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**Sent:** Thursday, June 02, 2011 6:38 PM  
**To:** Presidentsdesk; sheldon.holzman@bakertilly.com  
**Subject:** Private Company Financial Reporting

Board of Trustees  
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Dear Financial Accounting Foundation:

I sincerely ask the FAF to adopt historic 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 more meaningful financial statements for private companies and the users of their financial statements (such as bankers/lenders, insurers, venture capitalists and others).

I believe a systemic problem exists. The current standard-setting process and procedures do not adequately address the needs for the private company sector. Further, the panel was correct in that the cost of compliance for private company sector is far more than needed for adhering to public company GAAP.

In addition, substantive differences in current and future standards for private companies, where appropriate, are necessary. Having appropriate differences will lead to more relevant financial statements that provide decision-making information to the users of private company financial statements.

Further, a new, separate body with standard-setting authority must be established directly under FAF and not subject to FASB approval. This is the most important recommendation that has been made.

I have personally supported this position for the entire 40+ years I have practiced in public accounting. Differential standards and an autonomous standard-setting body to implement them for private companies are needed now.

Thank you.

Sincerely,

Sheldon Holzman  
CPA practitioner  
Baker Tilly Virchow Krause, LLP