



CERTIFIED PUBLIC ACCOUNTANTS
THE NEXT GENERATION IN ACCOUNTING

August 14, 2006

Via E-Mail

Financial Accounting Standards Board
401 Merritt 7
Norwalk, CT 08856-5116

Re: Invitation to Comment - Enhancing the Financial Accounting and Reporting
Standard-Setting Process for Private Companies

Ladies and Gentlemen:

Thank you for the opportunity to express our views on this very important matter. Gray, Gray & Gray is a regional CPA firm located in Westwood, Massachusetts. Since our founding in 1945 we have been serving the auditing needs of privately held companies. This proposal will directly impact our clients in a positive way.

The following are in response to the five questions posed in the invitation:

1. ***Do you believe the proposal contained in paragraphs 16–29 will improve the accounting standard-setting process for private companies?***

Yes. Certain recent pronouncements such as FIN 46R and FIN 48 highlight this need.

2. ***Specific to paragraphs 16–29 do you believe that the proposed changes will help ensure that the financial reporting needs of constituents of private companies are met?***

Yes.

3. ***The FASB and the AICPA believe that any differences in generally accepted accounting principles (GAAP) for private companies should be based on financial statement user needs and cost-benefit considerations. Do you agree?***

Yes. I agree and our professional standards (CON 2) also agree.



4. *The FASB and the AICPA believe that members of the committee (except the chair) should not be compensated beyond a reasonable reimbursement of expenses. Do you agree?*

No. The nature of the work this committee will be involved with indicates the potential for significant time to be invested. With this in mind some type of compensation model needs to be reviewed.

5. *The FASB and the AICPA believe the committee should set its own agenda and priorities. Do you agree?*

I agree, however interaction with and access to the standard setters needs to be available as needed.

I enthusiastically volunteer to serve on this committee.

Sincerely

GRAY, GRAY & GRAY, LLP

Michael L. Cecere, CPA
Partner