

Mr Easton Bilsborough,
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7 May 2021

[Submitted via email to: ukfrs@frc.org.uk]

Dear Easton,

Subject: *FRED 78 - Draft amendments to FRS 102 and FRS 105 - COVID-19-related rent concessions beyond 30 June 2021*

The Accounting Committee of Chartered Accountants Ireland (AC) welcomes the opportunity to comment on the FRC's Exposure Draft (FRED) on *Draft amendments to FRS 102 and FRS 105 - COVID-19-related rent concessions beyond 30 June 2021*.

AC agrees with the logic of extending by one year the period in relation to which rent concessions are accounted for over the period intended to benefit from the concession.

In relation to paragraph 11 of the Basis for Conclusions, AC suggests that the wording be reconsidered so that it explains more clearly when this issue would arise, the effect it would have and the reasons why the FRC has proposed this approach. AC also suggests that examples would be helpful to explain the application of the amendment by a lessee whose reduction in lease payments were originally not in scope of the requirement for the 2020 financial statements, as they extended beyond 30 June 2021, but would be in scope given the proposed amendment.

If you would like to discuss this response further, please contact me at dee.moran@charteredaccountants.ie.

Yours sincerely



Dee Moran
Acting Secretary to the Accounting Committee of Chartered Accountants Ireland