



**The Institute of
Chartered Accountants
of Pakistan**

Circular No. 03/2009

HEAD OFFICE

March 05, 2009

ALL MEMBERS OF THE INSTITUTE

Dear Member

ICAP INVITES COMMENTS ON DISCUSSION PAPER 'PRELIMINARY VIEWS ON FINANCIAL STATEMENT PRESENTATION' ISSUED BY IASB

The International Accounting Standards Board (IASB) and the US Financial Accounting Standards Board (FASB) initiated the joint project on financial statement presentation to address users' concerns that existing requirements permit too many alternative types of presentation and that information in financial statements is highly aggregated and inconsistently presented, making it difficult to fully understand the relationship between the financial statements and the financial results of an entity.

This discussion paper proposed new formats of financial statements. The objective of this proposed presentation model is to make an entity's financial statements more useful by requiring entities to provide detailed information organised in a manner that clearly communicates an integrated (cohesive) financial picture of an entity and to present information in the way it creates value.

This discussion paper may have drastic effect on industry and user of financial statements because it will make the financial statements more complicated and cost of preparing the new formats may be more as compared to the benefit.

In this regard, the Institute is seeking your valuable comments/ input on whether the presentation model proposed in the discussion paper would improve the usefulness of the information provided in an entity's financial statements and help users make decisions in their capacity as capital providers.

The discussion paper includes specific questions for respondents which are set out throughout the paper. In addition to responses to those questions, the Institute is interested in comments on the fundamental objectives and principles proposed in this discussion paper as well as potential issues related to the benefits from using the resulting information or the costs of implementing and maintaining the proposed presentation model.

Summary of the discussion paper is enclosed for your reference. Full text of the discussion paper can be downloaded from the Institute's website at [HTTP://WWW.ICAP.ORG.PK/WEB/LINKS/0/STANDARDS.PHP](http://www.icap.org.pk/web/links/0/standards.php)

All members are requested to send their valued comments and recommendations to the Directorate of Technical Services dtscomments@icap.org.pk by **March 30, 2009**. The comments would be helpful if they indicate the specific paragraph or group of paragraphs to which they relate, clearly explaining the issue(s), and providing a suggestion for alternate text giving rationale for the suggested change.

Thanking you

Yours truly

Muhammad Asif Iqbal
Director Technical Services

Encl: Summary of Discussion paper

Y:\A S C\March 2009\Circular to members for comments on Prel. views on FS presentation.DOC

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