September 22, 2014

Technical Director
File Reference No. 2014-220
Financial Accounting Standards Board
401 Merritt 7
P.O. Box 5116
Norwalk, CT  06856-5116

Electronically submitted to director@fasb.org

Re: Proposed Accounting Standards Update
Income Statement – Extraordinary and Unusual Items (Subtopic 225-20), Simplifying Income Statement Presentation by Eliminating the Concept of Extraordinary Items

Dear Board Members:

The Accounting Principles and Auditing Standards Committee (the Committee) of the Florida Institute of Certified Public Accountants (FICPA) respectfully submits its comments on the referenced proposal. The Committee is a technical committee of the FICPA and has reviewed and discussed the above referenced Proposed Accounting Standards Update, including the questions posed in the “Questions for Respondents” section. The FICPA has approximately 18,500 members, with its membership comprised primarily of CPAs in public practice and industry. The Committee is comprised of more than 20 members, of whom 42% are from local or regional firms, 24% are from large multi-office firms, 14% are sole practitioners, 10% are in international firms, and 10% are in academia or private industry. Therefore we are addressing this exposure draft both from the viewpoint of preparers of financial statements as well as those performing attest services on them. The Committee has the following comments related to the questions numbered below:

1. The Committee agrees that the concept of extraordinary items can be eliminated from U.S. GAAP. Other guidance in U.S. GAAP is sufficient for readers of financial statements to note items that are unusual in nature and/or infrequent in occurrence. Members of the Committee also noted that in practice the concept of extraordinary items is not commonly presented in financial statements.

2. The Committee believes the proposed Update should be applied prospectively in part due to possible unforeseen difficulties in retrospective application.

3. The Committee agrees with the effective dates in the proposed Update and notes there is no compelling reason for a delay in the effective date for entities other than public business entities. Members of the Committee noted an earlier effective date would be acceptable as well.

The Committee appreciates this opportunity to respond to this Proposed Accounting Standards Update. Members of the Committee are available to discuss any questions you may have regarding this communication.
Respectfully submitted,

Julian Dozier, CPA  
Chair, FICPA Accounting Principles and Auditing Standards Committee

Committee members coordinating this response:

Steven Morrison, CPA  
Julian Dozier, CPA