July 14, 2014

**Technical Director**
**FASB**
401 Merritt 7
P.O. Box 5116
Norwalk, CT 06856-5116

Re: **File Reference No. 2014-200**

Dear Technical Director,

Please find below my comments on the FASB Exposure Draft on *Chapter 8: Notes to Financial Statements, Statement of Financial Accounting Concepts*:

**Question 1**: Should financial statements of employee benefit plans be excluded from the scope of this chapter of the conceptual framework?

RESPONSE: Inasmuch as the stakeholders of employee benefit plans are substantially the same with that of the entities covered by the conceptual framework, I cannot see any need for the exclusion of employee benefit plans. The significant line items of employee benefit plans are also substantially the same with the entities covered by the conceptual framework (e.g. investment, receivable, actuarial liability, etc.).

**Question 2**: Do the concepts in this chapter related to not-for-profit entities address the informational needs of resource providers to those entities?

RESPONSE: Yes.

**Question 3**: Do the concepts in this chapter encompass the information appropriate for disclosure in notes to financial statements that would assist resource providers in their decision making? Are there concepts that should be added or removed?

RESPONSE: Yes, to the first question. Kindly refer to my responses to the other questions for the second question.

**Question 4**: Are there additional concepts needed to identify information that is unsuitable for requirement by the Board in notes to financial statements even though that information would be consistent with the purpose of the notes?

RESPONSE: No

**Question 5**: Do the decision questions in Appendix A identify the information appropriate for the Board to consider requiring for disclosure when setting standards related to line items and other past events and current circumstances and conditions that can assist resource providers in their decision making?

RESPONSE: Yes.

**Question 6**: Does the discussion in paragraphs D43-D50 identify the information appropriate for the Board to consider when setting standards related to information about the reporting entity?

RESPONSE: Yes.

**Question 7**: Will the concepts related to future-oriented information (paragraphs D22-D31) result in disclosures that are appropriate for the notes? If not, what types of information should be included in or excluded from consideration or disclosure in the notes?

RESPONSE: Yes. However, it might be advisable to revise or altogether remove paragraph D25, which states:

*"The objective of financial reporting does not require a reporting entity's management to assess the entity's prospects for future cash flows, but to provide information to assist investors and creditors in making their own assessments. Therefore, it is not necessary for the Board to require that entities disclose in notes to financial statements the types of future-oriented information with the greatest potential for negative consequences to a reporting entity."*

The text of the abovementioned paragraph runs contrary to basic financial reporting principle that management must make an assessment of the viability of the entity as a going concern, and the results of such evaluation must be properly reflected in the financial statements and the related disclosures thereto.

**Question 8**: Do the concepts in this chapter appropriately distinguish the types of information that are appropriate for the notes from the analysis management provides in other communications?

RESPONSE: Yes.

**Question 9**: Are the concepts related to disclosure requirements for interim periods (paragraphs D60-D71) appropriate? If not, are there concepts that should be added or removed?

RESPONSE: Yes. However, it might be advisable to revise or altogether remove the sentence in paragraph D63, which states:

*"First, they should describe differences from the most recent annual financial statements in recognition, measurement, or presentation of line items."*

This disclosure principle is not unique to interim-period reporting. It is also applicable to annual financial reporting.

**Question 10**: If no disclosure guidance for a transaction, event or line item is specified in U.S. GAAP, how will an entity consider the nonauthoritative guidance in this chapter?

RESPONSE: In line with the "principles-based" approach to accounting, the provisions of this chapter should be used as the "guiding principles" in formulating the disclosures of any transaction, event or line item that has no specified U.S. GAAP disclosure guidance.

Thank you for the opportunity to give the foregoing comments.

Very truly yours,

Bill Gabunia Debuque, CPA CFE CGMA
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