Re: Proposed Accounting Standard Update Financial Instruments-Credit Losses (Topic 326), Derivatives and Hedging (Topic 815) and Leases (Topic 842), Effective Dates

Dear Mr. Kuhaneck:

Carr, Riggs, & Ingram, LLC (“CRI”) is pleased to provide these comments to the Financial Accounting Standards Board (“FASB”) on the proposed Accounting Standards Update, Financial Instruments – Credit Losses (Topic 326), Derivatives and Hedging (Topic 815) and Leases (Topic 842), Effective Dates (the “Exposure Draft”).

CRI supports the philosophy developed by the Board to extend and simplify how effective dates are staggered between larger public companies and all other entities. We offer the following comments to the specific questions of the Exposure Draft.

Question 1: Is the two-bucket approach described and applied in this Update understandable?

CRI believes the proposed changes are understandable.

Question 2: Should the population of SEC filers that are afforded a delayed effective date (that is, excluded from bucket one) be entities eligible to be SRCs as defined by the SEC?

CRI supports the designation of the population of SEC filers afforded a delayed effective date as described, but recommends a cross-reference to paragraphs BC11-16 for further clarity regarding smaller reporting companies (SRCs).

Question 3: Should the determination of whether an entity is eligible to be an SRC be based on its most recent determination in accordance with SEC regulations as of the date that a final Update is issued?

CRI supports the proposed determination method.
Question 4: Should Credit Losses be effective for entities eligible to be SRCs, private companies, not-for-profit organizations, and employee benefit plans for fiscal years beginning after December 15, 2022, including interim periods within those fiscal years?

CRI supports the proposed effective dates as included in the proposed standard.

Question 5: Should Hedging be effective for all entities other than public business entities for fiscal years beginning after December 15, 2020, and interim periods within fiscal years beginning after December 15, 2021?

CRI supports the proposed effective dates as included in the proposed standard.

Question 6: Should Leases be effective for (a) private companies, (b) not-for-profit organizations (excluding those 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) and (c) employee benefit plans (excluding those that file or furnish financial statements with or to the SEC) for fiscal years beginning after December 15, 2020, and interim periods within fiscal years beginning after December 15, 2021?

CRI supports the proposed effective dates as included in the proposed standard.

Question 7: This question is for future major Updates and not the amendments in this proposed Update. Under the revised effective date philosophy, certain public business entities, including SRCs, and nonpublic business entities would have a deferred effective date. Should interim reporting be required in the same year as the annual financial statements or in the subsequent year for these entities when they provide interim financial statements?

CRI supports requiring interim reporting in the same year as the annual financial statements.

Thank you for the opportunity to comment on this exposure draft. If you have any questions regarding the comments in this letter, please contact Alan Skinner at 334-348-1342.

Very truly yours,

Caro, Riggs & Ingram, LLC