



LETTER OF COMMENT NO. 2

FASB Technical Director Financial Accounting Standards Board 401 Merritt 7 Norwalk, Connecticut 06856-5116

Re: File Reference No. 1650-100

Dear Technical Director:

I appreciate this opportunity to respond to the Proposed Statement of Financial Accounting Standards, *Going Concern* (the Draft). With the issuance of Statement of Financial Standards No. 162, *The Hierarchy of Generally Accepted Accounting Principles*, it is proper for the Board to consider issues that are accounting in nature that remain in standards promulgated by various auditing standard setting bodies.

In my opinion, the Board was correct in carrying forward the going concern guidance from AU Section 341 and modifying it to be in alignment with International Financial Reporting Standards (IFRS). I believe the elimination of the "not to exceed one year" horizon is appropriate and that replacing it with "...at least, but is not limited to, twelve months..." promulgated in International Accounting Standard (IAS) 1 is in keeping with the Norwalk Agreement and the Board's convergence project. Additionally, I agree that there is little difference in the language of IAS 1 and AU Section 341 with respect to the type of information that should be considered in making the going concern assessment.

To summarize, I agree with the Board decision to remove the bright-line time provision in AU Section 341. I also believe the time horizon adopted in this proposed standard that is consistent with IAS 1 is helpful and operational. As a former auditor and financial statement preparer, I do not believe the proposed standard will result in a change in practice.

Again, I appreciate the opportunity to provide my comments on the above noted Draft. Should you have any questions, please feel free to contact me at lkmdennis@cfl.rr.com or lkmdennis@cfl.rr.com or lkmdennis@bus.ucf.edu .

Sincerely,

s/Lynda M. Dennis

Lynda M. Dennis; CPA, CGFO, PhD Instructor, Dixon School of Accounting University of Central Florida P.O. Box 161400 Orlando, Florida 32816-1400