



GROUP OF 100

The Group of 100 Incorporated

Level 20, 28 Freshwater Place
Southbank VIC 3006 AUSTRALIA
www.group100.com.au

Telephone: +61 3 9606 9661
Facsimile: +61 3 9670 8901
Email: g100@group100.com.au

ABN: 83 398 391 246

4 February 2016

Mr H. Hoogervorst
Chairman
International Accounting Standards Board
30 Cannon Street
London EC4M 6XH
UNITED KINGDOM

commentletters@ifrs.org

Dear Mr Hoogervorst

ED/2015/9 'Transfers of investment property'

The Group of 100 (G100) is an organization of chief financial officers from Australia's largest business enterprises with the purpose of advancing Australia's financial competitiveness. The G100 is pleased to respond to the ED.

Q1 Proposed amendment

The IASB proposes to amend para 57 of IAS 40 to:

- a. *state that an entity shall transfer a property to, or from, investment property when, and only when, there is evidence of a change in use. A change in use occurs when the property meets, or ceases to meet, the definition of investment property.*
- b. *Re-characterise the list of circumstances set out in para 57(a)-(d) as a non-exhaustive list of examples of evidence that a change in use has occurred instead of an exhaustive list.*

Do you agree? Why or why not?

The G100 believes that it is self-evident that when there is a change of use of an investment property it should no longer be accounted for as much. Accordingly, we support the proposed amendments of para 57. The G100 also supports the proposal to express the examples in paras 57(a)-(d) as a non-exhaustive listing to overcome a drafting anomaly in the present requirements.

Q2 Transition provisions

The IASB proposes retrospective application of the proposed amendment to IAS 40. Do you agree? Why or why not?

The G100 supports the retrospective application of the proposed amendments consistent with IAS 8 'Accounting Estimates and Errors'.

Sincerely
Group of 100 Inc

Zlatko Todorcevski
President