



Comment Letter on the DP/2017/1 *Disclosure Initiative – Principles of Disclosure*

Comment Letters

European Financial Reporting Advisory Group

35 Square de Meeüs

Brussels B-1000

Belgium

Dear Madam/Sir,

In the present letter ICAC gives its view on EFRAG's position presented in your draft comment letter on IASB's Discussion Paper DP/2017/1 *Disclosure Initiative – Principles of Disclosure*.

First of all, ICAC welcomes IASB's initiative aimed to improve the financial information issued by the entities, bearing in mind the problems that currently exist, with the lack of relevant information and the excess of non-relevant information in the notes. We reckon that developing general principles of disclosure and effective communication, which would help preparers in applying professional judgement and would limit the behavioral problems as well.

ICAC supports the responses given by EFRAG in its comment letter. We agree with the EFRAG's vision of the primary focus of the next phases of the project. In this respect, we also consider as a priority the comprehensive review of current requirements of financial information in IFRS standards, aiming the obtention of a clear, effective, and coherent set of disclosure requirements, and as concise as possible. Secondly, it is also positive the evaluation of new models or approaches to the financial information that could improve and reduce in the future the problems and flaws above-mentioned.

Besides, we want to point out that the guidance proposed on formatting would be useful for preparers and users of the financial statements, and therefore we would appreciate a further study about this issue. They would enhance the effective communication of the requested information and ease the comparability of financial statements through entities and periods. We think also that the guidance on formatting could help the digital reporting and the use of new technologies in providing financial information, which needs models to handle the data.



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Finally, we would like to emphasize as well that concerning the IFRS information outside the financial statements, we do not consider adequate the cross-references to the 'annual report', because of the subjectivity this concept could result in. We think that the financial statements should tend to be an integral set of documents that could be read and fully understood by itself.

Please don't hesitate to contact us if you would like to clarify any point of this letter.

Yours sincerely,

Enrique Rubio Herrera

Chairman of ICAC

Madrid, 11th September 2017