

From: Jennifer Downs  
To: CommentLetters

Our response to the five questions included in the proposal would be yes to each.

Additional comments and questions we have are as follows:

1. Based on the comments we have read, we believe that the differential accounting standards should be based on whether the company is private or public, not based on asset or revenue sizes. We feel the number would be arbitrary and would raise additional issues, for example, in the case of comparative statements when during one year the numbers fall above or below the standard set.
2. This is more directed towards the AICPA: Will there be some notation in the report (audit, review and compilation reports) that you are following private company GAAP versus public company GAAP?
3. Will the differential accounting standards be made mandatory as opposed to optional? If made optional and a private company chooses to go with the lower level of standards or disclosure – how will it be perceived by the third party users as to the quality of the statement? Will there be a negative perception.

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