

Rådet för finansiell rapportering

The Swedish Financial Reporting Board

RFR-rs 2010:10

International Accounting Standards Board
30 Cannon Street
London EC4M 6 XH
United Kingdom

Dear Sirs,

Re: ED/2010/5 Presentation of Items of Other Comprehensive Income - Proposed amendments to IAS 1

The Swedish Financial Reporting Board is responding to your invitation to comment on the IASB's exposure draft on Presentation of Items of Other Comprehensive Income proposed amendments to IAS 1.

We note that in an earlier stage of the project, the IASB expressed a preference for a single statement, but after receiving comments on a draft decided to retain the option, that now is proposed to be eliminated without giving any new, convincing reasons why that is to be the case.

The Swedish Financial Reporting Board strongly opposes does not support the proposal. Our main concerns are the following:

- The proposal does not address the main issue, that is which items should be reported as "Net income" and "Other comprehensive income", respectively.
- Since there are conceptual differences between items of comprehensive income, these differences are most clearly conveyed if there are two different statements.
- If the IASB doesn't want an option, it seems more justified to require two different statements.
- There is an advantage in keeping the option, however, and that is to see how practice will develop. If there is a strong preference for a single statement among users, presumably that would affect practice.

We have noted the alternative view of Jan Engström. Like him we see no reason to prematurely decide on the form of the statement(-s), as long as important issues of content are unresolved.



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Another issue that is inseparable from the issue of which items should be reported as "Net income" and "Other comprehensive income" respectively is recycling/reclassification. It is clearly unsatisfactory that some items in "Other comprehensive income" are reclassified to "Net income" while others are not. This issue should be addressed. In the mean time the information of which items are reclassified and which are not is vital to users, but it is doubtful whether this in itself justifies proceeding with a separate Exposure Draft.

If you have any questions concerning our comments please address our Executive member Carl-Eric Bohlin by e-mail to: carl-eric.bohlin@radetforfinansiellrapportering.se

Stockholm, 13 September 2010

Yours sincerely



Anders Ullberg
Chairman