



August 19, 2011

Financial Accounting Foundation
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Dear Members of the Board:

We are supportive of the Blue Ribbon Panel and its effort to improve the quality, relevance and cost effectiveness of financial reporting. We therefore urge the Trustee Working Group to support the full implementation of the recommendations they made. We note that the Panel was composed of a representative group of preparers, users and auditors, all of whom are key stakeholders in private company financial reporting.

We believe that the disclosure and reporting requirements have become overly burdensome and complex for the private companies and not-for-profit organizations and are not always in line with the needs of the primary users. While public and private companies share many of the same concerns about the complexity and the costs of preparing GAAP financial statements, the primary focus of the users of the public company financial statements is to obtain information that is useful for making investment decisions, while the users of most private company financial statements (typically owners and lenders) are more focused on obtaining information that is relevant to managing the business and making credit decisions.

We believe improvements should focus on making existing and future standards more easily understood for all companies, finding practical expedients for private companies where appropriate, scaling the disclosures to be appropriate for the common users of private company financial statements and setting effective dates that provide longer implementation periods for private companies. We do, however, also acknowledge that there may be a need for recognition and measurement differences in certain of the standards, such as uncertainty in income taxes, consolidation of variable interest entities and goodwill.

While we have some reservations about having two separate boards, we acknowledge that the private company concerns have not been addressed under the current framework and are, therefore, supportive of the Panel's recommendation to have separate boards that operate within established guidelines.

Sincerely,

McGladrey & Pullen, LLP

A handwritten signature in black ink that reads 'Joseph M. Adams'.

Joe Adams, Managing Partner and CEO

A handwritten signature in black ink that reads 'Richard Day'.

Richard Day, National Director of Accounting