



LETTER OF COMMENT NO. 23

Private Company Financial Reporting Committee

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JUDITH H. O'DELL
Chair

December 8, 2008

Mr. Robert Herz
Chairman
Financial Accounting Standards Board
401 Merritt 7
Norwalk, CT 06856

Re: Exposure Draft – Proposed Statement of Financial Accounting Standards, *Going Concern* (“proposed Statement”)

Dear Mr. Herz:

The PCFRC has reviewed and discussed the proposed Statement and agrees with the FASB that the management of a reporting entity has the responsibility to assess the reporting entity's ability to continue as a going concern. Therefore the PCFRC supports the FASB's efforts to incorporate a Going Concern standard in the authoritative GAAP accounting literature. Comments on specific issues identified in the proposed Statement follow.

Time Horizon over Which an Entity Should Evaluate Its Ability to Continue as a Going Concern

The PCFRC agrees with the FASB's decision to remove the bright-line time horizon in AU Section 341 in favor of the guidance in IAS 1. The time horizon of IAS 1 has the advantage of capturing events or conditions occurring just beyond the one-year, bright-line time horizon that are significant and may require disclosure in the financial statements. As such, financial reporting users would benefit from the proposed time horizon. The PCFRC recommends that the explanatory language contained in paragraphs A6 and A10 of the proposed Statement be moved to paragraph 4. This will help clarify paragraph 4 and the FASB's intent, so the Board's intentions are not misinterpreted by some to be an undefined, open ended period.

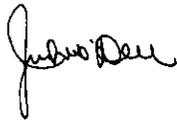
Effective Date

The exposure draft proposes that this Statement shall be effective for interim or annual financial periods ending after ratification of the FASB Accounting Standards Codification™ and shall be applied prospectively.

The PCFRC recommends that there be a definitive effective date for this standard that is not connected with the ratification of the codification. It is possible that private company preparers and practitioners would miss the requirements of this proposed Standard which are a change to GAAP.

The PCFRC appreciates the FASB's consideration of these comments. Please feel free to contact me if you have any questions or comments.

Sincerely,

A handwritten signature in black ink, appearing to read "Judith H. O'Dell". The signature is written in a cursive style with a large initial "J".

Judith H. O'Dell
Chair
Private Company Financial Reporting Committee