

April 4, 2017

The Private Company Council (PCC) met on Tuesday, April 4, 2017. Below is a summary of issues addressed by the PCC at the meeting. The FASB staff delivered updates (and the PCC provided input) on the following FASB projects:

- **[Disclosure Framework](#)**. Several PCC members supported the FASB’s project, specifically the Exposure Draft on inventory. PCC members also provided input on various aspects of the project.
- **[Financial instruments—hedge accounting](#)**. Several PCC members supported the forthcoming standard, including the guidance that provides private companies more time to complete hedge effectiveness documentation, and other benefits.
- **[Liabilities and Equity—Targeted Improvements](#)**. PCC members discussed the feedback received on the FASB’s Exposure Draft, and the FASB’s current research on another alternative that would simplify the accounting of financial instruments with “down round” features. PCC members encouraged the Board to consider the feedback received from stakeholders to determine next steps on the project.
- **[Consolidation Targeted Improvements To Related Party Guidance for Variable Interest Entities](#)**. PCC members discussed the Board’s recent tentative decisions on the project, including the private company accounting alternative not to apply VIE guidance to companies under common control. PCC members indicated that they were pleased with the general direction of the project.
- **[FASB Pre-Agenda Project on Cloud Computing](#)**. PCC members provided the Board with private company examples and situations for recognizing and measuring cloud computing services, contracts, and related expenses.

The FAF Trustees are currently seeking candidates for three upcoming member vacancies on the PCC: a CPA practitioner, a financial statement preparer, and a financial statement user. More information [can be found here](#), submissions are due by April 24, 2017.

The next PCC meeting will be held on Tuesday, July 11, 2017. For more information on PCC projects, visit the [PCC website](#). The FASB and PCC are holding the next private company Town Hall meeting on June 13, 2017 in Las Vegas as part of the AICPA National Advanced Accounting and Auditing Technical Symposium.

PCC Meeting Recaps are provided for those interested in following the activities of the PCC. Official positions of the PCC and the FASB are reached only after extensive due process & deliberations. More details on the PCC’s input on the FASB’s projects can be found within the meeting minutes, which will be published on the PCC website in the coming weeks.