

Commentletters

From: Asish bhattacharyya [akb@iimcal.ac.in]
Sent: Thu 24/02/2000 10:06
To: 'CommentLetters@iasc.org.uk'
Subject: Comments on Exposure Draft E65

The Secretary-General,
International Accounting Standards Committee,

Dear Sir,

The following are my comments on the exposure draft on the proposed International Accounting Standard: Agriculture:

Q1

- (a) Yes. Guidance in paragraphs 4-7 is adequate.
- (b) The standard should not address further processing.

Q2

- (a) Yes.
- (b) No.
- (c) No.

Q3

- (a) No.
- (b) Yes
- (c) No.

Q4

- (a) No.
- (b) No.
- (c) Yes. I do not believe that in all situations fair values can be measured reliably prior to a 'realisation event'.
- (d) No.
- (e) No.

Q5

- (a) Yes.
- (b) No.

Q6

- (a) Yes, in conjunction with (c).
- (b) No.
- (c) Yes, in conjunction with (a)
- (d) No.
- (e) No.

Q7

- (a) No.
- (b) Yes. This will better reflect operating results of each period. Grants are released either to cover a part of the cost of completing the activity or as an incentive for completing the activity. Grants are released unconditionally in those situations where the incidence of mid way abandonment is low and the cost of monitoring the completion is high. Therefore it is incorrect to relate the grant directly to the commencement of the activity and to treat it as income immediately.
- (c) No.

Q8

- (a) Yes.
- (b) No.
- (c) No.
- (d) No.
- (a) Yes.
- (b) No.
- (c) No.

Q10

The guidance is adequate.

Q11

- (a) Yes.
- (b) Yes, as the next best alternative to (a) .
- (c) No.

Q12

- (a) Yes.
- (b) No.
- (c) No.

Q13

Sensitivity disclosure should be required. The proposed disclosures are adequate.

Q14

- (a) Yes.
- (b) No.
- (c) No.
- (d) No.
- (e) No.

Q15

No comments.

I shall be grateful if my comments receive due consideration.

Thanking you,

Yours sincerely

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