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**Subject:** Private Company Financial Reporting  
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Board of Trustees  
Financial Accounting Foundation  
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Dear Financial Accounting Foundation:

1) \_\_\_\_ This letter is to express my support for \_\_\_\_ 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 2) \_\_\_\_ More sensible and cost effective 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. 3) \_\_\_\_ The needs of public companies and private companies are vastly different \_\_\_\_\_. Further, the panel was correct in that 4) \_\_\_\_ Private companies incur substantial cost to maintain the continuing compliance with our standards. \_\_\_\_\_.

In addition, substantive differences in current and future standards for private companies, where appropriate, are necessary. 5) \_\_\_\_ to allow for more user friendly financial statements \_\_\_\_\_.

Further, a new, separate body with standard-setting authority must be established directly under FAF and not subject to FASB approval. 6) \_\_\_\_ to ensure that there exist a real separation of powers so that the appropriate needs can be addressed on each level \_\_\_\_\_.

7) \_\_\_\_ 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,

David Bass  
CPA practitioner  
Fountain, Arrington, Bass, Mercer & Lee, P.C.