

Letter of Comment No: 63
File Reference: 1200-400
Date Received: 3/22/04

-----Original Message-----

From: Jennifer E. Kaiser [mailto:jekaiser@csuhayward.edu]
Sent: Monday, March 22, 2004 6:31 PM
To: Director - FASB
Cc: dsatin@csuhayward.edu; jkaiser@csuhayward.edu
Subject: File Reference 1200-400.

Dear FASB,

Please allow me to introduce myself. I am a student in an accounting theory class and have taken notice of exposure draft "Accounting Changes and Error Corrections - a replacement of APB Opinion No. 20 and FASB Statement No. #3"

It is in my opinion that this won't significantly help the accounting profession. Under 'reasons for issuing this proposed statement' you mention the comparability in cross border financial reporting. While in theory this sounds good, we need everyone to converge in order for this to work.

At this present time, I don't see it likely that we will persuade everyone else to switch to IAS any time soon. Currently U.S. GAAP is already pretty similar to IAS and reconciling GAAP to IAS isn't very difficult. When the other countries decide to start converging, then we can continue in our own convergence.

The specifics of the exposure draft with respect to accounting for depreciation, amortization, etc. don't really improve financial reporting in and of itself. The current method doesn't result in any one constituent receiving less quality information than the proposed changes in the exposure draft.

Don't get me wrong... I am for IAS and everyone following IAS. The key word here being everyone. Since this doesn't seem likely, it seems premature to continue in our own efforts to converge with IAS. We're prematurely imposing costs to firms when they have to adopt new methods of reporting.

In the meantime, let's focus on improving financial reporting within our own framework of reporting standards. This I believe is more beneficial to the shareholders at this time.

Regards,
Jennifer Kaiser