Board of Trustees
Financial Accounting Foundation
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To Whom It May Concern:

This letter is in support of the proposals made by the Blue Ribbon Panel on Private Company Financial Reporting regarding differential standards and a separate standard-setting entity for private companies. This type of change is necessary to effectively bring about meaningful financial statements for private companies and the users of their financial statements.

I believe that a universal problem exists, and 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.

Additionally, substantive differences in current and future standards for private companies, where appropriate, are necessary. The problem is fundamental, and not just about disclosures and relief on effective dates for new standards. A new, separate body with standard-setting authority must be established directly under FAF and not subject to FASB approval. This might be the most important recommendation to implement.

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 independent standard-setting body to implement them for private companies are needed now.

Thank you.
Sincerely,

Laurie Steger
CPA practitioner
Baker Tilly Virchow Krause, LLP