

Ouagadougou, May 29, 2020

Mr Hans Hoogervorst
Chairman of the
International Accounting Standards Board
Columbus Building
7 Westferry Circus / Canary Wharf
London E14 4HD

Our ref.: IFRS/EDCL/2020/01
ED: ED/2020/03 Classification of
Liabilities as Current or Non-current
—Deferral of Effective Date

Dear **Mr. HOOGERVORST**

We appreciate the opportunity to comment on the International Accounting Standards Board's (IASB) Exposure Draft: Classification of Liabilities as Current or Non-current-Deferral of Effective Date.

We have read the draft with interest and have greatly appreciated that any stakeholder is given chance to express his view.

This letter and the bellow appendix represent the views of, the ETY on the subjected matter.

If you have any questions regarding its content, please do not hesitate to contact us at y.traore@ety-global.com or ety@ety-global.com.

Sincerely yours




ETY sas
Yacouba TRAORE, President

Appendix Response to question included in the Exposure Draft

Question:

The Board proposes to defer the effective date of amendments to IAS 1, Classification of Liabilities as Current or Non-current, to annual reporting periods beginning on or after 1 January 2023. Do you agree with the proposal? Why or why not?

We disagree with the proposal to defer the effective date of amendments to IAS 1, Classification of liabilities as current or non-current, to annual reporting periods beginning on or after 1 January 2023.

The main reasons of our opinion are developed below:

- The implementation of a new standard is a factor that generally affects the entities' compliance with various contracts or agreements clauses. And there is no specific explanation in the ED that strongly motivates and supports why an exception is required in the current case;
- The reason for the deferral stated in BC2 is not compliant with paragraphs 2.13, 2.15 and 2.16 of the conceptual framework for financial reporting which considers the neutrality as one of the three (3) corner stones for a depiction to be "perfectly faithful representation". Then, in our view, this like of deferral of the effective date rises concerns on the next steps in case of a second wave of the COVID-19 pandemic (not excluded by health scientists): what will prevent from cascading deferrals?;
- As stated in BC4, paragraph 30 of IAS 8 requires the disclosure of known or reasonably estimable information relevant to assessing the possible impact of the application of the amendments issued in January 2020 on an entity's financial statements. Therefore from the issuance to the effective date the impact of the implementation will be provided in the financial statements by those who decided not going for early application. The operational relief mentioned in the BC3 is thus not understandable and seems to be overestimated.