

Via email: [commentletters@ifrs.org](mailto:commentletters@ifrs.org)

December 18, 2012

International Accounting Standards Board

Re: Exposure Draft ED/2012/3 *Equity Method: Share of Other Net Asset Changes, Proposed amendments to IAS 28*

The Accounting Principles and Auditing Standards Committee (the AP&AS "Committee") of the California Society of Certified Public Accountants (CALCPA) is pleased to provide our comments on the above referenced document.

The AP&AS Committee is the senior technical committee of CalCPA. CalCPA has approximately 40,000 members. The Committee is comprised of 49 members, of whom 53 percent are from local or regional firms, 27 percent are from large multi-office firms, 10 percent are sole practitioners in public practice, 8 percent are in academia and 2 percent are in an international firm.

The Committee supports issuance of the amendments as proposed.

#### **Questions for respondents**

##### **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 investee that are not recognised in profit or loss or OCI of the investee, and that are not distributions received. Do you agree? Why or why not?

The Committee agrees with the proposed accounting for the reasons in the Basis for Conclusions

##### **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. Do you agree? Why or why not?

The Committee agrees with the proposed accounting for the reasons in the Basis for Conclusions

##### **Question 3**

Do you have any other comments on the proposals?

The Committee has no other comments.

Very truly yours,



Howard Sibelman, Chair  
Accounting Principles and Auditing Standards Committee  
California Society of Certified Public Accountants