8 December 2008

Sir David Tweedie

Chairman

International Accounting Standards Board

30 Cannon Street

London EC4M 6XH

United Kingdom

Re: Exposure draft "Improving Disclosures about Financial Instruments. Proposed amendments to IFRS 7"

Dear Sir David,

The Polish Accounting Standard Committee presents its opinion to the exposure draft *Improving Disclosures about Financial Instruments. Proposed amendments to IFRS 7* published by IASB.

Our opinion is based on EFRAG's draft comment letter to IASB concerning the proposed amendments to IFRS 7 (*Exposure Draft of proposed Amendments to IFRS 7*).
Our remarks to the most important issues raised in the EFRAG's document are as follows:

Question 1)
We support the use of fair value hierarchy, according to which the methods of valuation of the financial instruments are classified. The hierarchy would help users to assess the reliability of the fair value measurement by providing the information on the method of valuation based on entity-specific (subjective) assumptions.

Question 2)
We agree with the proposed three-level hierarchy of fair value, i.e.:

a) quoted prices in an active market for the same instrument,

b) quoted prices for similar instruments or other valuation techniques for which all significant inputs are based on observable market data,

c) valuation techniques for which any significant input is not based on observable market data.

This hierarchy presents a comprehensive approach to the fair value measurement of financial instruments.

Question 3)

The proposed amendment expanding the disclosures concerning financial instruments measured at fair value and recognized in the statement of financial position would improve the usefulness of financial statements.

We also support the proposal to introduce expanded disclosures concerning financial instruments measured fair value, but not recognized in the statement of financial position (such as loan commitments) as well as concerning financial instruments carried at amortized cost and recognized in the statement of financial position (e.g. liabilities, financial guarantees, to which IFRS 4 is not applicable). The proposed amendments require disclosure of the fair value of financial instruments not recognized at their fair value in the statement of financial position, according to the introduced fair value hierarchy level, to which these financial instruments were initially classified.

Question 4-5)

Taking into account the fact, that the majority of reporting entities do not manage the liquidity risk associated with the derivative financial liabilities on the basis of their contractual maturities, we support the proposal to introduce the obligation to disclose the maturity analysis, that would present the management of the liquidity risk associated with these instruments.

We also support the introduction of the requirement to additionally disclose the maturity analysis based on the expected maturities, for non-derivative financial instruments, while maintaining the current contractual maturity analysis.

We also think that the EFRAG's proposal concerning the relocation of the content of point B11E from the application guidance (appendix B) to the main body of the standard, ensuring an equal treatment of assets and liabilities, is justified.

Yours sincerely,

Joanna Dadacz
Chairman of Polish Accounting Standards Committee

cc: Stig Enevoldsen, Chairman of EFRAG TEG