

2 November 2005

ICAEW REP 18/05



Andrew Lennard
Technical Director
Accounting Standards Board
5th Floor, Aldwych House
71-91 Aldwych
London
WC2B 4HN

Dear Andrew

DRAFT TECHNICAL CORRECTION 1

I refer to the ASB's *'Notice to Constituents: Request for comments on IASB proposed change to IAS 21 and ASB proposed change to FRS 23'*, and attach for your attention the Institute's comments to the IASB on draft Technical Correction DTC 1, together with the comments submitted by the Institute on 4 October 2005 on the draft IASB policy on Technical Corrections.

We agree that once the changes to IAS 21 have been finalised by the IASB, the same changes should be made as soon as possible to FRS 23, thereby maintaining the equivalence between the two standards. However, this should not create a precedent. The IASB is currently assessing the comments received on the proposed procedure for Technical Corrections. In our view, once the IASB has reached firm conclusions on the future operation of the procedure, the ASB should engage in a formal public consultation with UK constituents on the process for reflecting future international corrections in UK GAAP.

Kind regards

Yours sincerely

A handwritten signature in blue ink, which appears to read 'Nigel Sleight-Johnson', is located below the 'Yours sincerely' text.

Dr NV Sleight-Johnson
Head of Financial Reporting
020 7920 8487