

**From:** [Steven Bishop <steveb@bensonmcl.com>](mailto:steveb@bensonmcl.com)

**To:** [President's Desk  
steveb@bensonmcl.com](mailto:steveb@bensonmcl.com)

**Date:** 6/8/2011 3:24:04 PM

**Subject:** Private Company Financial Reporting

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

Dear Financial Accounting Foundation:

I am writing to express my support of 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.

Our practice solely deals with privately owned companies with revenues that range from a low of \$1,000,000 to a high of \$300,000,000. While existing GAAP is more relevant to the larger companies, there are portions of existing GAAP that are either not relevant, or constitute a significant cost for many of our privately held companies to implement or maintain. I have clients that are presently using GAAP exceptions instead of adopting selected GAAP. I believe separate GAAP for privately held companies would result in meaningful, yet cost effective, financial reporting for these companies.

I could potentially see a cutoff in separate GAAP depending on the size of the company. My \$300 million client certainly possess a much higher level of sophistication than my average client, Yet, there should be separate GAAP. The past compromises of delay in effective dates or slightly different disclosures are not adequate to prevent private companies from incurring costs that principally relate to GAAP that appear to be directed at public company issues.

I also support the formation of a separate standard setting body for private company GAAP. The interests are sufficiently different and therefore the parties involved should be separate. I believe this will absolutely be necessary for real change to occur.

Thank you for your consideration of my comments.

Sincerely,

Steven Bishop  
CPA practitioner  
Benson & McLaughlin, P.S.