

October 8, 2015

Mr. Hans Hoogervorst, Chairman
International Accounting Standards Board
30 Cannon Street
London EC4M 6XH
United Kingdom

Dear Mr. Hoogervorst,

Exposure Draft ED/2015/7 Effective Date of Amendments of IFRS10 and IAS28

The Financial Accounting Issues Task Force of the Taiwan Financial Reporting Standards Committee (TFRSC) of Accounting Research and Development Foundation in Taiwan appreciates the opportunity to respond to the above exposure draft.

The attachments (Attachment 1) are our comments to this exposure draft. The comments are those of the Financial Accounting Issues Task Force and do not necessarily represent official opinions of the TFRSC.

If you have any question about our comments, please contact me (via my email: ccliu@management.ntu.edu.tw) or Ms. Louise Wu (via her email: louise@ardf.org.tw).

Sincerely Yours,



Chi-Chun Liu, Ph.D.
Chairman,
Taiwan Financial Reporting Standards Committee,
Accounting Research and Development Foundation, Taiwan

Attachment 1

Exposure Draft ED/2015/7 Effective Date of Amendments of IFRS10 and IAS28

Effective Date of Amendments of IFRS10 and IAS28

Question

The IASB proposes to defer indefinitely the effective date of *Sale or contribution of Assets between an Investor and its Associate or Joint Venture* until such time as it has finalized amendments, if any, that result from its research project on the equity method. Earlier application would continue to be permitted.

Do you agree with this proposal? Why or why not?

Response to the above Question:

We agree with the proposal to defer indefinitely the effective date of *Sale or Contribution of Assets between an Investor and its Associate or Joint Venture* until such time as it has finalized amendments. The reasons are set out below:

1. The accounting policies used by entities are subject to the amendments of existing standards and issuance of new standards. While newly issued standards help improve comparability of financial statements across entities and jurisdictions, too frequent modification of existing standards could be burdensome for entities which have fully adopted IFRSs. To prevent those affected entities from changing the applicable accounting policies and restating the financial statements frequently, we humbly request that the IASB weigh the benefits and costs from the perspective of entities with caution, and, to the greatest extent possible, raise the stability of the Standards.
2. Despite careful deliberation on the effective date for each standard, we would like to reaffirm the importance of the practicality of effective date. Sometimes it takes more time than expected for entities and users of financial statements to both understand and prepare for new requirements. Accordingly, we support the IASB's decision to allow sufficient time to bring the amendment into effect.