I appreciate that you guys are developing all these guidelines for calculating fair value. Has anyone on your panel ever tried to sell a used car or a house? How close were you to knowing when you first listed it what you would actually be able to get for it? Unless your world is a lot different than mine, not very close.

Fair value accounting may be a great theory, but the potential cost vastly exceeds any benefit. Anyone who lives in the real world knows that it is by its' nature inexact, subject to manipulation (no matter how much guidance you issue), and only adds more uncertainty to financial statements. I think the Enron fall is more the result of an attempt at fair value accounting than any other reason. If the write down of the estimated reserves at Shell doesn’t give you a clue to the problem, what will it take?

What is wrong with just admitting that accounting should be based on cost and if you want more information then that, become a financial analyst?

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