October 10, 2012

Technical Director
File Reference No. 2012-240
Financial Accounting Standards Board
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PricewaterhouseCoopers LLP appreciates the opportunity to comment on the FASB’s proposed Accounting Standards Update, Comprehensive Income (Topic 220): Presentation of Items Reclassified Out of Accumulated Other Comprehensive Income (the “Proposal”).

We commend the Board for responding expeditiously to constituents’ concerns related to the requirement in Accounting Standards Update No. 2011-05, Comprehensive Income (Topic 220): Presentation of Comprehensive Income, to measure and present reclassifications from accumulated other comprehensive income to net income by income statement line item in net income and also in other comprehensive income. We support the Proposal to instead provide information about the impact of reclassifications from accumulated other comprehensive income to net income in a single footnote. Most of the information to be disclosed is already included elsewhere in the financial statements. Consolidating it and providing a roadmap to the related disclosures will provide users with improved information without the operational challenges and costs that would have resulted from requiring separate presentation on the face of the income statement of the effects of the reclassifications on individual line items, particularly when such information is not readily available.

Our responses to the Board’s specific questions and our other recommendation intended to improve the final standard are included as Appendix A.

Please contact Donald Doran at (973) 236-5280 if you have any questions regarding our comments.

Sincerely,

PricewaterhouseCoopers LLP
Appendix A – Responses to Questions

**Question 1:** The proposed amendments would require an entity to provide enhanced disclosures to present separately by component reclassifications out of accumulated other comprehensive income. In addition, an entity would be required to provide a tabular disclosure of the effect of items reclassified out of accumulated other comprehensive income on the respective line items of net income, to the extent that the items reclassified are required under U.S. GAAP to be reclassified to net income in their entirety. In addition, for other items not required under U.S. GAAP to be reclassified in their entirety to net income, the tabular disclosure would require only a cross-reference to other disclosures providing additional detail about these reclassifications. Would the proposed disclosures provide useful information to users of financial statements? If not, please explain why.

We believe the proposed disclosures would provide useful information to users of financial statements by consolidating information in a single location. We support the Board’s decision to not require entities to measure and present reclassifications from accumulated other comprehensive income to net income by income statement line item on the face of the income statement. The proposed approach would meet the goal of improving the presentation of such reclassifications without cluttering the face of the income statement and balance the benefits to users with the costs that would be incurred by preparers.

**Question 2:** Would an entity incur significant costs because of the proposed amendments in Question 1? If so, please explain the nature of those costs. The proposed amendments also would require an entity to provide the disclosures about the effect of reclassifications out of accumulated other comprehensive income by component both on an interim basis and on an annual basis. Would an entity incur significant costs because of the proposed requirement for interim-period disclosures? If so, please explain the nature of those costs.

We do not expect the cost of implementing this proposal to be significant. The information required for the new statement is already contained elsewhere within the financial statements. Requiring this information to be disclosed in one place in the footnotes is therefore unlikely to have significant cost implications.

**Question 3:** The proposed guidance would apply to both public entities and non-public entities (that is, private companies). Should any of the proposed amendments be different for non-public entities? If so, please identify those proposed amendments and describe how and why you think they should be different.

We believe the proposed amendments should be applied consistently by public and non-public entities. The information would be useful to all financial statement users and the cost savings from excluding non-public entities from the requirement would likely not be significant.

**Question 4:** The Board has discussed the possibility of making these proposed amendments effective for public entities as early as for annual reporting periods ending after December 15, 2012, and to delay the effective date for non-public entities by one year. Would those effective dates be practicable? If not, please explain why.

We believe the proposed effective date will not present operational challenges for most preparers. However, responses from preparers will be helpful in determining the potential operational impact of the Proposal and the appropriateness of the proposed timeline for implementation.
Other recommendation

(1) We recommend the Board clarify how the interim disclosure requirements should be applied for items reclassified from accumulated other comprehensive income when the entire amount is not reclassified into net income. For those reclassifications, a cross reference to the related footnote is required under the Proposal. However, a footnote may not be required by the applicable standard for interim reporting purposes or it may be less robust than an annual footnote. In these instances, we believe additional interim footnote disclosures of the related item should not be required. We recommend the Board make this clear by indicating that ongoing reference to the prior annual footnote or the less robust interim footnote, as applicable, would satisfy the interim disclosure requirements of the Proposal.