

July 31, 2011

U S Securities and Exchange Commission
Office of the Chief Accountant
U S Securities and Exchange Commission
100 F Street NE
Washington D C 20549

Re: **Work Plan for Consideration of Incorporating International Financial Reporting Standards into the Financial Reporting System for U.S. Users**

Ladies and Gentlemen:

The Accounting Principles and Auditing Procedures Committee is the senior technical committee of the Massachusetts Society of Certified Public Accountants. The Committee consists of members who are affiliated with public accounting firms of various sizes as well as members in both industry and academia. The Committee has discussed the above mentioned matter. The views expressed in this comment letter are solely those of the Committee and does not reflect the views of the organizations with which the Committee members are affiliated.

The Securities and Exchange Commission ("SEC") has exposed the document "Work Plan for Consideration of Incorporating International Financial Reporting Standards into the Financial Reporting System for U.S. Users" (Work Plan) setting forth possible frameworks to incorporate International Financial Reporting Standards ("IFRS") into the SEC Financial Reporting System.

The Committee strongly supports the theory of having in place one set of high quality accounting standards. The Committee believes that the standards should be understood by both users and preparers of financial statements. These standards should also be enforceable and uniformly applied.

The Committee feels it must express a concern up front before commenting on the Work Plan. The Committee feels that in the process of adopting and implementing a final Plan to transition to IFRS that the SEC should keep in mind the concerns of the non issuer companies. The majority of the

Committee members represent small and medium sized companies. The Committee is strongly in favor of Small Company Reporting.

It is the firm belief of the Committee that the adoption, implementing and transition to IFRS will trickle down to non-issuer companies. These small and medium sized companies will be forced to transition to IFRS. The Committee sees market pressures driving these companies to a form of IFRS reporting. The timetable for the transition to IFRS thus will affect the small and medium sized companies. The Committee believes the timetable as decided upon by the SEC will also set a timetable for small and medium sized companies to adopt IFRS. The Committee asks that the SEC keep this in mind when considering its decisions on the transition to IFRS.

The Committee further feels that the case that IFRS is far superior than U S generally accepted accounting principles ("GAAP") at present has not been made.

In commenting on the Work Plan it is the Committee's belief that the Condorsement method should be adopted. The ability of the Financial Accounting Standards Board ("FASB") to first converge GAAP to IFRS and to then further modify or add to IFRS standards as applied in the U S is very important.

The Committee believes that GAAP is the top standard of financial reporting and that various aspects of these standards should be maintained. The Condorsement process will allow the FASB to determine, with input from users and preparers of financial statements, what aspects should be maintained. The Committee would prefer to have reporting standards that are similar to GAAP.

The Committee is further concerned about IFRS being principles based only and that differences in practice for similar transactions could result when applying IFRS. The Committee feels that the Condorsement method will allow a more uniform application of IFRS by allowing the FASB to modify IFRS standards. This modification would be through either a narrowing of the standard or through a greater interpretation of the standard. This is especially important in an international setting where the same standards may be applied differently based on cultural biases.

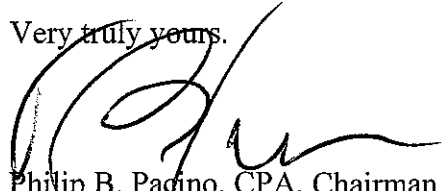
Finally the Committee feels that the adoption of the Condorsement method will allow a "hedge against IFRS failure". The method would allow FASB to correct or further interpret a IFRS standard when it is determined that the standard as applied in the U S needs further interpretation, clarification or both.

In terms of the time to implement IFRS, the Committee strongly believes that the SEC should hold off on any decision on the transition to IFRS until the final convergence resolution of all 11 convergence issues as identified in the Memorandum of Understanding between the FASB and the International Accounting Standards Board. This would allow a greater vision of how the convergence process as related to these 11 issues worked. From this vision the SEC could reach a

conclusion on how the Condorsement method or any other framework method would work in the future.

Thank you for allowing us to comment on this matter.

Very truly yours.

A handwritten signature in black ink, appearing to read 'Philip B. Pacino', written over the closing 'yours'.

Philip B. Pacino, CPA, Chairman
Accounting Principles and Auditing Procedures Committee
Massachusetts Society of Certified Public Accountants