



THE INSTITUTE OF CHARTERED ACCOUNTANTS OF NIGERIA

(Established by Act of Parliament No 15 of 1965)

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Registrar/Chief Executive
O.A. ADEPATE, B.Sc, MBA, FCA

March 19, 2013

IFRS Foundation Publications Department,
The International Accounting Standards Board,
30, Cannon Street,
London EC4M 6XH

Dear Sir,

**Comments on Exposure Draft ED/2012/3: Equity Method: Share of Other
Net Asset Changes (Proposed amendments to IAS 28)**

INTRODUCTION

The Institute of Chartered Accountants of Nigeria (ICAN) has considered the above exposure draft and is pleased to submit its comments.

The Institute focused on specific areas required for comments. Where the Institute agrees with the improvements set out under each of the areas commented upon, it has affirmed them. However, where the Institute disagrees, it has also clearly indicated so and has provided its underlying reason(s) for the disagreement

Detailed below are the Institute's comments in the context of the Exposure Draft ED/2012/3.

Question 1

The IASB proposes to amend IAS 28 so that an investor should recognise in the investor's equity its share of the changes in the net assets of the



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investee that are not recognised in profit or loss or OCI of the investee, and that are not distributions received.

Comment: We agree

Reason: It will enable the investor capture the Total Net Worth of its investments in an associate or joint venture.

Question 2

The IASB also proposes that an investor shall reclassify to profit or loss the cumulative amount of equity that the investor had previously recognised when the investor discontinues the use of the equity method.

Comment: We agree.

Reason: It will ensure consistency in the treatment of investments in associate or joint venture.

Question 3

Do you have any other comments on the proposals?

No other comment.

We thank you for giving the Institute the opportunity to contribute to the work of the Board.

Yours faithfully,

Mukaila A. Lawal

For: Acting Registrar/Chief Executive