

Mr. Peter Godsall
Accounting Standards Board
5th Floor, Aldwych House
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1 February 2010

RE: Consultation Paper - Policy Proposal: The Future of UK GAAP

Dear Mr Godsall

I refer to the Accounting Standards Board's (ASB's) request for comments on the above proposal. The Central Bank and Financial Services Authority of Ireland (the 'Bank') welcomes the opportunity to comment on the ASB's proposal for the future reporting requirement for UK and Irish entities.

The Bank, in its role as regulator, has an interest in the proposal because the annual audited financial statements of regulated financial service providers are used as input to our supervisory system. In particular we set out the following observations in relation to the credit union sector in Ireland:

Definition of Public Accountability

We welcome the efforts made by the ASB in this area. We agree with the ASB's definition of 'public accountability' and concur that deposit taking entities should be included within this definition. We also believe that credit unions should be regarded as publicly accountable entities. At 30 September 2009, there were 415 credit unions in the Republic of Ireland with a combined total balance sheet as at 30 September 2009 of c. €14.5bn and with an approximate membership of 2.9 million - which is a significant percentage of the population with savings in credit unions.

Full IFRS or IFRS for SMEs

The ASB proposal is likely to have a significant impact on the reporting requirements for credit unions. Although we support the ASB's definition of public accountability, we would raise the question of whether full IFRS, as endorsed by the EU, will improve financial reporting for credit unions. Full IFRS may not provide the necessary relevant and understandable financial information required by members of credit unions who, to

some extent, can be unsophisticated users of financial statements. In addition, the cost of implementing full IFRS for credit unions is likely to be significant without any specific tangible benefits to members in terms of their ability to make informed decisions.

We would welcome further engagement with the ASB to discuss the issues outlined above.

Yours sincerely

Elaine Byrne
Deputy Registrar of Credit Unions