



Letter of Comment No: 142
File Reference: 1082-154
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January 23, 1996

Financial Accounting Standards Board
Director of Research and Technical Activities
File Reference No. 154-D
401 Merritt 7
P.O. Box 5116
Norwalk, CT 06856-5116

Re: Exposure Draft - Proposed Statement of Financial Accounting Standards -
"Consolidated Financial Statements: Policy and Procedures"

Dear Sirs:

The Accounting Principles and Auditing Procedures Committee is the senior technical committee of the Massachusetts Society of Certified Public Accountants (MSCPA). The Committee consists of over thirty members who are affiliated with public accounting firms of various sizes, from the sole practitioner to the international "Big Six" firms, as well as members in both industry and academia.

The Committee has reviewed and discussed the exposure draft of the proposed statement of financial accounting standards noted above and is in agreement with the proposed standards set forth therein. In regards to the matter of combined financial statements addressed in paragraph 34, the Committee believes that the wording "are likely to be more meaningful than separate statements" does not improve on or strengthen current accounting practice which allows a great deal of latitude in decisions regarding the need for combined financial statements. Accordingly, the Committee recommends that the provisions of this paragraph be changed to require the preparation of combined financial statements where the circumstances are appropriate.

The above does not necessarily represent the positions taken by the organizations that employ the individual members of the Committee.



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Members of the Committee appreciate the opportunity to participate in the Board's due process procedures and to have our views considered by the Board. We hope that our responses are helpful.

Very truly yours,

A handwritten signature in cursive script that reads "Thomas J. Vocatura".

Thomas J. Vocatura, CPA
Chairman, Accounting Principles
and Auditing Procedures Committee
of the MSCPA

TJV/dmg