



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

26 June 2015

**Exposure Draft ED/2015/2 – Effective Date of IFRS 15**

We are pleased to respond to the invitation by the IASB to comment on the Exposure Draft, 'Effective Date of IFRS 15' (the 'Exposure Draft'), on behalf of PricewaterhouseCoopers. Following consultation with members of the PricewaterhouseCoopers network of firms, this response summarises the views of those member firms that commented on the Exposure Draft.

'PricewaterhouseCoopers' refers to the network of member firms of PricewaterhouseCoopers International Limited, each of which is a separate and independent legal entity.

We support the IASB and FASB's (the boards') efforts to respond to concerns raised by constituents about the revenue standard. We commend the boards for their ongoing collaboration, including efforts to maintain convergence of the mandatory effective date of their standards by proposing a one-year deferral of both standards. We support the proposed one-year deferral of the effective date and also support the option for entities to adopt the standard early.

We encourage the boards to continue to work toward converged solutions to implementation issues related to the revenue standard whenever possible. We believe the converged revenue standard is a significant achievement for financial reporting that will provide substantial benefits to both preparers and users over the long run. We are concerned that those benefits may be eroded if the boards decide to propose different solutions to implementation issues.

We acknowledge that the financial reporting outcomes might not be significantly different, even if the boards pursue different approaches. However, we believe that the outcomes will not be the same in all cases and the risk of divergence over time is much greater. We are also concerned that using different words to clarify or amend the standard will introduce additional complexity, particularly for those organisations that will have reporting obligations under both IFRS and U.S. GAAP. Our view is that, if the boards agree on the underlying principles and intend the financial reporting outcomes to be the same, they should make the same amendments to maintain a converged standard.

We include below our answer to the IASB's specific questions related to the proposal.

***The IASB proposes to amend IFRS 15 so that entities would be required to apply IFRS 15 for annual reporting periods beginning on or after 1 January 2018. Earlier adoption would continue to be permitted. Do you agree? Why or why not?***

We support a one-year deferral for entities reporting under IFRS for the reasons explained by the IASB in the exposure draft. These include the impact of the upcoming amendments to the standard, availability of technology solutions, and the standard's significant implications to internal controls and processes. We also support alignment of the effective dates of the IFRS and U.S. GAAP standards.

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We note that the FASB specifically asked its constituents for views on deferring the effective date for more than one year. We do not support deferral beyond that proposed in this exposure draft at this time and encourage the boards to maintain alignment of their effective dates. We also encourage the boards to finalise the upcoming amendments to their standards as soon as possible. This will reduce the risk of coming under pressure to consider an additional deferral.

If you have any questions, please contact Paul Fitzsimon, PwC Global Chief Accountant (+1 416 869 2322), Tony de Bell (+44 207 213 5336) or Brett Cohen (+1 973 236 7201).

Yours faithfully,

A handwritten signature in cursive script that reads 'PricewaterhouseCoopers'.

PricewaterhouseCoopers

cc: Financial Accounting Standards Board