

EFRAG – European Financial Reporting Advisory Group
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Att.: Ms. Saskia Slomp and Mr. Filippo Poli
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Dear EFRAG Board,

EFRAG's 2015 Proactive Agenda Consultation

The Danish Accounting Standards Committee (DASC) set up by "FSR – danske revisorer" is pleased to comment on the EFRAG proactive agenda consultation.

Our answers to the questions to constituents:

11. What is your opinion on the effectiveness of the proactive work EFRAG is undertaking?

Answer:

We are very pleased with the proactive work undertaken by EFRAG. However, we believe EFRAG should concentrate on major issue and not on very narrow issues being only of interest to full time persons in the standard setting environment. It is important for European constituents that EFRAG enhances the technical debate within accounting and corporate reporting issues at a European level.

12. What type of EFRAG projects and outputs have been more useful?

Answer:

Discussion Papers from EFRAG have been very useful to understand some issues in depth and they have been influential vis a vis the IASB. We think in particular of the DP on Revenue recognition, the disclosure DP and the BCUCC DP. We also believe that the shorter papers have had value. We believe it is important that EFRAG facilitates the accounting debate in Europe and participates in and influences the debate outside Europe and with IASB.

13. Do you support the current mix of output? Please mention an EFRAG paper that you consider in particular useful. And also one that you consider was not so useful. Please indicate your reasoning.

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Answer:

Yes. We would explicitly mention the Discussion Paper: "A Disclosure Framework for the notes". This discussion paper and other similar initiatives lead to a change of mind amongst IASB and regulators.

14. How do you make the decision to comment or not to comment on an EFRAG proactive project?

Answer:

We decide on whether to prepare comments based on the relevance of the topic for Danish business and based on the resources we have available at the time. It is also important whether we agree with the EFRAG position or not.

19. How do you see the possible coordination of proactive work between EFRAG and the IASB? Do you think it is important that EFRAG remains an independent contributor?

Answer:

Yes. We believe it is of the utmost importance that EFRAG remains an independent contributor to the accounting debate. EFRAG should not work for IASB, but should speak as a coordinated European voice of and a credible representative of the European public good within the accounting area.

23. Do you agree that these projects are relevant for Europe and should be undertaken? How would you see their priority?

Answer:

No, we do not really think any of the first three projects have any interest. The subjects are too narrow and almost esoteric in nature. Maybe there might be some value in a project on the Conceptual Framework, but EFRAG should consult on the scope and the subject prior to use the resources. It should be of interest for all of Europe and not only a few people.

24. In the table in the Appendix to this consultation, the proactive work that EFRAG has carried out or is carrying out at present is listed. There are also topics on which EFRAG has not carried out work. Do you think that EFRAG should undertake work on any of these projects?

Answer:

We only see some merit in a project on whether goodwill should be amortised or not. Otherwise, we do not support the projects outlined in the appendix. Particularly we do not support the project on negative interest rates, and we

believe EFRAG has worked more or less only in one direction in relation to the use of business model.

25. Do you see other projects than those listed in the IASB Agenda Consultation or above that EFRAG should undertake?

Answer:

We have no suggestions at present.

We will be happy to elaborate on our comments should you wish so. Please feel free to contact Stig Enevoldsen.

Kind regards

Jan Peter Larsen
Chairman of the
Danish Standard Setting Committee

Stig Enevoldsen
Member of the
Danish Standard Setting Committee