

August 25, 2011

Board of Trustees
Financial Accounting Foundation
P.O. Box 5116
Norwalk, Connecticut 06856-5116

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 appropriate 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. Accounting standards have been and are driven by issues affecting public companies. Further, the panel was correct in that there is not a proper weighing of costs and benefits when it comes to setting standards for private companies.

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-useful 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. History and the current environment clearly show that FASB cannot effectively balance the competing needs of both the public company and private company areas.

Users and preparers of financial statements as well as others provided valuable and adequate 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.

Very truly yours,

HARDING, SHYMANSKI & COMPANY, P.S.C.



Cory Reffett, CPA

lmp

Evansville, IN ■ Louisville, KY