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LETTER OF COMMENT NO.

December 8, 2008

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

RE: Proposed Statement, Going Concern (File Reference No. 1650-100)

Dear Technical Director:

We appreciate the opportunity to respond to the proposed FASB Statement, Going Concern (the "proposed Statement"). We agree with the Board's conclusion that accounting guidance about the going concern assumption should be directed specifically to management of reporting entities because management is responsible for preparing the entity's financial statements and evaluating its ability to continue as a going concern. Accordingly, we agree with the Board that guidance about the going concern assumption, including applicable disclosures, should be included in the authoritative accounting literature. We also agree with the Board's conclusions to converge the U.S. accounting standards with International Financial Reporting Standards (IFRS).

Our observations and specific comments on the proposed Statement are set forth below.

Time Horizon

We agree with the Board's decision that the time period for which management is required to evaluate the appropriateness of the going concern assumption is not limited to a period of one year from the financial statement date. We believe that requiring management to consider all available information about the future (representing a period of at least twelve months from the financial statement date) in assessing whether the going concern assumption is appropriate will result in enhanced disclosures relative of conditions and events that may give rise to going concern uncertainties.

Alignment with Auditing Standards

We do not believe the proposed Statement is in conflict with either AICPA or PCAOB auditing standards. The existing auditing standards refer to a reasonable period of time as a "period of time not to exceed one year beyond the date of the financial statements being audited" in the context of the auditors' (rather than management's) responsibility to evaluate whether there is substantial doubt about the entity's ability to continue as a going concern. We do not believe the reasonable period of time concept in existing auditing



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standards establishes a maximum period for which management is required to evaluate the going concern assumption.

Financial Reporting When Going Concern Basis Is Not Appropriate

We agree with the Board's conclusion not to address the liquidation basis of accounting at this time and the Board's proposed disclosures when the financial statements are not prepared on a going concern basis. However, although not a high priority at this time, the accounting literature should address the appropriate basis of accounting when the going concern basis is not appropriate.

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We would be pleased to further discuss the specifics of these matters in more detail at the request of the Board or the staff. If you have any questions about our comments or wish to discuss any of the matters addressed herein, please contact Mark Bielstein at (212) 909-5419 or Paul Munter at (212) 909-5567.

Sincerely,

KPMG LLP