



DRAFT EFRAG COMMENT LETTER ON IASB CLASSIFICATION OF LIABILITIES AS CURRENT OR NON-CURRENT - DEFERRAL OF EFFECTIVE DATE

Issued 22 May 2020

ICAEW welcomes the opportunity to comment on **EFRAG's draft comment letter** to the IASB, published in May 2020, regarding the proposal to defer the effective date of amendments to IAS 1 *Presentation of Financial Statements* for the classification of liabilities as current or non-current.

We are currently in the process of finalising our response to the IASB's Exposure Draft ED/2020/3 *Classification of Liabilities as Current or Non-current—Deferral of Effective Date: Proposed amendment to IAS 1*. Although we have not yet finalised our response, we do not expect to make substantive changes at this stage. On this basis we are pleased to provide comments on EFRAG's Draft Comment Letter

This response of 22 May 2020 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.

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KEY POINTS

1. In our draft response to the IASB, we support the proposal to defer the effective date of the amendments to IAS 1 by one year to annual periods beginning on or after 1 January 2023. Therefore, we support EFRAG's draft comment letter which also supports the IASB's proposal.