

Letter of Comment No: 14
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Timothy S. Lucas, Director of Research and Technical Activities
Financial Accounting Standards Board
401 Merritt 7
Norwalk, CT 06856-5116

Dear Mr. Lucas:

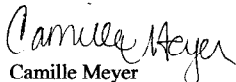
This letter is in response to the current proposal to undertake a new project addressing issues related to the Recognition of Revenues and Liabilities. I respectfully submit that the scope of the project is too broad and ambiguous.

With the issuance of SAB No. 101, many questions about revenue recognition were answered, yet many feel that SAB 101 was developed for a particular industry and that broader application was not considered. Companies, industries, and markets rely on specific applications to direct them with their individual recognition policies. The development of broad guidelines is unnecessary.

If a project is established it should focus on disclosures within financial statements. Markets and investors would stand to gain more if guidelines for disclosures were improved. Disclosures in the past have been based on need to know, materiality, and cost efficiency. The markets are anxious for information. They want accessible easy-to-understand notes to the financial statements that can explain a company's revenue and liability recognition policies. What one investor/user may deem as material may be different for another. The project should focus on defining material disclosures, and whether cost should limit disclosures on revenue and liability recognition.

To develop one concept concerning revenue recognition and liabilities that can satisfy all aspects of every industry and company is too ambitious. A focus on disclosure guidelines would satisfy broader markets. If the average investor can understand the notes and disclosures of the financial statements they could make their own decision regarding recognition policies adopted by specific companies.

Sincerely,


Camille Meyer