



FINANCIAL ACCOUNTING STANDARDS BOARD



FINANCIAL ACCOUNTING
STANDARDS BOARD



International
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Board®

Project Update

Statement of Comprehensive Income—Joint Project of the IASB and FASB

Last Updated: February 5, 2010 (Updated sections are indicated with an asterisk *)

***Summary of Decisions Reached to Date (As of February 2, 2010)**

February 2, 2010

At the February 2, 2010 meeting, 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:

An entity must display total comprehensive income and its components in a continuous statement of comprehensive income.

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.

The components of each section of the statement must be reported consistently.

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.

The Board 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.

The Boards also affirmed 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 by these new standards.

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.

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.

Timeline for issuing an exposure draft

The Boards directed the staff to draft an exposure draft for vote by written ballot.

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.

***Next Steps**

The Boards directed the staff to draft a proposed Accounting Standards Update (Update). The FASB intends to issue the proposed Update together with the proposed Update for financial instruments at the end of the first quarter of 2010.