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

14 June 2011

Dear Sir/Madam,

Draft Q&A 2011/02: IFRS for SMEs Section1, Issue 2 – Captive insurance subsidiaries

Mazars is pleased to comment on the SME Implementation Group’s draft Q&A 2011/02 on the use of IFRS for SMEs:

- in the consolidated financial statements of a group that is not otherwise publicly accountable but sets up a captive insurance subsidiary and
- in the individual financial statements of a captive insurance company.

We agree with the SME Implementation Group’s response.

However, we believe it is important to define what is meant by a “broad group of outsiders”. It would be appropriate to refer to Q&A issue n° 4 which is dedicated to the meaning of that notion. Please, see also our response to draft Q&A 2011/03.

Finally we believe paragraph 2 should refer to § 1.3 b) of IFRS for SMEs (and not to § 1.4).

Should you have any questions, please do not hesitate to contact us.

Yours faithfully

Michel Barbet-Massin
Head of Financial Reporting Technical Support