

The Trustees
International Accounting Standards Committee Foundation
30 Cannon Street
London, EC4M 6XH

20 July 2007

Submitted electronically via email (comments@iasb.org)

Enlarging the IFRIC - Proposed Amendments to the IASC Foundation Constitution and Preface to International Financial Reporting Standards

Grant Thornton International is pleased to comment on the Trustees of the International Accounting Standards Committee Foundation's (the Trustees) Proposed Amendments to the IASC Foundation Constitution and Preface to International Financial Reporting Standards (Enlarging the IFRIC proposals).

Support for the proposals

We support the Trustees' proposals to increase the size of the International Financial Reporting Interpretations Committee (IFRIC) from 12 to 14 voting members.

We also support the proposal to increase the number of voting members required to prevent approval of a draft or final Interpretation from three to four.

We agree that the IFRIC would benefit from a greater diversity of members with practical experience in the application of International Financial Reporting Standards (IFRSs) and analysis of financial statements using IFRSs throughout the world. With this in mind, the additional members should be selected on the basis of their ability to bring different perspectives and experiences to the table compared to the current membership. In particular, we believe that greater representation for financial analysts and other users of IFRS financial statements would enhance the IFRIC's deliberations. We also believe that an increased representation for auditors from firms outside the "Big 4" would contribute to a broader discussion.

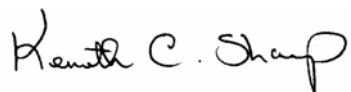
It is important that the benefits of the proposed wider participation in the IFRIC are not diminished by any consequent slowing of the IFRIC process. Interpretations need to be produced in a timely manner.

We also believe in the need to move towards more principles-based financial reporting standards to avoid the proliferation of a detailed "rulebook" for financial reporting. Such principles-based standards should require fewer interpretations. In this context, the selection of issues that are appropriate to progress to IFRIC Interpretations will increase in importance. The issues selected must focus on clarification of the core principles in areas where there is a genuine need to provide guidance on the IFRS objectives set out in the standards. Similarly, the Interpretations produced should themselves be principles-based, even though the nature of the matters being considered tend to be detailed. The broader

representation of an enlarged IFRIC should be designed to facilitate identification of issues causing widespread practical difficulties.

If you have any questions on our response, or wish us to amplify our comments, please contact our Director of International Financial Reporting, Andrew Watchman (andrew.watchman@gtuk.com or telephone + 44 207 391 9510).

Yours sincerely,

A handwritten signature in black ink that reads "Kenneth C. Sharp". The signature is written in a cursive style with a large initial 'K' and a long, sweeping underline.

Kenneth C Sharp
Global Leader Assurance Service
Grant Thornton International