



August 15, 2006

HAGEN, KURTH,
PERMAN & CO., P.S.

CERTIFIED
PUBLIC
ACCOUNTANTS
Member of CPAmerica
Affiliated with
HORWATH internationally

Via E-Mail
Financial Accounting Standards Board
401 Merritt7
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. Hagen, Kurth, Perman & Co., P.S. is a regional CPA firm in Seattle, Washington. Since our founding in 1974 we have been serving the financial statement 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 principals (GAAP) for private companies should be based on financial statement user needs and cost-benefit considerations. Do you agree?***

Yes. I agree.

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