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Our ref JG/SAH

By email to:
UKEndorsementBoard@endorsement-board.uk

7 March 2024

Dear Pauline

**Response to Invitation to Comment on the UKEB Draft Comment Letter –
Exposure Draft Financial Instruments with Characteristics of Equity**

KPMG in the UK (we) welcome the opportunity to respond to the UK Endorsement Board's (UKEB) invitation to comment on the Exposure Draft *Financial Instruments with Characteristics of Equity: Proposed amendments to IAS 32, IFRS 7 and IAS 1 (the amendments)* (the ED) that were published by the IASB on 28 November 2023.

We appreciate the IASB's efforts to address stakeholder concerns regarding the most common practice challenges in applying the IAS 32 classification requirements.

KPMG International Financial Reporting Group (IFRG) will respond to the IASB consultation on behalf of the network of KPMG member firms in due course.

In advance of that response, KPMG in the UK consider that the proposals in the ED will improve the usefulness of information provided about financial liabilities and equity instruments.

We have no significant comments on the main observations and recommendations noted in UKEB's draft comment letter.

Yours sincerely

KPMG LLP