

Technical Director
File Reference No. 2012-260
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19 March 2013

Dear Sirs

FASB Exposure Draft of a Proposed Accounting Standards Update Financial Instruments – Credit Losses (Subtopic 825-15)

I am writing on behalf of the UK's Financial Reporting Council in response to the above Exposure Draft (ED).

The FRC has been following the developments of the FASB's and IASB's impairment projects with interest and aims to provide reasoned, constructive feedback on the respective models to both Boards. The FRC would like to perform a more thorough review of the relative merits of both models, however, as the IASB has only recently issued its ED, we will be performing this analysis in the coming weeks. We intend to write to you with our views once this work has been completed.

If you would like to discuss this letter, please contact me or Mei Ashelford on 020 7492 2420 or m.ashelford@frc.org.uk.

Yours sincerely

Roger Marshall

Chair of the Accounting Council

March I

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