

MINUTES



Financial Accounting
Standards Board

To: Board Members

From: Mohrhauser, ext. 442
Tomdio, ext. 445

Subject: Minutes of February 2, 2010, Joint
Board Meeting: Statement of Comprehensive Income **Date:** March 4, 2010

cc: FASB: Golden, Bielstein, Proestakes, Posta, Chookaszian, Gabriele, Sutay, C. Smith, Hales, Donoghue, Mohrhauser, Tomdio, FASB Intranet; IASB: Baldurs, Texeira

The Board meeting minutes are provided for the information and convenience of constituents who want to follow the Board's deliberations. All of the conclusions reported are tentative and may be changed at future Board meetings. Decisions become final only after a formal written ballot to issue an Accounting Standards Update.

Topic: Statement of Comprehensive Income

Basis for Discussion: FASB Memo No. 1

Length of Discussion: 7:10 a.m. to 7:50 a.m. (EST)

Attendance:

Board members present: **IASB**: Tweedie, Cooper, Danjou, Engstrom, Finnegan, Gelard, Leisenring, McConnell, Smith, Yamada, Wei-Guo **FASB**: Herz, Seidman, Siegel and Smith

Board members participating by phone: **IASB**: McGregor, Garnett and Kalavecherla

Board members absent: Gomes

Staff in charge of topic: Donoghue (FASB) and Baldurs (IASB)

Other staff at Board table: FASB: Golden and Proestakes
IASB: Teixeira and Clark

Outside participants: None

Type of Document and Timing Based on the Technical Plan:

1. The Boards directed the staff to draft an exposure draft for vote by written ballot.
2. The Boards tentatively decided that the exposure draft should be issued simultaneously with the FASB's proposed Update on financial instruments and the IASB's exposure draft on postemployment benefits.

Summary of Decisions Reached:

The Boards discussed the following issues:

1. Presentation of the sections of the statement of comprehensive income
2. The timeline for the issuance of an exposure draft.

Presenting the sections of the statement of comprehensive income

The Boards tentatively decided that:

1. An entity must display total comprehensive income and its components in a continuous statement of comprehensive income.
2. The continuous statement of comprehensive income must be displayed with two sections: *profit or loss* or *net income* and *other comprehensive income*. An entity reporting comprehensive income is permitted to use different titles for these sections as long as the meaning is clear.
3. The components of each section of the statement must be reported consistently.
4. The Boards affirmed the existing requirements that provide the option to display components of other comprehensive income net of related income tax expense or before related income tax effects with one amount shown for the aggregate income tax effects on the face of the continuous statement of comprehensive income.
5. The Boards also affirmed that the income tax effect related to each component of other comprehensive income, including reclassification adjustments, may be displayed on the face of the statement together with each component. Alternatively, the income tax effect of each component

- of other comprehensive income may be displayed in the notes to the financial statements.
6. The Boards also affirmed that this project will not to change the guidance on determining the items that must be presented in other comprehensive income. That guidance is contained in other standards that are not being amended at this time.
 7. The FASB affirmed that reclassifications between other comprehensive income and net income should be displayed in the same level of detail that the items were originally reported.
 8. The IASB affirmed that the components of other comprehensive income that are not reclassified upon derecognition should be presented together and that the components of other comprehensive income that are reclassified upon derecognition should be presented together.

General Announcements:

None