

Issue 2 – Disclosure of date of evaluation of subsequent events

LETTER OF COMMENT NO. 2

A Company must continue to evaluate subsequent events as long as its financial statements are "issued" to third parties and required to notify those parties to not rely on those statements if a material error is discovered. This is combined with auditor requirements to withdraw an opinion on financial statements and ensure the Company has notified third parties of the lack of their ability to rely on the financial statements.

To put a date in the financial statements implies an end to the evaluation period of subsequent events, and an end to the duty to maintain materially accurate financial statements in circulation.

It is widely understood that the auditor certification/opinion date is the end of their liability /responsibility for evaluation, but the Company's obligation never ends.

Will it change the process – no, as any material uncertainty will be disclosed and accounted for as already provided for in the accounting/SEC literature. The "issuance" process is driven more by third party requirements than Company timelines.

## Question:

Would that date change each time the financials are reissued – in 10-K's for subsequent years or in registrations statements – if not, it would clearly confuse and mislead third-parties as to the responsibilities of the Company and its auditors.

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