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Via email: commentletters@ifrs.org

December 18, 2012

International Accounting Standards Board

Re: Exposure Draft ED/2012/5 *Clarification of Acceptable Methods of Depreciation and Amortization, Proposed amendments to IAS 16 and IAS 38*

The Accounting Principles and Auditing Standards Committee (the AP&AS "Committee") of the California Society of Certified Public Accountants (CALCPA) is pleased to provide our comments on the above referenced document.

The AP&AS Committee is the senior technical committee of CalCPA. CalCPA has approximately 40,000 members. The Committee is comprised of 49 members, of whom 53 percent are from local or regional firms, 27 percent are from large multi-office firms, 10 percent are sole practitioners in public practice, 8 percent are in academia and 2 percent are in an international firm.

The Committee supports issuance of the amendments as proposed.

Questions for respondents

Question 1

The IASB proposes to amend IAS 16 *Property, Plant and Equipment* and IAS 38 *Intangible Assets* to prohibit a depreciation or amortisation method that uses revenue generated from an activity that includes the use of an asset. This is because it reflects a pattern of future economic benefits being generated from the asset, rather than reflecting the expected pattern of consumption of the future economic benefits embodied in the asset. Do you agree? Why or why not?

The Committee agrees with the proposed accounting for the reasons in the Basis for Conclusions

Question 2

Do you have any other comments on the proposals?

The Committee has no other comments.

Very truly yours,

A handwritten signature in black ink that reads "Howard Sibel".

Howard Sibelman, Chair
Accounting Principles and Auditing Standards Committee
California Society of Certified Public Accountants