



American Institute of CPAs
220 Leigh Farm Road
Durham, NC 27707-8110

October 4, 2010

Russell G. Golden, CPA
Technical Director
FASB
401 Merritt 7
PO Box 5116
Norwalk, CT 06856-5116

**Re: May 26, 2010 Exposure Draft of a Proposed Accounting Standards Update (ASU),
Comprehensive Income (Topic 220): Statement of Comprehensive Income [File Reference
No. 1790-100]**

Dear Mr. Golden:

One of the objectives that the Council of the American Institute of Certified Public Accountants (AICPA) established for the PCPS Executive Committee is to act as an advocate for all local and regional firms and represent those firms' interests on professional issues, primarily through the Technical Issues Committee (TIC). This communication is in accordance with that objective. These comments, however, do not necessarily reflect the positions of the AICPA.

TIC has reviewed the ED and is providing the following comments for your consideration.

GENERAL COMMENTS

TIC supports the issuance of this ED as a final standard. TIC has provided responses below to five of the six questions posed in the ED.

SPECIFIC COMMENTS

Question 1: Do you agree that requiring a continuous statement of comprehensive income will improve the comparability, transparency, and understandability of financial statements such as relationships between changes in the statement of financial position, the components of other comprehensive income, and the components of net income in each period? If not, why not, and what changes would you suggest to the amendments in this proposed Update?

Yes, TIC believes a continuous statement of comprehensive income, as proposed in the ED, is preferable to the three presentation alternatives available today. TIC does not see any benefits to the alternatives and believes one consistent presentation represents a change that will be beneficial for users.

Question 2: Do you agree that the option should continue to report the tax effect for each component of other comprehensive income either in the statement of comprehensive income or in the notes to the financial statements?

Yes, TIC believes that preparers should have an option to continue to report the tax effect for each component of other comprehensive income in either the notes or within the statement of comprehensive income.

Question 3: Do you believe that a requirement to display reclassification adjustments for each component of other comprehensive income in both net income and other comprehensive income in the statement of comprehensive income would improve the understandability and comparability of financial statements?

Yes, TIC believes the understandability and comparability of financial statements will be improved if reclassification adjustments are displayed on the face of the statement of comprehensive income.

Question 4: What costs, if any, will a reporting entity incur as a result of the proposed changes?

No significant costs will be incurred to implement the ED. Disclosure of the elements of comprehensive income are already required. Those entities that do not currently use one continuous statement of comprehensive income will only have to “retype” the relevant financial statements and notes.

Question 5: The Board plans to align the proposed effective date of the amendments in this proposed Update with the effective date of the amendments in the proposed Update on financial instruments. Are there any significant operational issues that the Board needs to understand to determine the appropriate effective date for the amendments in this proposed Update?

TIC recommends that the effective date for private entities be deferred one year from the designated effective date for public companies to provide sufficient time for the changes to be incorporated into the education cycle for preparers, practitioners and users.

TIC appreciates the opportunity to present these comments on behalf of PCPS member firms. We would be pleased to discuss our comments with you at your convenience.

Sincerely,



Philip J. Santarelli, Chair
PCPS Technical Issues Committee

cc: PCPS Executive and Technical Issues Committees