

International Accounting Standards Board
30 Cannon Street
London EC4M 6XH

16 January 2009

Dear Sirs

ED: Investments in Debt Instruments: Proposed amendments to IFRS 7

The Confederation of British Industry (CBI) is pleased to respond to the Board's consultation.

We appreciate that the IASB needs to act quickly in the current market conditions and that short consultation and implementation periods are not normal practice. However, as a matter of principle, proposing changes in accounting requirements that are introduced retrospectively and without sufficient time for implementation cannot be justified in normal circumstances, and the consultation itself has taken place over a holiday period.

An exception might be justified if the proposals were generally acceptable, but CBI members question the usefulness of the disclosures as currently proposed in the ED. Nor can such information be easily assembled by preparers. CBI members also consider that the proposals are not consistent with the discussions at the recent IASB round-tables, where participants recommended that there should be more disaggregated information for impairment losses on debt instruments classified as available for sale ("AFS") financial assets.

We therefore consider that the IASB should not proceed with its proposals, but rather that the IASB should review the recognition, measurement and presentation of impairment of AFS debt instruments, and as part of a review of the broader accounting issues relating to the accounting treatment of financial assets and financial instruments.

Yours faithfully



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