



Institut des Reviseurs d'Entreprises

Sir Bryan CARSBURG
Secretary General
I.A.S.C.
167 Fleet Street

U.K.-LONDON EC4A 2ES

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Dear Sir Bryan,

Enclosed please find the comments of the Joint International Committee of the Belgian Institutes concerning two exposure drafts.

I am afraid we are late with these opinions. Anyway we would be pleased if they can be considered by the Committee.

Yours Sincerely,



Henri OLIVIER
General director

<p style="text-align: center;">Impairment of assets Proposed International Accounting Standard - ED 55</p>
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COMMENTS ABOUT THE SUBMITTED PROPOSED INTERNATIONAL ACCOUNTING STANDARD - ED 55

The joint International Committee of the Belgian Bodies of Accountants supports the position of the FEE about the exposure draft 55. These comments complete those submitted by the FEE.

1. Approach for determining the recoverable amount

We strongly support the new approach (a) submitted in this draft.

We agree with the proposition that prefers the concept of impairment of an asset to the former principle of the fair value.

In our opinion, it would be helpful that the Standing Interpretations Committee gives further interpretations in order to make the use of this new principle more easier.

2. Measurement of Recoverable Amount - Net Selling Price

We agree with the proposition that the costs of disposal of an asset should not include costs that have already been recognised as liabilities. Nevertheless, we can't support the second proposition that the costs of disposal of an asset should not include restructuring or reorganisation costs (paragraph 20 of ED 55).

3. Reversals of Impairment Losses

As proposed at the end of point 1, we think that it would be helpful that the Standing Interpretations Committee gives further interpretations in order to make the use of this new principle more easier. An illustration of the case described in paragraph 73 should be interesting.

4. Changes in IAS 16

We agree with the changes proposed in appendix 2 of the submitted document. Nevertheless, we suggest to adapt the paragraph 32 of the proposed IAS 16 which still makes reference to a valuation «at their depreciated replacement cost». This approach is more convenient with the fair value approach than the approach of the impairment of assets.