

18 December 2014

International Accounting Standards Board
1st Floor 30 Cannon Street
London EC4M 6XH
United Kingdom

Dear Sirs,

RESPONSE TO EXPOSURE DRAFT – RECOGNITION OF DEFERRED TAX ASSETS FOR UNREALISED LOSSES

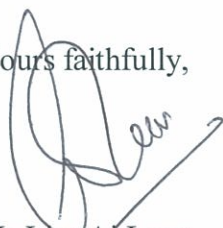
ISCA sought views on this Exposure Draft (ED) from its members through a one-month public consultation and the ISCA Financial Reporting Committee which includes experienced technical accounting professionals from large accounting firms.

We agree with the proposed example to clarify paragraph 26(d) and the proposed amendments in paragraph 29(a)(i) which provide clarity on what constitutes future available taxable profits against which a deductible temporary difference can be utilized.

On a separate note, we noted IASB has identified the fundamental review of income tax accounting as a significant project in its Agenda consultation in 2011 but classified this as a long term research project. We urge IASB to place priority on this project as deferred tax assets and liabilities under IAS 12 seem to deviate from the definitions of assets and liabilities in the Conceptual Framework Discussion Paper, which is not a desirable position.

Should you require any further clarification, please feel free to contact Ms Lim Ju May, Deputy Director, Technical Standards Development and Advisory, or Ms Jezz Chew, Manager, Technical Standards Development and Advisory, from ISCA via email at jumay.lim@isca.org.sg or jezz.chew@isca.org.sg respectively.

Yours faithfully,



Ms Lim Ai Leen
Executive Director
Technical Knowledge Centre and Quality Assurance