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Mr Andreas Barckow
Chairman
International Accounting Standards Board
Columbus Building
7 Westferry Circus
Canary Wharf
London E14 4HD

By e-mail only - commentletters@ifrs.org

8 December 2023

Re: Exposure Draft IASB/AI/ED/2023/1 – Annual Improvements Volume 11

Dear Mr Barckow,

On behalf of RSM International Limited, a worldwide Network of independent audit, tax and consulting Firms, we are pleased to comment on the IASB's Exposure Draft IASB/AI/ED/2023/1 – Annual Improvements Volume 11 ("ED").

Our comments and detailed responses to the questions set out in the Invitation to Comment section of the ED are set out in the appendix to this letter. However, we would like to highlight that we support the proposed amendments.

We would be pleased to respond to any questions the Board or its staff may have about any of our response. If you have any questions or comments, please do not hesitate to contact Monique Cole (+1 6172411461) or me (+44 207 601 1842).

Yours faithfully,



Marion Hannon
Global Leader, Quality & Risk
RSM International

APPENDIX

1. Proposed amendments to IFRS 1 *First-time Adoption of International Financial Reporting Standards*

Do you agree with the IASB's proposals to amend the IFRS Accounting Standards and accompanying guidance in the manner described in this Exposure Draft?

If not, why not? If you disagree with these proposals, please explain what you would suggest instead and why.

We agree with the IASB's proposal to amend IFRS 1 *First-time Adoption of International Financial Reporting Standards* to add in references to IFRS 9 and to ensure that the language is consistent with the requirements of IFRS 9 for hedge accounting.

2. Proposed amendments to IFRS 7 *Financial Instruments: Disclosures* and proposed amendments to *Guidance on implementing IFRS 7 Financial instruments: Disclosures*

Do you agree with the IASB's proposals to amend the IFRS Accounting Standards and accompanying guidance in the manner described in this Exposure Draft?

If not, why not? If you disagree with these proposals, please explain what you would suggest instead and why.

We agree with the proposed amendments to:

- IFRS 7.B38 to update obsolete cross-reference.
- IFRS 7 IG1 to add a statement to clarify that the guidance does not illustrate all the requirements of IFRS 7.
- IFRS 7 IG14 to improve its consistency with IFRS 7.28.
- IFRS IG20B to simplify its wording.

3. Proposed amendments to IFRS 9 *Financial Instruments*

Do you agree with the IASB's proposals to amend the IFRS Accounting Standards and accompanying guidance in the manner described in this Exposure Draft?

If not, why not? If you disagree with these proposals, please explain what you would suggest instead and why.

We agree with the proposed amendment to IFRS 9.2.1(b)(ii) to add in a cross reference to IFRS 9.3.3.3 to resolve potential confusion for lessees applying the derecognition requirements of the Standard. However, we believe that it may be beneficial for the Board to consider the interaction between IFRS 9 and IFRS 16 when there is a reduction in lease payments and whether the amendment may cause confusion.

We also agree with the amendment to IFRS 9.5.1.3. and Appendix A to clarify the use of the term transaction price in the Standard.

4. Proposed amendments to IFRS 10 *Consolidated Financial Statements*

Do you agree with the IASB's proposals to amend the IFRS Accounting Standards and accompanying guidance in the manner described in this Exposure Draft?

If not, why not? If you disagree with these proposals, please explain what you would suggest instead and why.

We agree with the proposed amendments to IFRS 10 by removing from paragraph IFRS 10.B74, an inconsistency with IFRS 10.B73.

5. Proposed amendments to IAS 7 *Statement of Cash Flows*

Do you agree with the IASB's proposals to amend the IFRS Accounting Standards and accompanying guidance in the manner described in this Exposure Draft?

If not, why not? If you disagree with these proposals, please explain what you would suggest instead and why.

We agree with the proposed amendment to IAS 7.37, to remove the reference to the 'cost method', as it is no longer a defined term in IFRS Accounting Standards.

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