July 13, 2011

Board of Trustees
Financial Accounting Foundation
401 Merritt 7, P.O. Box 5116
Norwalk, CT 06856-5116

Dear Members of the Financial Accounting Foundation:

Thank you for the opportunity to comment on efforts to establish Private Company Financial Reporting Standards.

Like most things in life, a “one size fits all” approach may bring some efficiency, but always at the cost of quality and relevance. We see this approach in government regulations, and many nationally regulated industries and professions.

It has been a problem for the accounting profession for most of my 35 years of providing services as a certified public accountant. I am senior partner in a firm of 10 CPAs in Fairbanks, Alaska.

However, only in the last decade has the problem become so bad that following standards produced misleading financial statements and strong client resistance. Fin 46 and Fin 48, to me, were tipping points in our practice and client base. When certified public accountants recognize that non-GAAP presentations were more relevant than GAAP presentations for certain types of financial transactions and issues, than surely the time has come to fix the standard setting process of our profession.

So, I strongly support establishing a separate standard-setting entity for private companies. This separate body should have standard setting authority, and not be subject to the approval of the FASB. Doing so will reduce the complexities of financial reporting for private companies, resulting in more relevant and useful financial statements. The needs of public companies are important; however, their issues should not drive the entire profession.

These changes are needed NOW!

Thank you again for the opportunity to present my views.

Sincerely,

[Signature]

Garry Hutchison