

01/10/2017

Record ID: 636196894892816426

Question Text	Response	Status
* Please select the type of entity or individual responding to this feedback form.	Accounting Firm/Auditor	Completed
Other, please specify (Specified)		
* Please provide contact information for any follow-up questions.	(Filled in as Follows:)	Completed
Organization *	Milbern Ray & Company	
First name *	Carol	
Middle initial		
Last name *	Uhl	
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Phone number		
Would the amendments in this proposed Update result in more effective, decision-useful information about inventory? Please explain why or why not.	Yes. I work with private companies. Bankers who need more information simply ask the CFO for it. However, sometimes they don't have a good idea of what they can ask for. I think the proposed standard (with the exception of one paragraph - see below) gives the users a "taste" of what they can ask for, and isn't too burdensome on companies who prepare financial statements.	Completed
Are the proposed disclosure requirements operable and auditable? If not, which aspects pose operability or auditability concerns and why?	Generally, yes. One exception - see #4 below.	Completed
Would any of the proposed disclosures impose significant incremental costs? If so, please describe the nature and extent of the additional costs.	Generally, no. One exception - see #4 below.	Completed

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<p>Paragraph 330-10-50-7 proposes a requirement to disclose certain specific changes in the inventory balance. Is this requirement sufficiently operable? Why or why not? Would a requirement to include a rollforward of inventory impose significantly greater costs? If so, please describe the nature and extent of the additional costs. Would the informational benefit of a rollforward be sufficient to justify the additional costs? Are there other ways to provide users with this information without imposing significant incremental costs, and, if so, what are they?</p>	<p>I have concerns with companies who purchase inventory to use in normal business activities. (I'm thinking about a paving contractor who holds paving supplies in inventory and uses them to pave parking lots.) Gathering rollforward information wouldn't be that burdensome, but I don't think any user would benefit from it. I think the same issue could apply to many service or construction entities. I suggest that 330-10-50-7 be edited similar to, "An entity shall disclose ... outside the normal course of purchasing, manufacturing, or selling inventory; or serving service or construction customers ..." Or perhaps qualitative disclosure could be permitted.</p>	<p>Completed</p>
<p>The proposed amendments would apply to all entities, except for the requirements in paragraphs 280-10-50-25 and 280-10-50-32, which apply only to those public entities subject to the guidance in Topic 280. Is it appropriate to exclude entities that are not public business entities from this guidance? Are there other</p>	<p>I agree that nonpublic companies shouldn't have to make these disclosures.</p>	<p>Completed</p>

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<p>disclosures for which entities that are not public business entities should be allowed a modification?</p>		
<p>Paragraph 330-10-50-11 proposes a requirement to disclose a qualitative description of types of costs that an entity capitalizes into inventory. Would this requirement be useful to users?</p>	<p>n/a - not a user</p>	<p>Completed</p>
<p>Paragraph 330-10-50-12 proposes a requirement for entities that record inventory using the RIM to disclose qualitative and quantitative information about the critical assumptions used under that method. Is this disclosure requirement incremental to existing guidance for critical accounting estimates and significant accounting policies? Would it be operable and provide useful information to users?</p>	<p>n/a - don't use RIM</p>	<p>Completed</p>
<p>Are there any other disclosures that should be required by Topic 330 on the basis of the proposed Concepts Statement or for other reasons? Please explain why.</p>	<p>No.</p>	<p>Completed</p>

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<p>Should the proposed disclosures be required only for the fiscal year in which the requirements are effective and years after that fiscal year, or should prior periods be restated in the year in which the requirements are effective? Please explain why.</p>	<p>I suggest that, in the year of adoption, information be required for all prior periods presented if practicable.</p> <p>Generally, I believe comparative financial statements should be... well... comparative. I also know that "Murphy's Law" often applies to accounting matters.</p>	<p>Completed</p>
<p>How much time would be needed to implement the proposed amendments? Should the amount of time needed to implement the proposed amendments by entities other than public business entities be different from the amount of time needed by public business entities? Should early adoption be permitted? Please explain why.</p>	<p>Nonpublic companies - I think 2nd and subsequent years, it would take companies and auditors 3-4 hours extra time each year. The first year, it would take twice that. (No basis for an opinion on public companies.)</p> <p>Early adoption is a good idea.</p>	<p>Completed</p>
<p>Please provide any additional comments on the proposed Update:</p>	<p>To reiterate, it's a good standard.</p>	<p>Completed</p>
<p>Please provide any comments on the electronic feedback process:</p>		<p>Completed</p>
<p>Below is a printable summary of your responses to the questions in this feedback form.</p>	<p>Not Answered</p>	<p>Not Answered</p>

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