European Financial Reporting Advisory Group
13/14 Avenue des Arts
B-1210 Brussels
Belgium

14 March 2008

Dear Sirs

**Effect studies for IAS1 and IFRIC14**

The Association of Chartered Certified Accountants (ACCA) is pleased to have this opportunity to respond to EFRAG's invitations to comment relating to the effects of the endorsement of the revised standard and the official interpretation.

ACCA (the Association of Chartered Certified Accountants) is the largest and fastest-growing global professional accountancy body with 296,000 students and 115,000 members in 170 countries. We aim to offer first-choice qualifications to people of application, ability and ambition around the world who seek a rewarding career in accounting, finance and management. ACCA works to achieve and promote the highest professional, ethical and governance standards and advance the public interest.

**IAS1 Presentation of financial statements**

We agree with EFRAG's assessment of the costs and benefits of implementation of IAS1 (revised).

In addition to these we would note that the non-endorsement of the revision for use in Europe would carry significant risks in the departure from IFRS. It would undermine the credibility of the general adoption of IFRS in Europe, create uncertainty and difficulties for EU companies that wish to comply with EU law and IFRS, and potentially increase the cost of capital for listed companies.

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We agree with EFRAG's conclusion that the benefits of implementation will exceed the costs.

We do not think there are additional factors to consider in the endorsement.

We agree with the conclusions of EFRAG's technical assessment of the revised standard that it is not contrary to the true and fair principle and that it meets the criteria of understandability, relevance, reliability and comparability.

**IFRIC14 An interpretation of IAS19 of the limit on a defined benefit asset, minimum funding requirements and their interaction**

We agree with EFRAG's assessment of the costs and benefits of implementation of IFRIC14.

As above we would note the risks of non-endorsement of the interpretation.

We agree with EFRAG's conclusion that the benefits of implementation will exceed the costs.

We do not think there are additional factors to consider in the endorsement.

We agree with the conclusions of EFRAG's technical assessment of the interpretation that it is not contrary to the true and fair principle and that it meets the criteria of understandability, relevance, reliability and comparability.

**Overall conclusions**

ACCA therefore supports the endorsement of both the revised IAS1 and of IFRIC14.

If there are matters arising from any of the above please be in touch with me.

Yours sincerely

Richard Martin
Head of Financial Reporting