

**All respondents:**

3. a) Tell us about any issues or concerns you have with current U.S. GAAP accounting standards as those standards apply to private company financial statements.

My primary concern with current US GAAP standards for private companies relates to the difficulty in applying the newer standards and the lack of perceived value of these requirements by companies. The purpose of generally accepted accounting standards is to have comparability among financial statements. The difficulty in applying the newer standards had led some companies to begin to consider taking GAAP departures rather than go through the effort and expense of applying some of the standards. This will reduce comparability and could reduce value or cause confusion among the users of the financial statements.

- b) Are those issues or concerns confined to one or more specific standards, or are they more systemic?

Currently my concerns are with specific standards (fair value measurements, uncertain tax positions, variable interest entities, etc.), but I also have concerns about the standard setting process. The standard setting process seems to be primarily driven by public company issues without much thought as to the consequences as they relate to private companies.

- c) Do you believe that those issues or concerns are largely confined to private companies, or are they broader?

I believe they primarily concern non-public companies.

4. What short-term and/or long-term actions do you believe are necessary to address those issues or concerns? Please be as specific as possible in your answer, and explain your reasoning.

I would like to see a separate private company standards setting board developed. This board could be responsible for reviewing existing GAAP and working with financial statement users to determine what changes need to be made to existing GAAP for private companies but would still meet the needs of the users. Also, the board could consider and develop new private company pronouncements as necessary. This would allow a consistent set of accounting standards to be used for private companies but still allow public companies to follow SEC/IFRS requirements.

5. a) To what extent, if any, would an SEC requirement for public companies to adopt IFRS at a date certain affect your answers above? Why?

It would widen the distance between the reporting needs for public companies that participate in a global marketplace and private companies that do not.

b) To what extent, if any, would other outside factors affect your answers above? Which factors and why?

6. Is there any other input that you'd like to convey to the Panel?

I appreciate the time and effort expended to address this important issue.

7. Do these responses represent your individual views or are they submitted to represent the views of the organization with which you are associated?

These responses represent my individual views but are consistent with some other partners at our Firm.