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15 March 2013

International Accounting Standards Board
30 Cannon Street
London
EC4M 6XH

Submitted via the IASB website (www.ifrs.org),

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Dear Sir or Madam,

Invitation to Comment – ED/2013/1 Recoverable Amount Disclosures for Non-Financial Assets

We welcome the opportunity to comment on the IASB's Exposure Draft ED/2013/1 Recoverable Amount Disclosures for Non-Financial Assets. I am pleased to respond on behalf of BP p.l.c. to the invitation to comment.

We support the correction of the drafting of the consequential amendment to IAS 36 made when IFRS 13 was developed and therefore we support the proposed change to paragraph 134(c). We also agree that the proposed disclosures in paragraph 130(f) are, where material, consistent with the principles in IFRS 13.

However, we do not support the requirement to disclose the recoverable amount for each impaired asset or CGU under the proposed amendment to IAS 36 para 130(e). It is not clear to us why the carrying amount of individual impaired assets or groups of assets is useful information for users of financial statements. We note that no similar disclosure is required for assets in the scope of IFRS 5, and there are reasons of commercial sensitivity why disclosing management's estimate of the sales price to potential purchasers is not in the company's interests, nor those of its shareholders. Requiring this disclosure to be provided under IAS 36 will put pressure on the boundary between IAS 36 and IFRS 5 where an asset is impaired as part of a plan to sell an asset or group of assets, but where the asset does not yet meet the definition of an asset held for sale in IFRS 5. The requirement to disclose or not will depend on whether the asset is impaired under IAS 36 and then classified as held for sale (disclosure required), or is classified as held for sale and then impaired under IFRS 5 (disclosure not required).

The basis for conclusions in paragraph BC3 refers to aligning IFRS with US GAAP in respect of impairment disclosures. We do not believe that this is a meaningful objective in the context of impairment disclosures while the underlying impairment test methodologies remain significantly different. The US GAAP "two step" impairment test tends to result in less frequent, larger impairments compared with IFRS, and aligning the disclosure requirements may misleadingly give the impression that the underlying accounting is also aligned.

As impairment disclosures are inherently most relevant in the period in which the impairment occurs, we are not convinced of the need for the amendments to be applied retrospectively, and would suggest that the requirements are applied prospectively from 1 January 2014, and not require comparative information to be provided.

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If you would like to discuss any of the comments in this letter, we would be happy to do so. Please do not hesitate to contact me or Martin Perrie (martin.perrie@uk.bp.com).

Yours faithfully

Roger Harrington

cc: European Financial Reporting Advisory Group, 35 Square de Meeûs, B-1000, Brussels