November 16, 2015

Ms. Susan M. Cosper, Technical Director
Financial Accounting Standards Board
401 Merritt 7 PO Box 5116
Norwalk, Ct. 06856-5116


Dear Ms. Cosper:

The Small Business Financial and Regulatory Affairs Committee (SBFRC) of the Institute of Management Accountants (IMA) welcomes the opportunity to share its views on the Financial Accounting Standards Board’s (FASB or Board) Exposure Draft of the Private Company Council’s (PCC) Proposed ASU - Effective Date and Transition Guidance for Intangibles – Goodwill and Other (Topic 350), Business Combinations (Topic 805), Consolidation (Topic 810), Derivatives and Hedging (Topic 815).

IMA is a global association representing more than 75,000 accountants and finance team professionals. Our members work inside organizations of various sizes, industries, and types, including manufacturing and services, public and private enterprises, not-for-profit organizations, academic institutions, government entities, and multinational corporations.

The SBFRC addresses issues that impact small and medium-sized organizations. On behalf of IMA’s members, the SBFRC engages and suggests solutions to standard-setters and regulatory agencies such as the Financial Accounting Standards Board, Securities and Exchange Commission, International Accounting Standards Board, Small Business Administration, American Bankers Association, Internal Revenue Service, and others. Information on the committee can be found at www.imanet.org/about-ima/advocacy-activity/small-business-financial-and-regulatory-affairs-committee.
The SBFRC generally supported the PCC proposals that resulted in the private company alternatives for goodwill and other intangibles, for common control leasing arrangements and for certain interest rate swaps permitted in ASUs Nos. 2014-02, 2014-03, 2014-07 and 2014-18 as indicated in our letters dated August 23, 2013. The committee still prefers a maximum amortization period of 15 years for goodwill.

We support the proposals in this ASU to:

- remove the effective dates for the private company alternatives permitted in ASUs Nos. 2014-02, 2014-03, 2014-07 and 2014-18 as the indefinite extension accommodates changes in circumstances (such as a private company no longer considering going public) and

- explicitly eliminate the preferability assessment the first time a private company adopts the private company alternates in ASUs Nos. 2014-02, 2014-03, 2014-07 and 2014-18 as such elimination eliminates considerable effort and cost for private companies.

We appreciate the consideration of these comments and are available to discuss our views.

Respectfully,

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