7: IAS 34 *Interim Financial Reporting* – Segment information for total assets**

**Question 1**

***Do you agree with the Board’s proposal to amend the IFRS as described in the exposure draft? If not, why and what alternative do you propose?***

We agree with the proposed changes.

**Question 2**

***Do you agree with the proposed transitional provisions and effective date for the issue as described in the exposure draft? If not, why and what alternative do you propose?***

We agree with the proposed transitional provisions and effective date.