



สภาวิชาชีพบัญชี ในพระบรมราชูปถัมภ์

FEDERATION OF ACCOUNTING PROFESSIONS
UNDER THE ROYAL PATRONAGE OF HIS MAJESTY THE KING

November 23, 2015

Mr. Hans Hoogervorst
Chairman
International Accounting Standards Board (IASB)
30 Cannon Street
London EC4M 6XH
United Kingdom

Dear Mr. Hoogervorst,

Comment Letter on ED/2015/4: Updating References to the Conceptual Framework

The Federation of Accounting Professions of Thailand would like to show our appreciation on the opportunity to comment on **ED/2015/4: Updating References to the Conceptual Framework**. Overall, we agree with the replacing references to the conceptual framework in several standards, except IAS8 that should be additional amended from the 'reliability' to the 'representation faithfulness'. The transitional provision and the effective date are suitable.

Please find our responses to the specific questions raised in **ED/2015/4: Updating References to the Conceptual Framework** in an attachment. We believe that this proposed exposure draft will help the practitioners in the future and that our comment letter will contribute positively to the IASB's due process. Should you need more information, please kindly contact the Federation of Accounting Professions of Thailand.

The Federation of Accounting Professions avails itself of this opportunity to the International Accounting Standards Board the assurances of its highest consideration.

Yours sincerely,

Associate Professor Dr. Vorasak Tummanond
Chair of Thai Accounting Standards Board
Federation of Accounting Professions of Thailand
Bangkok, Thailand

Copied to:

- 1) Chairman, Accounting Standard-Setting Committee of Thailand
- 2) Chairman, Subcommittee on Monitoring of International Financial Reporting Standards
- 3) President, Federation of Accounting Professions of Thailand



Exposure Draft ED/2015/4 Updating References to the Conceptual Framework Proposed amendments to IFRS 2, IFRS 3, IFRS 4, IFRS 6, IAS 1, IAS 8, IAS 34, SIC-27 and SIC-32

Question 1—Replacing references to the Conceptual Framework

The IASB proposes to amend IFRS 2, IFRS 3, IFRS 4, IFRS 6, IAS 1, IAS 8, IAS 34, SIC-27 and SIC-32 so that they will refer to the revised Conceptual Framework once it becomes effective.

Do you agree with the proposed amendments? Why or why not?

FAP: Since the proposal to amend IFRSs focuses on definition of assets and liabilities of those mentioned Standards such as IFRS 2, IFRS 3, and IFRS 6, SIC 27 and SIC 32, we broadly support IASB proposal. However, we confuse with accounting policy selection criteria. IASB has changed the fundamental qualitative characteristics of financial information, the references should be modified from reliability to the corresponding qualitative characteristics; representation faithfulness. We expect that IAS 8 will be changed but the draft is silent on this issue.

Question 2—Effective date and transition

The IASB proposes that:

- (a) a transition period of approximately 18 months should be set for the proposed amendments. Early application should be permitted.
- (b) the amendments should be applied retrospectively in accordance with IAS 8, except for the amendments to IFRS 3. Entities should apply the amendments to IFRS 3 prospectively, thereby avoiding the need to restate previous business combinations.

Do you agree with the proposed transition provisions and effective date? Why or why not?

FAP: We support both the transitional provision; the retrospective adjustment required for all Standards except for IFRS 3, and the effective date of approximately 18 months for the proposed amendments with the permission on early application.

Question 3—Licensing

Do you have any other comments on the proposals?

FAP: We would like IASB to consider the consistency of the qualitative characteristic of information issue for selecting the accounting policy on IAS 8 and the Conceptual Framework.