Board of Trustees  
Financial Accounting Foundation  
401 Merritt 7, P.O. Box 5116  
Norwalk, CT 06856-5116  
presidentsdesk@f-a-f.org  

Dear FAF:

This letter is to inform you that I greatly support 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 meaningful financial reporting for private companies and the users of their financial statements.

I believe a systemic problem exists. The panel was correct in that it does not make sense to incur such significant costs to comply with standards that have become irrelevant to private companies.

In addition, substantive differences in current and future standards for private companies, where appropriate, are necessary. Having suitable differences in reporting standards will lead to more applicable financial statements that provide useful information to those that use private company financial statements.

A new, separate body with standard-setting authority must be established directly under FAF and not subject to FASB approval. History and the current environment clearly show that FASB cannot effectively balance the competing needs of both the public company and private company areas.

The work done by the research panel was extensive and took into account input from key constituencies. Differential standards and an autonomous standard-setting body to implement them for private companies are needed now.

Thank you.
Sincerely,

Kelly Toole  
CPA practitioner  
Baker Tilly Virchow Krause, LLP