



## EFRAG DRAFT COMMENT LETTER ON PROPOSED AMENDMENTS TO IFRS FOUNDATION DUE PROCESS HANDBOOK

Issued 12 July 2019

ICAEW welcomes the opportunity to comment on the EFRAG draft comment letter on the proposed amendments to the IFRS Foundation Due Process Handbook published by EFRAG in June 2019, a copy of which is available from this [link](#).

We agree with EFRAG's comments regarding the proposed amendments to the IFRS Foundation Due Process Handbook.

This response of 12 July 2019 has been prepared by the ICAEW Financial Reporting Faculty. Recognised internationally as a leading authority on financial reporting, the Faculty, through its Financial Reporting Committee, is responsible for formulating ICAEW policy on financial reporting issues and makes submissions to standard setters and other external bodies on behalf of ICAEW. The Faculty provides an extensive range of services to its members including providing practical assistance with common financial reporting problems.

ICAEW is a world-leading professional body established under a Royal Charter to serve the public interest. In pursuit of its vision of a world of strong economies, ICAEW works with governments, regulators and businesses and it leads, connects, supports and regulates more than 150,000 chartered accountant members in over 160 countries. ICAEW members work in all types of private and public organisations, including public practice firms, and are trained to provide clarity and rigour and apply the highest professional, technical and ethical standards.

© ICAEW 2019

All rights reserved.

This document may be reproduced without specific permission, in whole or part, free of charge and in any format or medium, subject to the conditions that:

- it is appropriately attributed, replicated accurately and is not used in a misleading context;
- the source of the extract or document is acknowledged and the title and ICAEW reference number are quoted.

Where third-party copyright material has been identified application for permission must be made to the copyright holder.

For more information, please contact: [frf@icaew.com](mailto:frf@icaew.com)

## COMMENTS

1. In ICAEW's draft response to the IFRS Foundation we broadly support the proposed amendments to the Due Process Handbook. However, we refer to our concern that introducing another source of guidance on the application of IFRS (ie, the proposal for the IASB to publish agenda decisions) could, over time, lead to 'unofficial' standard-setting and place an unnecessary burden on users/preparers, who would need to keep up to date with the various documents.
2. We suggest that greater clarification is needed over the intended status of the decisions and in particular, how they would interact with agenda decisions issued by the IFRS Interpretations Committee. For example, would one source of non-authoritative guidance have more prominence than another? In addition, we note that it would be helpful to understand how the IASB agenda decisions would interact with other sources of guidance such as the educational materials produced by the IASB.
3. We have considered EFRAG's draft letter in light of our draft response to the IFRS Foundation, and have no particular comments or concerns on EFRAG's comments .