

From: Nicholas Lascari [nlascari@bjaccountants.com]
Sent: Thursday, June 02, 2011 5:14 PM
To: Presidentsdesk; nlascari@bjaccountants.com
Subject: Private Company Financial Reporting

Board of Trustees
Financial Accounting Foundation
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Dear Financial Accounting Foundation:

Without delay, it is essential that FAF accept and implement the recommendations made by the Blue Ribbon Panel on Private Company Financial Reporting regarding differential standards and a separate standard-setting entity for private companies. Such historic change is necessary to effectively bring about sensible, useful financial reports for private companies and the users of their financial statements (such as bankers/lenders, insurers, venture capitalists and others).

I believe a systemic problem exists. The current standard-setting process does not adequately take into account the needs of the private company sector. Further, the panel was correct in that there is not a proper weighing of costs and benefits when it comes to setting standards for private companies.

In addition, substantive differences in current and future standards for private companies, where appropriate, are necessary. History and the current environment clearly show that FASB cannot effectively balance the competing needs of both the public company and private company areas.

Further, a new, separate body with standard-setting authority must be established directly under FAF and not subject to FASB approval. Given the public company reporting pressures placed upon FASB, the board cannot adequately respond to the competing needs of the private company sector.

Users and preparers of financial statements as well as others provided valuable and adequate research to the panel on the problems and needed solutions related to private company financial reporting

. Differential standards and an autonomous standard-setting body to implement them for private companies are needed now.

Thank you.

Sincerely,

Nicholas Lascari

CPA practitioner
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