

Exposure Draft ED/2011/5
Government Loans
Proposed amendments to IFRS 1

response to exposure draft

5 January 2012

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As the world's only professional accountancy body to specialise in public services, CIPFA's portfolio of qualifications are the foundation for a career in public finance. They include the benchmark professional qualification for public sector accountants as well as a postgraduate diploma for people already working in leadership positions. They are taught by our in-house CIPFA Education and Training Centre as well as other places of learning around the world.

We also champion high performance in public services, translating our experience and insight into clear advice and practical services. They include information and guidance, courses and conferences, property and asset management solutions, consultancy and interim people for a range of public sector clients.

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International Accounting Standards Board
30 Cannon Street
London EC4M 6XH

Submitted electronically to www.ifrs.org

5 January 2012

Dear IASB secretariat

Exposure Draft ED/2011/5

Government Loans, Proposed amendments to IFRS 1

CIPFA is pleased to present its comments on the matters discussed in this consultation, which have been reviewed by CIPFA's Accounting and Auditing Standards Panel.

Question 1

The Board proposes to amend IFRS 1 so that first-time adopters would be required to apply paragraph 10A of IAS 20 prospectively to loans entered into on or after the date of transition to IFRSs, unless the information needed to apply these requirements to a government loan as a result of a past transaction was obtained at the time of initially accounting for that loan. Do you agree? Why or why not?

CIPFA agrees with this proposal. It is appropriate to afford the same relief to first time adopters of IFRS as that afforded to existing IFRS users in transition to the current version of IAS 20.

Question 2

Do you have any other comments on the proposals?

No

I hope this is a helpful contribution to the development of the Board's guidance in this area.

Yours faithfully

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