Users (e.g., lender, surety, investor, owner) only:

- 2. a) Briefly describe how you use GAAP financial statements in your decision-making concerning private companies. N/A
 - b) Tell us about any issues or concerns that you may have with respect to the <u>relevance</u> of the information contained in those statements. Please be as specific as possible in your answer. N/A

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. The cash flow statement does a poor job of communicating information to non-accounting managers/decision makers. It needs to be revamped or a new report needs to be created.
 - b) Are those issues or concerns confined to one or more specific standards, or are they more systemic? Systemic. Cash flow statement is a relic of the evolution of financial statements.
 - c) Do you believe that those issues or concerns are largely confined to private companies, or are they broader? Broader. Ask any stakeholder if they really get valuable data out of this statement or if they have to create systems to get around the limited information this statement provides.

Please be as specific as possible in your answers.

- 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. First, the panel needs to ask themselves how valuable this statement is in current form, understand its limitations, ask academics/investors/non-accounting decision makers what info they really need, then setup an action plan over probably 5-10 years to modify/change this statement to provide more relevant/useful information on the true uses and sources of cash.
- 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 is a positive step. Conformity/consistency in standards is by definition the goal of a standard.
 - b) To what extent, if any, would other outside factors affect your answers above? Which factors and why? Cost to implement, time to implement. Must be efficient and effective. This is the challenge for the panel.
- 6. Is there any other input that you'd like to convey to the Panel? As much as possible adopt principles not rules based accounting. The world is changing faster and faster...the principles will stand the test of time...the rules will be manipulated.
- 7. Do these responses represent your individual views or are they submitted to represent the views of the organization with which you are associated? Individual view.