



**12. Sitzung IFRS-FA vom 08.01.2013
12_08c_IFRS-FA_AIP_ASCG_CL_IASB**

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Hans Hoogervorst
Chairman of the
International Accounting Standards Board
30 Cannon Street
London EC4M 6XH
United Kingdom

Berlin, 20 December 2012

Dear Hans,

Exposure Draft ED/2012/2 Annual Improvements to IFRSs 2011-2013 Cycle

On behalf of the Accounting Standards Committee of Germany (ASCG) I am writing to comment on the IASB Exposure Draft ED/2012/2 'Annual Improvements to IFRSs 2011-2013 Cycle'. We appreciate the opportunity to respond to the Exposure Draft under the sixth cycle of the annual Improvements project.

We agree with the proposals as drafted in the Exposure Draft. In some cases we provide additional comments that could lead to further improvements to the proposed amendments.

Our detailed comments on the proposed amendments are set out in the appendix to this letter.

If you would like to discuss any aspects of this comment letter in detail, please do not hesitate to contact me.

Yours sincerely,

Liesel Knorr
President

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Dr. h.c. Liesel Knorr (Präsidentin), Dr. Rolf Ulrich (Vizepräsident)



Appendix

General questions - to be answered individually for each proposed amendment

Question 1:

Do you agree with the IASB's proposal to amend the Standard as described in the Exposure Draft? If not, why and what alternative do you propose?

Question 2:

Do you agree with the proposed transitional provisions and effective date for the issue as described in the Exposure Draft? If not, why and what alternative do you propose?

IFRS 1 *First-time Adoption of International Financial Reporting Standards*

Meaning of effective IFRSs

Question 1: We agree with the IASB's proposal. We believe that, in general, an amendment to the Basis for Conclusions without a corresponding change in the core text of the standard is not an appropriate approach. In this case, however, we support the proposed amendment because it aims to remove an inconsistency that is contained in the Basis for Conclusions only (i.e. between paragraph 7 and paragraph BC11).

Question 2: Not applicable, since the proposed amendment regards the Basis for Conclusions.

IFRS 3 *Business Combinations*

Scope exceptions for joint ventures

Question 1: We agree with the IASB's proposal. We concur with the IASB's intention to clarify the scope exclusion in paragraph 2(a) of IFRS 3 through the annual improvements process because it removes uncertainty about this issue on a timely basis.



Question 2: We agree with the Board's proposal.

IFRS 13 *Fair Value Measurement*

Scope of paragraph 52 (portfolio exception)

Question 1: We agree with the Board's proposal.

Question 2: We agree with the Board's proposal.

IAS 40 *Investment Property*

Clarifying the interrelationship of IFRS 3 *Business Combinations* and IAS 40 when classifying property as investment property or owner-occupied property

Question 1: We agree with the Board's proposal to clarify through the annual improvements process that IAS 40 and IFRS 3 are not mutually exclusive. We acknowledge the existing uncertainty about the interrelationship of these two standards when investment property with associated insignificant ancillary processes is acquired.

The original request received by the IFRS Interpretations Committee was to clarify on whether the acquisition of a single investment property with relatively simple associated processes constitutes a business as defined in IFRS 3. We acknowledge that the IASB does not propose to respond to this request within the annual improvements process because the issue of determining whether an acquisition meets the definition of a business in Appendix A and paragraphs B7-B12 of IFRS 3 is not limited to the acquisition of investment property. We, therefore, share the view of the IFRS Interpretation Committee as reported in the September 2011 IFRIC Update that the IASB should address this broader issue as part of its post-implementation review of IFRS 3.

With regard to the proposed heading before paragraph 6 of IAS 40 'Classification of property as investment property or owner-occupied property', we believe that it does not reflect the content of the proposed new paragraph 14A. The purpose of paragraph 14A is to clarify the interrelationship of IAS 40 and IFRS 3 while the proposed



heading refers to the interrelationship of IAS 40 and IAS 16 *Property, Plant and Equipment*.

Finally we noted that the wording of the subject of the amendment to IAS 40 on page 6 differs from the wording on page 16.

Question 2: We agree with the Board's proposal.

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