



Our ref: ICAEW Rep 69/12

8 May 2012

Mme Françoise Flores
Chair
European Financial Reporting Advisory Group
35 Square de Meeûs
B-1000 Brussels

By email: commentletter@efrag.org

Dear Mme Flores

Government Loans (Amendments to IFRS 1)

ICAEW welcomes the opportunity to comment on EFRAG's draft endorsement advice on *Government Loans (Amendments to IFRS 1)*.

ICAEW is a world-leading professional accountancy body. We operate under a Royal Charter, working in the public interest. ICAEW's regulation of its members, in particular its responsibilities in respect of auditors, is overseen by the UK Financial Reporting Council. We provide leadership and practical support to over 138,000 member chartered accountants in more than 160 countries, working with governments, regulators and industry in order to ensure that the highest standards are maintained.

ICAEW members operate across a wide range of areas in business, practice and the public sector. They provide financial expertise and guidance based on the highest professional, technical and ethical standards. They are trained to provide clarity and apply rigour, and so help create long-term sustainable economic value.

The Financial Reporting Faculty is recognised internationally as a leading authority on financial reporting. The Faculty's Financial Reporting Committee is responsible for formulating ICAEW policy on financial reporting issues, and makes submissions to standard setters and other external bodies. The faculty also provides an extensive range of services to its members, providing practical assistance in dealing with common financial reporting problems.

We welcome EFRAG's tentative decision to endorse the amendment to IFRS 1 in relation to government loans. In our opinion the amendment meets the technical criteria for endorsement and the benefits to be gained from the change outweigh the costs.

Yours sincerely

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