

From: [Kevin Doyle](#)
To: [President's Desk](#); kdoyle@eidebailly.com
Subject: Private Company Financial Reporting
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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 urge FAF to adopt 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 more relevant and sensible financial statements for private companies and the users of their financial statements.

I believe there is an increasing lack of relevance of accounting standards for private companies and their financial statement users and private companies are incurring significant unnecessary costs for GAAP financial statement preparation and audit, review or compilation services

In addition, substantive differences in current and future standards for private companies, where appropriate, are necessary. The problem is fundamental, and not just about disclosures and relief on effective dates for new standards. 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. History and the current environment clearly show that FASB cannot effectively balance the competing needs of both the public company and private company areas

The panel's report is based on a year of discussion, research efforts spanning 30 years and input from private companies and their financial statement users. Differential standards and an autonomous standard-setting body to implement them for private companies are needed now.

Thank you.

Sincerely,

Kevin Doyle
CPA practitioner
Eide Bailly LLP