

September 24, 2007

Ms. Nancy M. Morris  
Secretary  
Securities and Exchange Commission  
100 F Street, NE  
Washington, D.C. 20549-1090

**Acceptance From Foreign Private Issuers of Financial Statements Prepared in Accordance  
With International Financial Reporting Standards Without Reconciliation to U.S. GAAP  
Commission File No. S7-13-07**

Dear Ms. Morris:

Ernst & Young LLP is pleased to comment on the Securities and Exchange Commission's (the "Commission" or the "SEC") request for comment regarding the proposal (the "Proposal") to accept foreign private issuers' financial statements prepared in accordance with International Financial Reporting Standards ("IFRS") as published by the International Accounting Standards Board ("IASB") without reconciliation to accounting principles generally accepted in the United States ("U.S. GAAP"). Our comments also reflect the views of Ernst & Young Global, which is the global organization of Ernst & Young member firms. The following are general comments with regard to the Proposal. Our responses to individual questions are included in the Attachment.

**General**

We strongly support the Proposal to accept financial statements of foreign private issuers that are prepared on the basis of the English language version of IFRS as published by the IASB ("IFRS financial statements") without reconciliation to U.S. GAAP. IFRS have come a long way since the SEC's 2000 Concept Release on International Accounting Standards. Since that time, the previous International Accounting Standards Committee has responded positively to issues identified by the user constituents, especially the International Organization of Securities Commissions ("IOSCO"), and made significant improvements to complete a set of core standards. Furthermore, a new IASB was constituted with a commitment to "develop, in the public interest, a single set of high quality, understandable, and enforceable global accounting standards that require high quality, transparent, and comparable information in financial statements and other financial reporting to help participants in the world's capital markets and other users make economic decisions." Given the composition of the IASB, IFRS are issued through a robust *process* that is transparent to the public and reflect the collective input of technicians and practitioners from around the world. Finally, a committee—subsequently















































The following Exhibit is an illustration of a compendium of terms that are used in the text of the non-financial disclosure requirements of Form 20-F that have definitions specified in the cross-referenced standards under U.S. GAAP and IFRS.

Form 20-F or Applicable Regulation	Description of Requirement	US GAAP	Observation on Applicable IFRS Notion
<b>Item 5—Operating and Financial Review and Prospectus</b>			
E.2.(d)—Off-Balance Sheet Arrangements	Any obligation, including a contingent obligation, arising out of a variable interest as defined in GAAP in an unconsolidated entity that is held by, and material to, the company, where such entity provides financing, liquidity, market risk or credit risk support to, or engages in leasing, hedging or research and development services with, the company.	FASB Interpretation No. 46, Consolidation of Variable Interest Entities	SIC 12, Consolidation—Special Purpose Entities, does not contain the term “variable interest”
<b>Item 11—Quantitative and Qualitative Disclosures About Market Risk</b>			
Instructions to Item 11(a)—1. C	Functional currency means functional currency as defined by GAAP.	FASB Statement of Financial Accounting Standards No. 52, Foreign Currency Translation, paragraphs 5-10.	IAS 21, The Effects of Changes in Foreign Exchange Rates (December 2006), paragraphs 9-14.
Instructions to Item 11(a)—3. B	For purposes of instruction 3.A. of the Instructions to Item 11(a), the term “reasonably possible” means the chance of the future event or events occurring is more than remote but less than likely.	FASB Statement of Financial Accounting Standards No. 5, Accounting for Contingencies, paragraph 3.	The term “reasonably possible” is not defined in IAS 37, Provisions, Contingent Liabilities and Contingent Assets, or IFRS 7, Financial Instruments: Disclosures.



