



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

Via email: commentletters@ifrs.org

21st July 2015

Dear Members of the IASB

Exposure Draft: Effective Date of IFRS 15

The Corporate Reporting Users' Forum welcomes the opportunity to comment on the Exposure Draft: *Effective date of IFRS 15*. Our response is set out below.

Responses to specific questions

Question 1— The IASB proposes to amend IFRS 15 so that entities would be required to apply IFRS 15 for annual reporting periods beginning on or after 1 January 2018. Earlier application would continue to be permitted. Do you agree? Why or why not?

We agree that deferral would be beneficial in light of the specific circumstances, notably FASB's exposure draft on the subject of potential deferral of their equivalent standard by 12 months. From a cost-benefit point of view, we believe that it could potentially be costly for preparers, especially those with a dual listing, to apply IFRS15 earlier than the equivalent IAS standard in the US, while adding little or no benefit to users. IFRS 15 has already been published and we understand from the IASB that in the event that IFRS 15 is deferred, preparers would have the option of early adoption. Consequently, deferral would not be detrimental in circumstances where issuers feel that IFRS 15 best reflects the economic substance of their business and should be adopted without delay. Furthermore, deferral would allow those preparers who choose not to adopt the standard until its effective date on or after January 2018 to conduct more "parallel runs", which we regard as beneficial, particularly in those cases where IFRS 15 entails significant changes to revenue recognition. Furthermore, we would expect much of the potential impact of the new standard on revenue recognition to be disclosed in accordance with IAS 8, paragraphs 30 and 31.



About the Corporate Reporting Users' Forum (CRUF)

The CRUF was set up in 2005 by users of financial reports to be an open forum for learning about and responding to the many accounting and regulatory changes that affect corporate reporting. In particular, participants are keen to have a fuller input into the deliberations of accounting standard setters and regulators. CRUF participants include buy and sell-side analysts, credit ratings analysts, fund managers and corporate governance professionals. Participants focus on equity and fixed income markets. The Forum includes individuals with global or regional responsibilities and from around the world, including Australia, Canada, France, Germany, Hong Kong, Japan, New Zealand, South Africa, UK and USA.

The CRUF is a discussion forum. Different individuals take leadership in discussions on different topics and in the initial drafting of representations. Participants take part in CRUF discussions and joint representations as individuals, not as representatives of their employer organizations. Accordingly, we sign this letter in our individual capacity as participants of the Corporate Reporting Users' Forum and not as representatives of our respective organizations. The CRUF does not seek to achieve consensus views. However, it would not be correct to assume that those individuals who do not participate in a given initiative disagree with that initiative. The participants in the Forum that have specifically endorsed this response are listed below.

(Signatures)

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