

From: [Deborah Rose](#)
To: [President's Desk](#); drosecpa@aol.com
Subject: Private Company Financial Reporting
Date: Wednesday, June 08, 2011 3:16:00 PM

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

Dear Financial Accounting Foundation:

I am writing to urge you to adopt and implement the recommendations of the Blue Ribbon Panel on Private Company Financial Reporting, to pursue differential standards developed by a separate standard-setting entity for private companies.

I have spent over 30 years in public accounting, working with a variety of privately-held companies and their bankers. I have also taught CPE seminars for a major vendor of accounting and auditing courses since 1988, where the largest portion of the audience is CPAs working with private companies. The disillusionment and frustration shared by seminar participants over the current status of private company GAAP is overwhelming. The cost and effort to learn and apply the intricacies of GAAP requirements that are not fully understood by -- or useful to -- our clients or the users of their financial statements result in little if any perceptible benefits. In order to respond to dynamic and global issues that are relevant to 14,000 or so public entities, 29 million entities with very different needs are burdened with complex standards that are largely irrelevant.

It is time for the endless debate on public/private GAAP to be addressed with action -- not another panel, study, review, survey, or discussion paper. Recent actions such as PCFRC (whose recommendations were largely ignored) and trivial exceptions or deferrals in new standards demonstrate that treating the needs of private companies and other stakeholders as an afterthought is not an answer. It is time for the vast majority in your constituency to be heard and served, and for FAF (without FASB influence) to establish a separate body that can devote 100% of its efforts to address this crisis in confidence and relevance.

Thank you.

Sincerely,

Deborah Rose
CPA practitioner
Loescher, Rose & Co.