



14 May 2010

Our ref: ICAEW Rep 44/10

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By email: [uitf@fro-asb.org.uk](mailto:uitf@fro-asb.org.uk)

Dear Deepa

**Draft UITF Abstract 47 *Extinguishing Financial Liabilities with Equity Instruments***

The ICAEW welcomes the opportunity to comment on the draft UITF Abstract 47 *Extinguishing Financial Liabilities with Equity Instruments* published by the Urgent Issues Task Force in April 2010.

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We agree that convergence should be maintained between UK and International Financial Reporting Standards and consequently we support publication of Draft UITF Abstract 47.

We agree with the scope restriction in paragraph 3A. The Abstract should be restricted to those entities applying FRS 26, as adoption by those still applying FRS 4 would not be appropriate.

Please contact me should you wish to discuss any of the points raised in this response.

Yours sincerely

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