

July 16, 2010

Mr. Russell G. Golden
FASB Technical Director
Financial Accounting Standards Board
401 Merritt 7
PO Box 5116
Norwalk, CT 06856-5116

Re: File Reference No. 1770-100

Dear Mr. Golden:

We are pleased to comment on the March 11, 2010 proposed Statement of Financial Accounting Concepts, *Conceptual Framework for Financial Reporting: The Reporting Entity* (the “proposed Concepts Statement”).

Our comments are provided below in response to the questions presented in the proposed Concepts Statement.

1. *Do you agree that a reporting entity is a circumscribed area of economic activities whose financial information has the potential to be useful to existing and potential equity investors, lenders, and other creditors who cannot directly obtain the information they need in making decisions about providing resources to the entity and in assessing whether the management and the governing board of that entity have made efficient and effective use of the resources provided? (See paragraphs RE2 and BC4–BC7.) If not, why?*

We do agree with the proposed definition of a reporting entity.

2. *Do you agree that if an entity that controls one or more entities prepares financial reports, it should present consolidated financial statements? Do you agree with the definition of control of an entity? (See paragraphs RE7– RE8 and BC18–BC23.) If not, why?*

Yes. We agree that if an entity that controls one or more entities prepares financial reports, that entity should present consolidated financial statements. We also concur with the statement in paragraph RE7 that an entity controls another entity when it has the power to direct the activities of that other entity to generate benefits for (or limit losses to) itself, similar to the recently implemented concepts related to the identification of the primary beneficiary of a variable interest entity.

3. *Do you agree that a portion of an entity could qualify as a reporting entity if the economic activities of that portion can be distinguished from the rest of the entity and financial information about that portion of the entity has the potential to be useful in making decisions about providing resources to that portion of the entity? (See paragraphs RE6 and BC10.) If not, why?*

We agree that a portion of an entity could qualify as a reporting entity if the stated conditions are met.

4. *The FASB and the IASB are working together to develop common standards on consolidation that would apply to all types of entities. Do you agree that completion of the reporting entity concept should not be delayed until those standards have been issued? (See paragraph BC27.) If not, why?*

We believe that whenever a concept is relevant, development of that concept should precede development of the related standard. Accordingly, we believe that the proposed Concepts Statement should be issued prior to, or at the latest contemporaneously with, the consolidation standard.

In addition to the above, we believe that with respect to paragraph RE11, parent-only financial statements should not be permitted to be presented unless they are presented together with consolidated financial statements.

We would be pleased to respond to any questions the Board or its staff may have about any of the preceding comments. Please direct any questions to Jay D. Hanson (952-921-7785) or Richard Stuart (203-905-5027).

Sincerely,

A handwritten signature in cursive script that reads "McGladrey & Pullen, LLP".

McGladrey & Pullen, LLP