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Thanks to the International Accounting Standard Board (IASB) and all other associated body and institute, those who are continuously trying to improve the accounting reporting standard. I welcome the opportunity to comment on the recent discussion papers on- *Measurement Bases for Financial Accounting-Measurement on Initial Recognition*, published by IASB. Also Thanks to the Canadian Accounting Standard Board who gave their so much effort for the improvement of the current practice.

The research document is extensive no doubt about that, however there are still some major practical issues which are need to be highlighted. I believe if we incorporate these issues, then we are opening the door for even for more inconsistency practices. Or at least, we can say, that the proposed recommendation will not provide a better reporting standard than the existing practice. If we consider the following typical example-

1. In case of foreign exchange transaction asset or liability recognition at fair value can lead to the following problem:
 - a. Recognition of foreign currency transaction gain or loss may lead to possible non compliance of IAS 21. Gain or loss will be accumulated with the fair value.
2. The ways the research document recommended it will be a radical change and will be a big challenge to companies, auditors and tax and regulatory authority. As tax authority will probably go for historic cost basis.
3. A same type of asset with same brand and model will be recognized at different value by two different entities. For low value item may be it is not material, however for high value item and large volume it will be significant and user of the financial statement may lose comparability.
4. In most of the cases financial advisers usually consider the time value of money, like discounting to measure the fair value of an asset or liability. However in some cases other standard prohibit such discounting, so it will create problem to form a quality audit opinion.

We know there are some shortcomings in the current practice, but the initial measurement at fair value probably is not the better solution. So finally, to overcome the minor difficulties we should not find a solution which will create even more problem.