Ford Motor Company

Technical Director -- File Reference No. 1790-100
Financial Accounting Standards Board
401 Merritt 7
P.O. Box 5116
Norwalk, CT 06856-5116
director@FASB.org

International Accounting Standards Board
30 Cannon Street
London, EC4M 6XH
United Kingdom
www.iasb.org

File Reference:  FASB - Comments on Exposure Draft, Comprehensive Income (Topic 220)
IASB – Presentation of Items of Other Comprehensive Income (ED/2010/5)

We appreciate the joint effort being made by the FASB and IASB to converge the accounting guidance for U.S. GAAP and IFRS as demonstrated in the release of proposed Accounting Standards Update "Statement of Comprehensive Income."

We support the Boards' proposal to establish a single standard that ensures the common presentation of the components of comprehensive income. Establishing one common method of presentation increases comparability and consistency in financial reporting. A single continuous statement of comprehensive income will enhance the prominence of items reported in other comprehensive income.

The proposal requires an entity to display on the face of the primary financial statement reclassification adjustments between net income and other comprehensive income for each component of other comprehensive income. We believe, however, that inclusion of the reclassification adjustments in the supporting notes to the financial statements would allow for greater transparency. Requiring disclosure of the reclassification adjustments in the notes to the financial statements would permit preparers to provide detailed discussion of period-to-period change, including both quantitative and qualitative explanation, without complicating the primary financial statements with such detail.

More importantly, we believe that it is critical that the FASB and IASB agree on the conceptual purpose for other comprehensive income. The Boards should reach a consensus on the precise components of other comprehensive income (i.e., whether items such as defined benefit plan amendments should be included), and how these components should be released (i.e., whether items should be recycled through income or recorded directly to retained earnings). To the extent that the Boards believe there are components of other comprehensive income that deserve more prominence, we believe the Boards should consider requiring inclusion of these individual components in the calculation of net income. Without doing so, it is unlikely that we will achieve the level of commonality of presentation that the Boards laudably desire.

We appreciate the Staff's consideration of these matters.

Sincerely,

Susan M. Callahan
Manager, Global Accounting Policies & Special Studies