

2 June 2020

International Accounting Standards Board
7 Westferry Circus
Canary Wharf
London E14 4HD
United Kingdom

Dear Sirs,

RESPONSE TO EXPOSURE DRAFT – CLASSIFICATION OF LIABILITIES AS CURRENT OR NON-CURRENT (DEFERRAL OF EFFECTIVE DATE) – PROPOSED AMENDMENTS TO IAS 1 (“ED”)

ISCA sought views from its members on the above ED through a two-week public consultation and from the ISCA Financial Reporting Committee which includes experienced technical accounting professionals from large accounting firms, preparers and other stakeholders.

We agree with the Board’s plan to propose amendments to defer the effective date of the IAS 1 amendments by one year (i.e. from annual reporting periods beginning on or after 1 January 2022 to 1 January 2023). In addition, we agree with the reasons cited by the Board that the COVID-19 pandemic could delay the start and extend the duration of the renegotiation of loan covenants, and hence entities may require more time to adopt the IAS 1 amendments. During this period of uncertainty, entities may have to focus their resources on addressing other operational issues first.

We are supportive of the Board’s proposed decision to allow entities to early adopt the IAS 1 amendments, as entities which are not badly affected by the COVID-19 pandemic may be in a better position to early adopt the IAS 1 amendments.

Should you require any further clarification, please feel free to contact myself, Mr Marcus Chan, Assistant Manager, TECHNICAL: Financial & Corporate Reporting, from ISCA via email at jumay.lim@isca.org.sg or marcus.chan@isca.org.sg.

Yours faithfully,



Ms Ju May, LIM
Deputy Director
TECHNICAL: Financial & Corporate Reporting;
Ethics & Specialised Industries;
Audit & Assurance