

Please note that the comments expressed herein are solely my personal views

Financial Accounting Standards Board
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- **File Reference No. 2012-240**
- **Comprehensive Income (Topic 220)**
- **Presentation of Items Reclassified Out of Accumulated Other Comprehensive Income**

Dear Sir.

Thank you for giving us the opportunity to comment on your Exposure Draft: Comprehensive Income (Topic 220); Presentation of Items Reclassified Out of Accumulated Other Comprehensive Income.

The objective of the proposed update is to improve the presentation of reclassifications out of accumulated other comprehensive income to net income by disclosing their effect on the respective line items in net income if the item being reclassified is required under US GAAP to be reclassified in its entirety to net income. For any other items that are not required under US GAAP to be reclassified in their entirety to net income, an entity is required to cross-reference other disclosures to provide additional detail about those items. The proposed amendments would not change the current requirements for reporting net income or other comprehensive income in financial statements.

I support the proposed amendments as a compromise that will provide users of financial statements (users) more meaningful information about the effect of reclassifications out of accumulated other comprehensive income on an entity's net income, without adding clutter to or confusing the presentation of information in the income statement. Users will be better able to identify unusual activity and trends in activity that impinge on the viability of reported net income, which will increase understandability, transparency and confidence in the income statement. These benefits would be achieved at low cost given that the proposed amendments only require entities to present available information in a new format.

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Answers to other specific questions raised by the FASB

Question 1:

The proposed amendments would require an entity to provide enhanced disclosures to present separately by component reclassifications out of accumulated other comprehensive income. In addition, an entity would be required to provide a tabular disclosure of the effect of items reclassified out of accumulated other comprehensive income on the respective line items of net income, to the extent that the items reclassified are required under U.S. GAAP to be reclassified to net income in their entirety. In addition, for other items not required under U.S. GAAP to be reclassified in their entirety to net income, the tabular disclosure would require only a cross-reference to other disclosures providing additional detail about these reclassifications. Would the proposed disclosures provide useful information to users of financial statements? If not, please explain why.

I support the proposed amendments. They will provide users more meaningful information about the effect of reclassifications out of accumulated other comprehensive income on an entity's net income, without adding clutter to or confusing the presentation of information in the income statement. This is an area that users have identified for improvement. Following the amendments, users will be better able to identify unusual activity and trends in activity that impinge on the viability of reported net income, which will increase understandability, transparency and confidence in the income statement.

Question 2:

Would an entity incur significant costs because of the proposed amendments in Question 1? If so, please explain the nature of those costs. The proposed amendments also would require an entity to provide the disclosures about the effect of reclassifications out of accumulated other comprehensive income by component both on an interim basis and on an annual basis. Would an entity incur significant costs because of the proposed requirement for interim-period disclosures? If so, please explain the nature of those costs.

An entity should not incur significant costs because of the proposed amendments in Question 1. The proposed amendments only require entities to present available information in a new format.

Question 3:

The proposed guidance would apply to both public entities and nonpublic entities (that is, private companies). Should any of the proposed amendments be different for nonpublic entities? If so, please identify those proposed amendments and describe how and why you think they should be different.

The proposed amendments should be the same for public entities and nonpublic entities. There is no rationale for different scope coverage or treatment here.

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Question 4:

The Board has discussed the possibility of making these proposed amendments effective for public entities as early as for annual reporting periods ending after December 15, 2012, and to delay the effective date for nonpublic entities by one year. Would those effective dates be practicable? If not, please explain why.

These effective dates are practicable, given the limited changes required under the proposed amendments.

Yours faithfully

C.R.B.

Chris Barnard