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Berlin, 24 January 2013

Dear Françoise,

**EFRAG´s DRAFT ENDORSEMENT ADVICE AND EFFECTS STUDY REPORT ON  
INVESTMENT ENTITIES (AMENDMENTS TO IFRS 10, IFRS 12 AND IAS 27)**

The Accounting Standards Committee of Germany (ASCG) appreciates the opportunity to comment on EFRAG´s Assessment of Investment Entities (Amendments to IFRS 10, IFRS 12 and IAS 27).

We agree with EFRAG´s technical assessment of the amendments regarding the technical criteria for endorsement; that is we support the positive endorsement advice to the European Commission regarding the adoption of the amendments.

As a national standard-setter we are not in a position to answer the questions regarding the costs that will arise for preparers and for users to implement the amendments.

If you have any further questions, please do not hesitate to contact me.

Yours sincerely,

Liesel Knorr  
*President*

## DRAFT ENDORSEMENT ADVICE AND EFFECTS STUDY REPORT ON INVESTMENT ENTITIES

### (AMENDMENTS TO IFRS 10, IFRS 12 AND IAS 27)

### INVITATION TO COMMENT ON EFRAG'S ASSESSMENTS

Comments should be sent to [commentletters@efrag.org](mailto:commentletters@efrag.org) or  
uploaded via our website by 28 January 2013

EFRAG has been asked by the European Commission to provide it with advice and supporting material on *Investment Entities (Amendments to IFRS 10, IFRS 12 and IAS 27)* ('the Amendments'). In order to do that, EFRAG has been carrying out an assessment of the Amendments against the technical criteria for endorsement set out in Regulation (EC) No 1606/2002 and has also been assessing the costs and benefits that would arise from its implementation in the European Union (the EU) and European Economic Area.

A summary of the Amendments is set out in Appendix 1.

#### Note to constituents

The Amendments include consequential amendments to IFRS 9 *Financial Instruments*, which has not yet been endorsed in the EU. Those consequential amendments are not addressed in this Draft Endorsement Advice and will be considered together with the related requirements in IFRS 9.

Before finalising its two assessments, EFRAG would welcome your views on the issues set out below. Please note that all responses received will be placed on the public record, unless the respondent requests confidentiality. In the interest of transparency EFRAG will wish to discuss the responses it receives in a public meeting, so we would prefer to be able to publish all the responses received.

1 Please provide the following details about yourself:

- (a) Your name or, if you are responding on behalf of an organisation or company, its name:

Accounting Standards Committee of Germany (ASCG)

- (b) Are you a:

Preparer  User  Other (please specify)

National Standard Setter

- (c) Please provide a short description of your activity:

See above

*Investment Entities (Amendments to IFRS 10, IFRS 12 and IAS 27)*  
*Invitation to Comment on EFRAG's Initial Assessments*

(d) Country where you are located:

Germany

(e) Contact details including e-mail address:

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2 EFRAG's initial assessment of the Amendments is that they meet the technical criteria for endorsement. In other words, they are not contrary to the principle of true and fair view and they meet the criteria of understandability, relevance, reliability and comparability. EFRAG's reasoning is set out in Appendix 2.

(a) Do you agree with this assessment?

Yes

No

If you do not, please explain why you do not agree and what you believe the implications of this should be for EFRAG's endorsement advice.

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(b) Are there any issues that are not mentioned in Appendix 2 that you believe EFRAG should take into account in its technical evaluation of the Amendments? If there are, what are those issues and why do you believe they are relevant to the evaluation?

none

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3 EFRAG is also assessing the cost and benefits that are likely to arise for preparers on implementation of the Amendments in the EU, both in year one and in subsequent years. Some initial work has been carried out, and the responses to this Invitation to Comment will be used to complete the assessment.

The results of the initial assessment of costs are set out in paragraphs 7-14 of Appendix 3. To summarise, EFRAG's initial assessment is that: for investment entity preparers, the amendments will result in significant cost savings.

Do you agree with this assessment?

*Investment Entities (Amendments to IFRS 10, IFRS 12 and IAS 27)*  
*Invitation to Comment on EFRAG's Initial Assessments*

Yes  No

If you do not, please explain why you do not and (if possible) explain broadly what you believe the costs involved will be?

As a national standard setter we are not in a position to comment on this issue.

In addition, EFRAG is assessing the cost and benefits that are likely to arise for users from the Amendments. The results of the initial assessment of benefits are set out in paragraphs 15-18 of Appendix 3. To summarise, EFRAG's initial assessment is that the Amendments will also result in significant cost savings for users of the financial statements of investment entities.

Do you agree with this assessment?

Yes  No

If you do not agree with this assessment, please provide your arguments and indicate how this should affect EFRAG's endorsement advice?

As a national standard setter we are not in a position to comment on this issue.

- 4 EFRAG's initial assessment is that the benefits to be derived from implementing the Amendments in the EU as described in paragraph 3 above are likely to outweigh the costs involved as described in paragraph 3 above.

Do you agree with this assessment?

Yes  No

If you do not agree with this assessment, please provide your arguments and indicate how this should affect EFRAG's endorsement advice?

As a national standard setter we are not in a position to comment on this issue.

- 5 EFRAG is not aware of any other factors that should be taken into account in reaching a decision as to what endorsement advice it should give the European Commission on the Amendments.

Do you agree that there are no other factors?

Yes  No

If you do not agree, please provide your arguments and indicate how this should affect EFRAG's endorsement advice?