

International Association of Consultants, Valuators and Analysts

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15 October 2012

Financial Accounting Standards Board 401 Merritt 7, PO Box 5116
Norwalk, Connecticut 06856-5116
By email: director@fasb.org
File Reference No. 2012-200

Madam, Gentlemen,

This letter of comment is submitted on behalf of the International Association of Consultants, Valuators and Analysts (IACVA), a member of the International Valuation Standards Council (IVSC) and the World Association of Valuation Organizations (WAVO). We are a knowledge transfer and credentialing organization with Charters covering 54 countries serving about 12,000 members who are mainly involved in business valuation and fraud deterrence.

As a worldwide organization, we are extremely concerned with the development of the accounting standards related to valuation especially in Canada (an IFRS country), where we are incorporated, as well as in the United States, which has at the moment, a majority of our members.

We appreciate the opportunity to comment on the FASB Exposure Draft for an Accounting Standards Update (ASU) "Comprehensive Income (Topic 220)". Our responses to the questions in this document are as follows:

Question 1: The proposed amendments would require an entity to provide enhanced disclosures to present separately by component reclassifications out of accumulated other comprehensive income. In addition, an entity would be required to provide a tabular disclosure of the effect of items reclassified out of accumulated other comprehensive income on the respective line items of net income, to the extent that the items reclassified are required under U.S. GAAP to be reclassified to net income in their entirety. In addition, for other items not required under U.S. GAAP to be reclassified in their entirety to net income, the tabular disclosure would require only a cross-reference to other disclosures providing additional detail about these reclassifications. Would the proposed disclosures provide useful information to users of financial statements? If not, please explain why.

In our view, the proposed disclosures do not provide <u>additional</u> useful information to users as "substantially all of the information that the proposed Update would require is required to be disclosed elsewhere in the financial statement under U.S. GAAP"; as set out on page 2.

Our members only need certain information for their analyses and normally know where to find them. The existing pronouncements appear to be working well and not in need of tampering with.

Question 2: Would an entity incur significant costs because of the proposed amendments in Question 1? If so, please explain the nature of those costs. The proposed amendments also would require an entity to provide the disclosures about the effect of reclassifications out of accumulated other comprehensive income by component both on an interim basis and on an annual basis. Would an entity incur significant costs because of the proposed requirement for interim-period disclosures? If so, please explain the nature of those costs.

Most of our members' clients have systems to obtain the information required to be disclosed in financial statements and offer templates for the preparation of drafts of the actual required disclosure documents and the relevant Notes. We understand that considerable costs would be required to modify those systems. The total expenditures are likely to be considerable depending on the size and complexity of the enterprises involved.

Question 3: The proposed guidance would apply to both public entities and nonpublic entities (that is, private companies). Should any of the proposed amendments be different for nonpublic entities? If so, please identify those proposed amendments and describe how and why you think they should be different.

We do not believe that the proposed guidance is helpful for users of any financial statements. If, for policy reasons, it is applied to publicly traded enterprises, privately owned (non-traded) entities should be exempt.

Question 4: The Board has discussed the possibility of making these proposed amendments effective for public entities as early as for annual reporting periods ending after December 15, 2012, and to delay the effective date for nonpublic entities by one year. Would those effective dates be practicable? If not, please explain why.

In our view, due to the systems changes, mentioned in the response to Question 2, the suggested dates are unreasonable. We suggest the Board forget about the proposal.

Should a Board or staff member wish to discuss this matter further, you may contact me during normal business hours (Eastern Time) at 416-865-9766.

Respectfully submitted on behalf of IACVA Per

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