



Ms Easton Bilborough
Project manager Financial Reporting Council

Via; e-mail: ukfrs@frc.org.uk

01 September 2020

Dear Easton

The Institute of Certified Public Accountants in Ireland welcomes the opportunity to comment on: FRED 76 Draft amendments to FRS 102 The Financial Reporting Standard applicable in the UK and Republic of Ireland and FRS 105 The Financial Reporting Standard applicable to the Micro-entities Regime.

Question 1

Do you agree with the proposed amendments to FRS 102 and FRS 105? If not, why not?

We agree with the proposed amendments to FRS 102 and FRS 105. Lessees will have sought and been granted temporary rent concessions on existing operating leases as a direct consequence of the Covid-19 pandemic. The proposed amendments will result in consistency in how lessees account for changes in lease payments and enhance comparability between entities which is in the interests of users of financial statements.

Question 2

Do you agree with the proposed effective date for these amendments? If not, what difficulties do you foresee.

We agree with the proposed effective date of accounting periods commencing on or after 1 January 2020.

Question 3

The proposed amendments to FRS 102 require a lessee to disclose those changes in lease payments recognised in accordance with paragraph 20.15C. The Basis for Conclusions describes the reasons for this proposal and the existing disclosures required by FRS 102 relevant to this transaction.

Do you consider that these disclosure requirements are sufficient to meet the needs of users?

We consider that the requirement to disclose changes in lease payments recognised in accordance with paragraph 20.15C are sufficient to meet the needs of the users.

Question 4

In relation to the consultation stage impact assessment, do you have any comments on the costs and benefits identified. Please provide evidence to support your views.

We have no further comments in relation to the costs and benefits identified.

If you have any questions on the above, please do not hesitate to contact me.

Yours sincerely,

David Roxburgh
Chairperson, Financial Reporting Sub - Committee