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September 7, 2011

Board of Trustees
Financial Accounting Foundation
401 Merritt 7, PO Box 5116
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presidentsdesk@f-a-f.org

Dear Financial Accounting Foundation:

I am writing this letter to urge the FAF to formally acknowledge and address one of the most critical needs that private companies in the U.S. have in today's economic environment – the need for separate accounting and financial reporting standards set by a standard-setting authority other than the Financial Accounting Standards Board (FASB). I ask the FAF to implement the recommendations made by the Blue Ribbon Panel on Private Company Financial Reporting without delay.

I am the founding member of a large local accounting firm in Greenville, South Carolina. My firm has served small businesses in the Upstate for 31 years. During that time, I and my peers have assisted the owners and management of our small business clients with their accounting, financial reporting and tax needs. We don't just work *for* our clients... we work *with* our clients – through the good times and the bad.

During the past 31 years, we have watched accounting and reporting standards become more and more complex and difficult to implement; more and more burdensome and costly to our clients; and more and more superfluous to the users (primarily lenders and bonding agencies) of our clients' financial statements. Certainly we understand the importance of transparency in financial reporting. However, owners and management of most private companies have a very personal relationship with lenders and bonding agency representatives, and complicated financial presentations such as consolidation of variable interest entities, fair value disclosures and comprehensive income are meaningless. OCBOA accounting and financial reporting could address certain of these issues, but only if such financial statements were acceptable to the users. We find that boiler-plate requirements of most lenders and bonding agencies call for GAAP reporting, so users are hesitant to accept financials prepared using any other basis of accounting.

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During the past 31 years, the FASB has repeatedly demonstrated that its focus is primarily on the accounting and financial reporting needs of large public companies and the users of large public company financial statements. Certainly that focus is imperative, but it takes its toll. The members of the FASB appear to be so far removed from the "real world" of private company endeavors, that they have no concept of how little relevance many of the accounting and reporting standards have to private company operations. However, the FASB cannot be expected to address the needs of *all* entities in the U.S. One size does not, and should not, fit all.

A separate standard-setting body should be established to specifically address the accounting and financial reporting needs of private companies and the users of private company financial statements. This body should be established under the FAF and should not answer to the FASB. Only in this manner can the growing, urgent needs of private companies be adequately and properly addressed.

I thank you for your consideration of my views, and once again, urge your immediate action on this issue.

Sincerely,

A handwritten signature in black ink that reads "Del L. Bradshaw". The signature is written in a cursive, slightly slanted style.

Del L. Bradshaw, CPA/AVB, CFF
Founding member