

Rådet för finansiell rapportering

The Swedish Financial Reporting Board

RFR-rs 2011:13

International Accounting Standards Board
30 Cannon Street
London EC4M 6 XH
United Kingdom

Dear Sirs,

Re: Rejection Notes Published by the IFRS Interpretations Committee

The Swedish Financial Reporting Board would like to draw your attention to a matter of concern to us. In our comment letter from 31 January 2011 to the Trustees' Due Process Oversight Committee regarding the IFRS Interpretations Committee Review, we pointed out that IFRS Interpretations Committee agenda rejection notes are used as practical guidance even though they are not part of the IFRS. This is further enhanced by the IASB by publishing notes on some agenda rejections in its guides on IFRS. We do not think that this is appropriate. In our letter, we therefore urged the Trustees' Due Process Oversight Committee to address the question to try to find a way to limit the impact of this "de facto guidance".

Following the Public Statement from ESMA on Retrospective Adjustments to Financial Statements Following Rejection Notes Published by the IFRS Interpretations Committee, we have become even more alarmed. The view of ESMA is that rejection notes that are sufficiently clear will result in a retrospective adjustment to the financial statements, in accordance with IAS 8, if the company's previous accounting policy was different.

The rejection notes are not part of the IFRS and they are neither approved by the IASB nor endorsed by the EU. Given this, it is wrong to refer to the rejection notes as authoritative guidance. While we understand that the IASB does not have any power to direct the actions of ESMA, we believe that this statement from ESMA implies a need for the IASB to clarify that rejection notes are not part of the authoritative guidance adopted by the IASB.

A copy of this letter has been sent to the European Commission, EFRAG and ESMA.



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If you have any questions concerning our comments please address our Executive member Carl-Eric Bohlin by e-mail to: carl-eric.bohlin@radetforfinansiellrapportering.se

Stockholm, 22 December 2011

Yours sincerely


Anders Ullberg
Chairman