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Berlin, 27 March 2006

EFRAG Draft Comment Letter on IFRIC D18 *Interim Financial Reporting and Impairment*

Dear Stig,

I appreciate the opportunity to comment on EFRAG's Draft Comment Letter to IFRIC D18. Since the Accounting Interpretations Committee (AIC) has prepared a comprehensive comment letter on IFRIC D18 I would just like to briefly point out my main concerns with regard to the EFRAG comment letter and refer to the AIC comment letter for details.

While I agree with EFRAG that the IASB rather than the IFRIC should take care of the conflict within IAS 34 as well as between IAS 34 and other Standards, I object to EFRAG's suggestion to include the Consensus in IFRIC D18 in the text of IAS 34 because such an amendment would not be in line with a principles-based approach of IFRSs (see section 1.2 in the AIC comment letter).

Most notably, I do not support the EFRAG's agreement to the Consensus in IFRIC D18 because of its complete lack of any conceptual foundation. Furthermore, I believe that it is unacceptable that the frequency of reporting determines the accounting in the annual financial statements (see section 1 of the AIC comment letter). Even if the conceptual and procedural shortcomings of IFRIC D18 are faded out, the rationale for the Consensus as set out in the Basis for Conclusions is poor and arbitrary (see section 2 of the AIC comment letter). With regard to the transitional provisions suggested by EFRAG, please refer to section 4 of the AIC comment letter.

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Consequently, I would strongly recommend to EFRAG reconsidering its comments on IFRIC D18 and requesting a Board project on this issue.

If you would like any clarification of these comments please do not hesitate to contact me.

Yours sincerely,

Prof. Dr. Harald Wiedmann
President