

21 November 2018

Ms. Sue Lloyd
Chair
IFRS Interpretations Committee (Committee)
Columbus Building
7 Westferry Circus
Canary Wharf
London E14 4HD
United Kingdom

Dear Ms. Lloyd

**Tentative Agenda Decision - Investments in a subsidiary accounted for at cost:
Step acquisition (IAS 27 *Separate Financial Statements*)**

The Malaysian Accounting Standards Board (MASB) welcomes the opportunity to provide comments on the above Tentative Agenda Decision.

We agree with the Committee's conclusion for both Questions A and B. However, for clarity purpose we recommend that a narrow-scope amendment to be made to IAS 27 to ensure consistent application of the Standard.

In addition, we believe the amendment, if any, should address what the reversal of the fair value gain or loss represents if the accumulated cost approach is permitted, notwithstanding the Committee has acknowledged in the Tentative Agenda Decision that it would not provide useful information to users of financial statements.

If you need further clarification, please contact the undersigned by email at beeleng@masb.org.my or at +603 2273 3100.

Thank you.

Yours sincerely,


TAN BEE LENG
Executive Director