

Response No. 146 McGladrey & Pullen, LLP McGladrey & Pullen, LLP Certified Public Accountants Third Floor 3600 American Boulevard West Bloomington, MN 55431 www.mcgladreypullen.com

September 24, 2010

Mr. Tim Woo Financial Accounting Standards Board 401 Merritt 7 PO Box 5116 Norwalk, CT 06856-5116

Reference Number: BRP-R

Dear Mr. Woo:

McGladrey & Pullen, LLP is pleased to respond to your request for input regarding private company financial reporting. We are a CPA firm that serves hundreds of public companies and thousands of private companies throughout the United States.

Overall, while we agree with the goals of the Blue Ribbon Panel and agree that changes are necessary, we are concerned that whatever changes are made will increase complexity in financial reporting. If a path is chosen that results in significant measurement or presentation differences over time for private companies, the added complexities will affect academics, preparers, auditors, users and regulators. Private companies may have plans to become public, and public companies are sold or go private; therefore, accounting personnel must be versed in both private and public accounting. In addition, financial statements users often have investments in both public and private companies and regulators oversee both public and private companies. Accordingly, we believe any improvements should focus on making existing and future standards more easily understood for all companies, finding practical expedients for private companies where appropriate, scaling the disclosures to be appropriate for the common users of private company financial statements and setting effective dates that provide longer implementation periods for private companies.

We believe the approach to addressing the identified issues should be incremental, without a major change in how the standards are established or who sets them. Any need for further changes should only be assessed after evaluating the effects of the incremental changes.

We would be pleased to respond to any questions the Panel may have concerning our comments. Please direct any questions to either Jay D. Hanson (952-921-7785) or Bruce P. Webb (515-281-9240).

Sincerely.

McGladrey & Pullen, LLP

McGladrey of Pullen, LCP