

September 12, 2006

IAS 23 Amendments  
International Accounting Standards Board  
30 Cannon Street  
London, EC4M 6XH  
United Kingdom

To Whom It May Concern:

The Committee on Corporate Reporting of Financial Executives International Canada (“FEI Canada”) is writing to provide its views on the Exposure Draft of proposed Amendments to IAS 23 “Borrowing Costs” issued in May 2006.

FEI Canada is an all-industry professional association of senior financial executives, with eleven chapters across Canada and more than 1800 members. Membership is generally restricted to senior financial officers of medium to large corporations, as well as senior financial officers in public sector organizations.

The Committee on Corporate Reporting (“CCR”) is one of two national advocacy committees of FEI Canada. CCR comprises more than 20 senior financial executives representing a broad cross-section of the FEI membership and of the Canadian economy who have volunteered their time, experience and knowledge to consider and recommend action on a range of issues related to accounting, corporate reporting and disclosure. In addition to advocacy, CCR is devoted to improving the awareness and educational implications of the issues it addresses, and is focused on continually improving the standards and regulations impacting corporate reporting.

The remarks contained in this submission are made by members of CCR and do not necessarily represent the views of all FEI Canada members or its Board.

CCR has organized its views and comments on this Exposure Draft by way of responses to the suggested questions provided with respect to the proposals. Each question is repeated herein, followed by our response.

**1. Do you agree with the proposal to eliminate the option in IAS 23 of recognizing immediately as an expense borrowing costs directly related to the acquisition, construction or production of a qualifying asset? If not why? What alternative would you propose and why?**

*Response:*

We agree with proposal to eliminate the option in IAS 23 of recognizing immediately as an expense borrowing costs directly related to the acquisition, construction or production of a qualifying asset as it enhances comparability.

**2. Do you agree with the proposed dates to which the amendment will apply? If not why? What alternative would you propose and why?**

*Response:*

We agree with the proposed application dates and believe them to be reasonable as prospective treatment with the option for early adoption is practical when considering the costs and benefits of application.

CCR hopes that its comments will be useful to the Board in its ongoing deliberations. If you have any questions or would like to discuss any of these matters with us, please do not hesitate to call.

Yours very truly,



Alister Cowan  
Chair, Committee on Corporate Reporting  
FEI Canada

cc: Accounting Standards Board  
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