

International Accounting Standards Board  
Attn. Hans Hoogervorst  
30 Cannon Street  
London EC4M 6XH  
United Kingdom

Brussels, 15 December 2011

Dear Hans,

**Re: Comment period on the Exposure Draft *Revenue from Contracts with Customers* and Review Draft on *General Hedge Accounting***

On behalf of the European Reporting Advisory Group (EFRAG), I am writing to request that the comment period on the Exposure Draft *Revenue from Contracts with Customers* (the ED) be extended by 60 days and that the comment period on the Review Draft on *General Hedge Accounting* is set such that constituents have three months – outside their year-end closing period – to respond to you and to participate in a field-test.

*Comment deadline on IASB exposure draft Revenue from Contracts with Customers*

EFRAG supports your decision to re-expose the proposals on revenue recognition because of the importance of the revenue number in the financial reporting of all entities and the need to avoid any unintended consequences arising from the final standard.

EFRAG has initiated a European field-test of the proposals to assist the IASB in the development of the revenue recognition standard and to identify the consequences of the proposals. This field-test is carried out in co-operation with European National Standard Setters and in co-ordination with IASB staff.

At the time the field-test was launched, the expectation was that the ED would be issued in September 2011, which would have given entities four months to participate in the field-test and to submit their comment letters to the IASB. However, with the ED published in November 2011, the comment period overlaps with constituents' year-end financial closing and the preparation of their annual financial reports. As a result of these competing priorities many constituents are unable to dedicate much time to understanding the ED and assess the impact of the proposals in the opening two months of 2012. The effective comment period is therefore drastically reduced.

This short effective comment period has the potential to adversely affect the quality of the input obtained through the field-test and the overall rate of participation in the field-test and subsequent workshops. EFRAG is therefore concerned that the IASB would not meet its (and EFRAG's) objective of avoiding unintended consequences arising from the final standard.

For these reasons, EFRAG believes that the comment period should be extended by 60 days in order to facilitate participation in field-tests and commenting activities for all companies for the benefit of the resulting standard.

*Comment period on the IASB review draft on general hedge accounting*

The forthcoming review draft on general hedge accounting is expected to be published in the coming month. As EFRAG is considering to organise a field-test that considers the operationality of those proposals, we would like to request the IASB to set the comment period such that constituents have three months – outside their year-end closing period – to respond to you and to participate in a field-test.

If you wish to discuss this issue further, please do not hesitate to contact Rasmus Sommer or me.

Yours sincerely,

Françoise Flores

**EFRAG, Chairman**

Cc: Leslie F. Seidman, Chairman, FASB