

To: Mr. Shayne Kuhaneck
Acting Technical Director
Financial Accounting Standards Board
401 Merritt 7
Norwalk, CT 06856-5116
Via Email: director@fasb.org

Date: May 5, 2020

RE: Proposed Accounting Standards Update, Revenue from Contracts with Customers (Topic 606) and Leases (Topic 842): Effective Dates for Certain Entities.

File Reference Number: 2020-300

Question 1: Should the effective date of Revenue for franchisors that are not public business entities be optionally deferred to annual reporting periods beginning after December 15, 2019, and interim reporting periods within annual reporting periods beginning after December 15, 2020? Please explain why or why not

The effective date of revenue for franchisors that are not public business entities should be deferred. Due to the current pandemic with COVID-19 businesses are faced with additional challenges. A deferral will allow franchisors to adopt the Topic 606. I support the optional deferral to annual reporting periods.

Due to the fact that many organizations have not started to adopt Topic 606 until this year, timeliness is going to be an issue. As a result of this I support the deferral of one-year option to business entities that opt for this.

Question 2: Is the scope of the Revenue deferral (franchisors that are not public business entities) clear? If not, please explain why.

Yes, the scope of the Revenue deferral is clear.

Question 3: Should Leases be effective for entities in the “all other” category (such as private companies and private NFP entities) for fiscal years beginning after December 15, 2021, and interim periods within fiscal years beginning after December 15, 2022? Please explain why or why not.

I support the deferral for entities in the “all other” category. The impact of the pandemic is still ongoing and is resulting in a negative impact on resources. This makes it difficult for entities to adopt Topic 842.

Question 4: Should Leases be effective for NFP entities that have issued or are conduit bond obligors for securities that are traded, listed, or quoted on an exchange or an over-the-counter market that have not yet issued financial statements for fiscal years beginning after December 15, 2019, including interim periods within those fiscal years? Please explain why or why not

I am in support of deferring leases with a fiscal year beginning after December 15, 2019. The COVID-19 pandemic continues to be a struggle and limits the resources available to them. Additionally, entities have varying year end, and as a result they do not have the appropriate time required to adopt Topic 842.

Thank you for the opportunity to comment on this exposure draft.

Sincerely,
Derek Brif