

Dear friends at the FASB:

I am concerned that you good folks have lost touch with reality, as evidenced by your latest proposal to treat virtually every lease as both an asset and a liability. This proposal would needlessly raise the complexity level for financial reporting with no real value. The fictional assets and liabilities that you would force entities to recognize are not substantive. If you are going to pursue this fiction, why stop with leases? Why not require every organization that hires a new employee to recognize an asset and liability equal to the estimated present value of the compensation of that employee over the estimate employment period? That way, companies could add trillions of dollars to their balance sheets. I guess we will need to do the same with utility expenses (electricity, etc.), telephone expenses, and any other obligation that is expected to continue for some period of time. As a matter of fact, why don't we just go ahead and estimate the net income of an entity for the rest of its life, and go ahead and capitalize that?

Please get a grip. Simplicity is a virtue. Complexity is the enemy of good, reliable information.

Best regards,

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