

From: Gregory Lawson [greg.lawson@dhgllp.com]
Sent: Friday, June 03, 2011 11:35 AM
To: Presidentsdesk; greg.lawson@dhgllp.com
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

Dear Financial Accounting Foundation:

I request that the Foundation move this project forward. It is essential that FAF accept and implement 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 sensible, useful financial reports for private companies and the users of their financial statements.

The panel was correct in that it does not make sense to incur significant cost to comply with standards that have become ever more irrelevant in the private company world. In addition, substantive differences in current and future standards for private companies, where appropriate, are necessary. Private company financial reporting, as it stands now, is too complex, embodies too much irrelevant information and is too costly and time-consuming given its benefits.

Further, a new, separate body with standard-setting authority must be established directly under FAF and not subject to FASB approval. An autonomous standard-setting body is the only answer to address the problem.

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

Thank you.

Sincerely,

Gregory Lawson
CPA practitioner
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