

## STAFF PAPER

April 2013

## REG IASB Meeting

Project	Conceptual Framework		
Paper topic	Presentation in the statement of comprehensive income – profit or loss and OCI Cover Paper		
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## Background

1. This paper provides background information on AP 10H(a) *Draft discussion paper: Presentation in the statement of comprehensive income – profit or loss and OCI*.
2. AP 10H(a) is a draft of the ‘Presentation in the statement of comprehensive income – profit or loss and OCI’ section of the *Conceptual Framework Discussion Paper (DP)*. It is a redraft of [AP 5B Draft discussion paper: Presentation in the statement of comprehensive income – profit or loss and OCI](#) from the March 2013 IASB meeting that has been updated to reflect comments made at that meeting. AP 10H(a) also includes some new topics for discussion by the IASB.

## Main changes

3. The significant changes that have been made to AP 5B are:
  - (a) Simplified the description of the purpose of the statement(s) of profit or loss and other comprehensive income (paragraphs 4-5);

- (b) Included a statement that the IASB's preliminary view is that profit or loss should be specifically addressed in the Conceptual Framework (paragraph 14);
- (c) Provided a discussion of why the Conceptual Framework should include a concept for profit or loss (paragraphs 11-16);
- (d) Provided a broader basis for the principles the paper proposes to use to distinguish OCI items, including a discussion of commonly-used attributes used to distinguish between items presented in profit or loss and OCI (paragraphs 23-25);
- (e) Included a statement that the IASB's tentatively supports Approach 1 ie three principles and the concepts of bridging items and mismatched remeasurements (paragraph 26(a));
- (f) Expanded the discussion of how Approach 1 applies to pensions and fixed asset revaluations (paragraphs 66-71); and
- (g) Introduced an Approach 2, which based on Principle 2 and uses indicators to distinguish between items in profit or loss or OCI (paragraphs 77-86). If Approach 2 is included in the discussion paper, it is proposed that the analysis, including arguments for and against the approach, will need to be expanded.

## Questions

### Questions

1. Does the IASB agree with the main changes made to this section to reflect the discussion at the March 2013 IASB meeting?
2. Does the IASB agree that Approach 2 is included in the discussion paper? If yes, do you have any comments on the discussion on Approach 2?
3. Do you have any comments on the proposed questions for respondents to the DP (paragraphs 95-98)?