



EFRAG DRAFT COMMENT LETTER ON PROPOSED AMENDMENTS TO IFRS FOUNDATION DUE PROCESS HANDBOOK

Issued 12 July 2019

ICAEW welcomes the opportunity to comment on the EFRAG draft comment letter on the proposed amendments to the IFRS Foundation Due Process Handbook published by EFRAG in June 2019, a copy of which is available from this [link](#).

We agree with EFRAG's comments regarding the proposed amendments to the IFRS Foundation Due Process Handbook.

This response of 12 July 2019 has been prepared by the ICAEW Financial Reporting Faculty. Recognised internationally as a leading authority on financial reporting, the Faculty, through its Financial Reporting Committee, is responsible for formulating ICAEW policy on financial reporting issues and makes submissions to standard setters and other external bodies on behalf of ICAEW. The Faculty provides an extensive range of services to its members including providing practical assistance with common financial reporting problems.

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COMMENTS

1. In ICAEW's draft response to the IFRS Foundation we broadly support the proposed amendments to the Due Process Handbook. However, we refer to our concern that introducing another source of guidance on the application of IFRS (ie, the proposal for the IASB to publish agenda decisions) could, over time, lead to 'unofficial' standard-setting and place an unnecessary burden on users/preparers, who would need to keep up to date with the various documents.
2. We suggest that greater clarification is needed over the intended status of the decisions and in particular, how they would interact with agenda decisions issued by the IFRS Interpretations Committee. For example, would one source of non-authoritative guidance have more prominence than another? In addition, we note that it would be helpful to understand how the IASB agenda decisions would interact with other sources of guidance such as the educational materials produced by the IASB.
3. We have considered EFRAG's draft letter in light of our draft response to the IFRS Foundation, and have no particular comments or concerns on EFRAG's comments .