

RAAMATUPIDAMISE TOIMKOND

EFRAG
35 Square de Meeûs
1000 Brussels
Belgium

30 January 2014

EFRAG Draft Comment Letter: ED/2013/10 Equity Method in Separate Financial Statements

Dear Sir/Madam

I am pleased to respond to your invitation to comment EFRAG Draft Comment Letter on proposed amendments to IAS 27 Separate Financial Statements on behalf of the Estonian Accounting Standards Board.

The Estonian Accounting Standards Board agrees with the views expressed in EFRAG Draft Comment Letter. In particular, we support allowing the use of the equity method to account for investments in subsidiaries, joint ventures and associates in an entity's separate financial statements. Equity method is either required or allowed accounting method in separate financial statements in many national accounting standards, including Estonian GAAP. Therefore, this amendment would help to eliminate differences between IFRS and local standards.

We are also supportive of other comments expressed in EFRAG Draft Comment Letter, including providing relief from full retrospective application for both existing users and first time adopters. We also agree that the IASB should explain better in the Basis for Conclusions why it believes the consequential amendment to IAS 28 is necessary.

Yours sincerely

Ago Vilu
Chairman of the Estonian Accounting Standards Board

