

**Comments on behalf of
The Association of Corporate Treasurers**

in response to UITF Information Sheet 59,

Proposed Abstract on accounting for treasury shares

*(The Urgent Issues Task Force, Accounting Standards Board, 08
May 2003)*

The following was submitted by e-mail

The proposals are acceptable and consistent for the accounting of treasury shares ('ts').

However, we do not consider that they satisfactorily meet sensible disclosure requirements.

The buying-in and re-issue of ts and ESOP shares ('es') does create a gain or loss for shareholders, but not the entity.

Companies should thus be required to disclose their 'stock' of ts and es, the price at which the stock was bought and the prices and quantities at which any transactions have taken place during the year, on a FIFO basis. This would allow shareholders to see if the ts and es activity was creating or destroying shareholder wealth.

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June 2003