September 30, 2014

Susan M. Cosper, Technical Director  
FASB  
401 Merritt 7  
PO Box 5116  
Norwalk, CT 06856-5116

Via Email to director@fasb.org

Re: File Reference No. 2014-220

Dear Ms. Cosper:

Grant Thornton LLP appreciates the opportunity to comment on Proposed Accounting Standards Update, Simplifying Income Statement Presentation by Eliminating the Concept of Extraordinary Items. We strongly support the efforts of the FASB to simplify accounting standards, especially when simplification, or perhaps modernization, also further aligns U.S. GAAP with IFRS.

Our responses to Invitation to Comment questions follow.

Responses to Invitation to Comment questions

Question 1: Should the concept of extraordinary items be eliminated from GAAP? If not, why not?

We agree with eliminating the concept of the extraordinary item from GAAP because we do not believe extraordinary items provide useful information as applied and elimination will simplify financial reporting and more closely align U.S. GAAP with IFRS.

Question 2: Should the proposed Update be applied prospectively to extraordinary items occurring after the date of adoption?

We do not have a strong opinion on prospective or retrospective application in this case and would favor whichever the Board determines would provide more relevant information to the users of the financial statements. As a practical matter, retrospective application may not be overly difficult or expensive.

Question 3: Should the proposed Update be effective in annual periods, and interim periods within those annual periods, beginning after December 15, 2015, with early adoption permitted? Should there be a delay in the effective date for entities other than public business entities and why?

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Question 3: Should the proposed Update be effective in annual periods, and interim periods within those annual periods, beginning after December 15, 2015, with early adoption permitted? Should there be a delay in the effective date for entities other than public business entities and why?
While we favor longer implementation periods for changes that require the acquisition of new skills, systems changes, and the design and implementation of new controls over the financial reporting process, we believe that this change should not require substantial changes to implement. Therefore, we believe that the proposed effective date is appropriate for all entities. Given the nature of this simplification, early adoption would be practicable and even desirable.

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We would be pleased to discuss our comments with you. If you have any questions, please contact Chuck Evans or John Hepp, Partners in the Accounting Principles Consulting Group, at 832-476-3614 or 312-602-8050, respectively.

Sincerely,

/s/ Grant Thornton LLP