



Foreningen af Statsautoriserede Revisorer

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Dear Stig

Adoption of IFRIC 12, Service Concession Arrangements

Referring to your e-mails of 13 February 2007 we would like to inform you as follows.

The Danish Accounting Standards Committee (DASC) has had a brief discussion of the draft EFRAG endorsement advice.

Service concession arrangements are not presently a significant issue among Danish companies and therefore knowledge and practical experience with the accounting issues surrounding the issue are limited in our jurisdiction.

The DASC agrees with many of the concerns expressed by the dissenting EFRAG members. We agree that it is very alarming when a desired accounting outcome is achieved by 'stretching' certain definitions and criteria set out in existing IFRS inappropriately. We share in particular the concerns expressed in sections 11 and 12 of Appendix 1 re. 'stretching' of IAS 32's definition of 'financial asset' and the risk of IFRIC 12 being applied inappropriately by analogy to transactions that are not service concession arrangements.

Furthermore, the DASC is concerned about the extensiveness of IFRIC 12 which, in our opinion, is more like a standard rather than an interpretation.

As a minor comment, we believe there is a typo in the second paragraph on page 2 where we find that 'IFRIC 11' should read 'IFRIC 12'.

Yours sincerely

Eskild Nørregaard Jakobsen
Chairman of FSRs Accounting Standards
Committee

Ole Steen Jørgensen
Head of Technical Department