

27 January 2012

International Accounting Standards Board
1st Floor 30 Cannon Street
London EC4M 6XH
United Kingdom

(By online submission)

Dear Sirs

Response to Draft Q&As on IFRS for SMEs

The Singapore Accounting Standards Council appreciates the opportunity to comment on the following Draft Q&As on IFRS for SMEs issued by the SMEIG in November 2011:

- Draft Q&A Section 11, Issue 1 *Fallback to IFRS 9 Financial Instruments*
- Draft Q&A Section 30, Issue 1 *Recycling of Cumulative Exchanges Differences on Disposal of a Subsidiary*

We welcome the SMEIG's efforts to provide non-mandatory and timely guidance on specific accounting questions that are being raised by users implementing the IFRS for SMEs.

However, we do not believe it is necessary to publish either of the two proposed Q&As as we are not persuaded that the IFRS for SMEs lacks clarity on the issues considered in the Q&As.

In this regard, we would like to reiterate our request for the SMEIG to be mindful of paragraph 16 of its Terms of Reference and Operating Procedures which specifies that the SMEIG is expected to focus on a limited number of pervasive issues and not to seek to create an extensive rule-oriented environment.

Should you require any further clarification, please contact the project manager Kate Ho at kate_ho@acra.gov.sg.

Yours faithfully

Siew Luie Soh (Ms)
Secretary
Singapore Accounting Standards Council