

July 5, 2016

Securities and Exchange Commission
Washington, DC 20549

Response to Concept Release
Business and Financial Disclosure Required by Regulation S-K
File No. S7-06-16

I am a Certified Public Accountant who has practiced before the Securities and Exchange Commission for over a half of a century. While I no longer audit public companies, I am on the board of directors of a small public company. My focus is the cost of being a public company as I have seen firsthand experience as to these costs. I have written two articles published in *The CPA Journal*, a publication of the New York State Society of Certified Public Accountant, in which I describe the excessive costs of being public: *Have We Created Financial Statement Disclosure Overload – November 2007* and *The Effects of Regulatory Overload – February 2013*. I will limit my discussion in this letter to those areas which I believe disclosure and the concomitant costs could be reduced with minimal reduction in the availability of financial information. As the Commission is aware many of the areas of expensive disclosure are mandated by laws enacted by the Congress. Additionally there are rules promulgated by both the Financial Accounting Standards Board (“FASB”) or the Public Company Accounting Oversight Board which I believe add to the cost of being a public company but do not add to useful information for investors. I am not addressing the issues relating to any rules other than those raised in the Concept Release.

Consideration should be given to eliminating the requirements to disclose trends. All of us would like an understanding of the trends affecting our lives, businesses, governments etc. My experience in dealing with reporting under Form S-K has been to want to say something about trends, even though managements normally do not know when past trends will develop into future trends. I believe that the trend disclosures are not meaningful and the requirement to include them should be eliminated.

I have assumed in my response that all investors have access to EDGAR and therefore do not need the repetition of information previously disclosed. An issue for preparers, and gatekeepers, of public companies is the belief that over disclosing is better than under disclosing. This attitude has added significantly to the length of reporting. I appreciate that the FASB has started a project to reduce minimally useful disclosures. I believe that the efficiency of the reporting system would be enhanced if the SEC undertook a similar project, in all areas, not just Regulation S-K.

The following are my comments on Regulation S-K. For referencing I index my comments to correspond with your numbering in the Concept Release, followed by the page number in parentheses:

90 (103) I believe that any consolidation of instructions would be helpful. A proliferation of guidance requiring looking in various places does put a burden on registrants and the professionals who work with Registrants.

107-110 (115) The elimination of repetition of the prior year/period MD&A would reduce costs. An investor wishing such information could access it via EDGAR. Normally I have seen such information repeated verbatim in the subsequent appropriate period. I believe this repetition is unnecessary. Where subsequent events result in a substantive change relating to the prior year, it, of course, should be included in MD&A.

113-120 (119) I found that the liquidity and capital resources disclosures tend to be boiler plate, obvious from the financial statements, or repetitive on information elsewhere. Unless the standards requiring disclosure that do not repeat what is in the financial statements I recommend the requirement be eliminated.

125-130 (133) The required disclosure on contractual information duplicates the information in the financial statements and footnotes. If totals are thought to be useful, the SEC and/or FASB can so require.

131-136 (138) I believe that the table of contractual information repeats information currently in the footnotes to the financial statements. I see no advantage to its inclusion in MD&A other than adding the information in one table.

137-144 (144) Registrants disclose "critical accounting estimates" based I believe on a non-binding suggestion from the Staff. This disclosure "suggestion" has resulted in a profusion of disclosures most totally useless. Is it really useful to disclose that asset impairment and deferred tax asset evaluations are subjective estimates? I would recommend dropping the requirement unless a reasonably useful definition can be written. If there is a specific item the FASB should address its disclosure.

145-156 (154) As I understand the development of these rules, what started out as a quantitative analysis of financial risk has grown beyond usefulness. Without detailing the silliness of many of the current disclosures, an approach is needed to eliminate those disclosures that are obvious, applicable to all businesses, etc.


191-196 (183) As the statement of shareholders' equity contains the security purchase and sale transactions in question, I do not believe that this disclosure adds any useful information.

216-223 (213) I believe that ESG reporting is in its infancy and has not developed a usefulness that would justify its costs. There is much experimentation with reporting and with reporting frameworks such as the SASB and GRI frameworks. I suggest allowing the sustainability/ESG reporting industry to continue to develop before Registrants are burdened with another set of rules. I note that any material ESG exposure would be covered by the now required S-K risk disclosure requirements.

291 (295) Cross referencing would be helpful. I have occasionally accessed exhibits, primarily to plagiarize such items as codes of ethics, board committee charters, letters from accountants, etc., oh, excuse me, I mean find the best examples of. I believe that for each registrant there should be somewhere on EDGAR an index with hyperlinks to the documents. It would make finding good examples much easier.

In a not requested area, Registrants are now placing in MD&A and the footnotes to the financial statements all issued, but not yet effective, pronouncements of the FASB and the effect such pronouncements, when effective, will have on the financial statements. Most Form 10-Ks now have a list of such pronouncements in two places, the financial statement footnotes and MD&A. The disclosures include descriptions of the accounting matter covered, stating that either the pronouncements are not expected to have a material effect or the company is evaluating the potential effect. I suggest pages can be eliminated from the reports by limiting disclosures to those issued but not yet effective pronouncements that are "expected" to have a material effect and to eliminate any that are not "expected" to have a material effect.

Thank you for this opportunity to respond to your study.

A handwritten signature in blue ink, appearing to read 'Arthur J. Radin', written over a horizontal line.

Arthur J. Radin
Partner, Janover LLC