

**From:** [Mike Wade](#)  
**To:** [Director - FASB](#)  
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Dear Sir,

What is wrong with SOP 81-1 and subsequent revenue recognition guidance under the FASB's? The blue ribbon committee is totally against the convergence of FASB and IFRS. I hope someone will listen to small business accountants, practitioners and users of the current financial information. I am writing this directly as it relates to contract accounting.

I have been in public accounting for 34 years and this exposure draft is "To Vague" with poor examples and no guidance except general repeated principles taken from FASB literature already in existence. The document allows companies to manipulate income recognition using language that is general and not decisive. What is the CPA or independent accountant going to argue about the position the companies take that allows manipulation of income in a way that cannot defended in court or is untested. The lawsuits are going to roll!!!! It has taken 30 years for the FASB to develop **specific rules and regulations** to address and defend positions taken in court and now the FASB is coming up with this crap. Why are we ( US Gaap users and developers) letting the IASB and IFRS of undeveloped, untested and naïve authoritative bodies lead us down this road of " principle based accounting" that is general , vague, untested and poorly written with no good examples. The future of this is going to be suicide along with you adding the risk of FMV accounting in the mix. No one knows what FMV is now!!!! And you are adding vague and general untested principles on top that!!!!

If you are going to write this put detailed examples with the guidance so we can see what you are trying to change. This document is indecisive, ambiguous, confusing and misleading to someone trying to see what you are trying to change. No detailed examples, not enough example guidance( even your examples are to general and NOT realistic) and just the feeling of" doing whatever you want " without the consideration of the users and the effect all of this garbage will have on the preparers( CPA') and future litigation of all parties.

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