



Andrew Lennard
Financial Reporting Council
8th Floor
125 London Wall
London
EC2Y 5AS

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To whom it may concern,

**The Institute of Certified Public Accountants in Ireland welcomes the opportunity to comment on:
Business Reporting of Intangibles: Realistic proposals**

Question 1

Do you agree that it is important to improve the business reporting of intangibles?

Yes we agree as current reporting is often quite ambiguous.

Question 2

Do you agree that an intangible should be recognised at cost under the two conditions set out above in (i)?

No, we consider that it is frequently difficult to estimate the development costs of an intangible at the outset of a project.

Question 3

Do you agree with the assumptions the paper makes regarding measurement uncertainty of intangibles?

Yes we agree with those assumptions

Question 4

Do you agree that existing accounting standards should be revisited with the aim of improving the accounting for intangibles?

Yes existing accounting standards should be revised.

Question 5

Do you agree with the above proposals relating to expenditure on intangibles?

Yes we agree with this proposal.

Question 6

Do you agree with the proposals aimed at improving the quality of information on recognised and unrecognised intangibles in narrative reporting?

We have concerns around the additional costs which may be involved in reporting the metrics suggested. We recommend a cost benefit analysis be carried out.



Question 7

What are your views about how the various participants involved in business reporting could or should contribute to the implementation of the proposals made in the paper?

The various participants involved in business reporting should be consulted as part of the cost benefit analysis referred to in our response to question 6.

Question 8

Do you use additional information other than the financial statements when assessing and valuing intangibles? If so, can you please specify what additional information you use.

The additional information sources used are:

- Market capitalisation of the company
- Industry reports in the media
- Broker reports
- General website searches for additional information.

Question 9

Do you have any suggestions, other than those put forward in this paper, as to how improving the business reporting of intangibles might be achieved?

We have no further comments.

If you have any questions on the above please do not hesitate to contact me.

Yours sincerely,

David Roxburgh
Chairperson, Financial Reporting Sub - Committee