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

Dear Financial Accounting Foundation Working Group:

I strongly 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.

FASB carries out the SECs statutory responsibility for accounting standards, so it is destined to primarily reflect the capital markets and investors' needs. As the panel noted, private companies are incurring significant unnecessary costs for GAAP financial statement preparation and audit, review or compilation services.

Having appropriate differences will lead to more relevant financial statements that provide decision-useful information to the users of private company financial statements. A new, separate body with standard-setting authority must be established directly under FAF and not subject to FASB approval. Without such a body, the differences needed in the standards are unlikely to occur, just like with past committees and efforts.

Thank you.

Sincerely,

John Krause
CPA practitioner
Baker Tilly Virchow Krause, LLP