

Project Manager International Accounting Standards Board 30 Cannon Street

London EC4M 6XH United Kingdom



Weinheim, 09 April 2009

Dear Sir or Madam,

Re: DP "Preliminary Views on Financial Statement Presentation"

We appreciate the opportunity to comment on the discussion paper (DP) on the boards' preliminary views on financial statement presentation. This letter expresses the view of the Association for the Participation in the Development of Accounting Regulations for Family-owned Entities (VMEBF), Weinheim, Germany.

As financial statement presentation is a core element of communicating financial data, the future presentation model has to fit both the needs of users <u>and</u> preparers of financial statements. Moreover, the proposed model has to be consistent with the objective of converging external financial reporting and internal management information as this is one of the main reasons for many non-publicly listed entities to prepare IFRS financial statements voluntarily.

Taking this into account we strongly oppose the views outlined in the DP for the following reasons:

Firstly, the proposal does not seem to provide any benefit to users of financial statements. By increasing the judgemental element in the presentation of financial statements the user will increasingly be unable to calculate comparable key ratios. Implementing the proposal would also lead to a considerable overloading of the financial statements, making it virtually impossible for any user outside the reporting entity itself to extract decision-useful information. Already today the complexity of financial reporting keeps most investors in public companies and even highly educated analysts from properly understanding the reports.

Vereinigung zur Mitwirkung an der Entwicklung des Bilanzrechts für Familiengesellschaften e.V. VMEBF e.V., c/o Freudenberg & Co. Kommanditgesellschaft, 69465 Weinheim, Germany

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Secondly, and this is our primary concern regarding the DP, the benefits with regard to decision-usefulness, if any, do not justify the costs connected to the application of the concept. These costs do not only consist of the expenses related to the implementation of a new reporting structure. They also encompass all those additional efforts necessary to overcome the sacrificed comparability of key financials for years to come.

A need to undertake such a fundamental change to financial reporting is not evident to us and is even detrimental to the objective of enhancing the decision-usefulness of financial reporting.

We therefore do not see any need to answer the individual questions as outlined in the DP.

Kind regards,

Vereinigung zur Mitwirkung an der Entwicklung des Bilanzrechts für Familiengesellschaften e.V. (VMEBF)

Frank Reuther

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