

To: CommentLetters
From: Charles D. Johnson

I am a partner in a large local CPA firm with thirty years of experience in the profession. We provide a variety of attest services to privately owned businesses. Please find below my responses to your questions:

1. Your proposal will improve the accounting standard-setting process for private companies since it solicits greater input from those constituents who work primarily with private companies. That input will provide practical insights into the impact on private companies (and the users of their statements) regarding current and proposed standards.
2. The proposed changes are necessary to provide the Board with meaningful and practical insights regarding the reporting needs of constituents of private companies. Individuals with significant experience in reporting for private companies must be actively involved in the process for this effort to be meaningful.
3. Yes, the difference in GAAP for private companies must evaluate user needs and cost-benefit considerations.
4. The members of the committee, except the Chair, should serve on a non-compensated basis. Members of the committee should be reimbursed for reasonable expenses incurred.
5. The committee should set its own agenda. Hopefully, the committee will give high priority to addressing existing standards. Some of the existing standards are terribly burdensome for private companies and provide limited additional meaningful information to the users of private company statements.

I appreciate the current efforts of FASB and the AICPA in addressing the significant issues of reporting for private companies. Thank you for the opportunity to comment on the current proposal.

Charles D. Johnson, CPA
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