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To: [President's Desk
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Subject: Private Company Financial Reporting

Board of Trustees
Financial Accounting Foundation
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presidentsdesk@f-a-f.org

Dear Financial Accounting Foundation:

A am sending you this letter to support 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 and useful financial reporting 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 reporting for big companies and reporting for small companies are not the same. Most small companies do not do their financial statements for stockholder purposes Further, the panel was correct in that private small companies would be incurring significant unnecessary costs for the new proposed GAAP financial statement preparation.

In addition, substantive differences in current and future standards for private companies, where appropriate, are necessary. Small private companies reporting does not have to be that complex and should not include alot of irrelevant information that is very expensive to produce.

Further, a new, separate body with standard-setting authority must be established directly under FAF and not subject to FASB approval. The current business environment shows that FASB is not balancing the needs of both the public and private companies with a boiler plate change.

Us preparers of financial statements, provided valuable and solid research to the panel on the problems and needed solutions related to private company financial reporting. Differential standards and an autonomous standard-setting body to implement them for private companies are needed now.

Thank you.

Sincerely,

Steven Johnson EA, CFP,CTPx,ATA,ATP
Tax Accountant financial planner
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