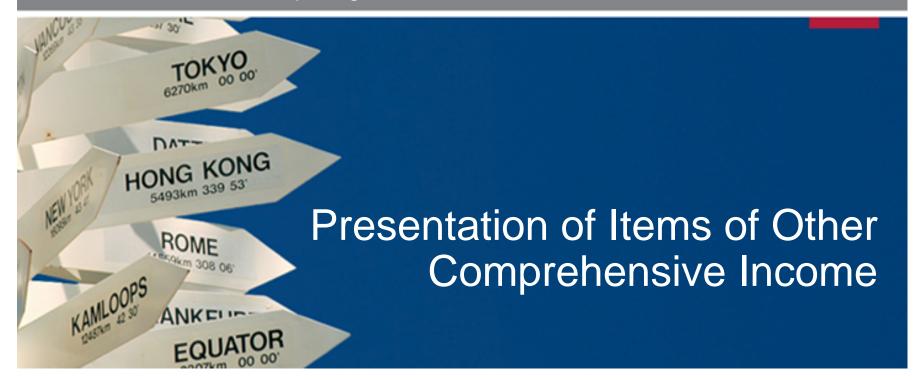
International Financial Reporting Standards



The views expressed in this presentation are those of the presenter, not necessarily those of the IASC Foundation or the IASB



The proposed amendment to IAS 1

Proposed changes

- Require profit or loss and OCI to be shown as separate components of the statement of profit or loss and other comprehensive income
- Require separate presentation of OCI items that will and will not be reclassified (recycled)

This amendment does not...

- Address which items to present in OCI
- Change the measurement or presentation of net income
- Change the calculation of EPS



Why issue these proposals?

Explicit presentation of reclassification

- Some OCI items are reclassified and some are not
- Current presentation does not make this and resulting impact on P/L clear

Presentation that allows users to assess relevance

- Proposal provides a clear distinction between net income and OCI while allowing users to assess the relevance of OCI items for their analysis
- All components of non-owner changes in equity should be presented transparently
- FASB making a similar proposal
- Increased use of OCI



Feedback received on the ED

General feedback

- Lack of conceptual basis for determining what should be presented as part of profit or loss and what should be presented in other comprehensive income should be addressed
- Lack of principles as to which OCI items should be reclassified (recycled) to profit or loss and when they should be recycled should be addressed



Feedback received on the ED

Feedback on ED proposals

- General support for the proposals:
 - To change the title of the statement
 - To present separately items of OCI based on whether they could be recycled or not
 - On income tax presentation
- Majority of the respondents opposed the proposal to remove the option to present all non-owner changes in equity in two statements

