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Sent via Electronic Mail and U.S. Mail

Board of Trustees
Financial Accounting Foundation
401 Merritt 7 P.O. Box 5116
Norwalk, CT 06856-5116

Dear Trustees:

I have read and thoughtfully considered the Blue-Ribbon Panel's Report on Standard Setting for Private Companies that was presented to you. I feel compelled to write and express my support of the Panel's recommendations because finally the differences and needs of the users of private companies are being seriously considered.

I have enjoyed my career as a CPA serving privately owned companies for over 40 years and during those 40 plus years in public accounting, and most recently in consulting, I have witnessed firsthand the evolvement of practice and financial reporting standards, rules and interpretations. I see how it has increased the cost for private companies to prepare their financial statements and for CPA's to compile, review, audit and report on them. The unintended consequences are financial statements and disclosures that lack relevance to the users of those financial statements.

Accordingly, I believe adopting the Panel's recommendation without delay will:

- Recognize that the users of financial statements of private companies differ from those of public companies,
- Result in more relevant and useful information for the users of those financial statements,
- Eliminate significant and unnecessary added costs to comply with standards that have become ever more irrelevant for private companies and the users of their financial statements, and
- Establish an independent body with authority to consider the differences between private and public companies and set standards for private companies allowing the FASB to focus on companies reporting to investors, capital markets and the SEC.

I therefore strongly support the recommendations of the Blue-Ribbon Panel. Please do not disregard the extensive and thoughtful work of the Panel and all those that provided research and comments. I urge the Trustees of the Financial Accounting Foundation to adopt and implement the Panel's recommendations. Differential standards and an autonomous standard-setting body for private companies are needed now.

Thank you,

Sincerely,

HAMERNIK, L.L.C.



David J. Hamernik

DJH/kgb