

Northern Chapter of
The Virginia Society of Certified Public Accountants

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1974-1975

August 7, 1975

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CHAPTER ACTIVITIES—Gerald G.
Thompson

GEORGE MASON UNIVERSITY &
PUBLIC RELATIONS—William J.
Madigan, Jr.

Commissioner John R. Evans
Securities and Exchange Commission
500 N. Capitol St., Room 800
Washington, D. C. 20549

Dear Mr. Evans:

Thank you very much for agreeing to speak at the Northern Chapter of the Virginia Society of Certified Public Accountants' meeting on Tuesday, September 9, 1975. As we discussed, there is substantial interest in the role that the Securities and Exchange Commission plays in helping to form accounting policy, disclosures, and principles. Our members are feeling the impact of this role in their daily practices, and I thought it would be useful if comments could be made regarding the government's position in seeking changes in accounting rules. In that regard, certain items come to mind:

A. For what reasons did the SEC become involved in the following areas, and what influence has it had?

1. ✓ Price level accounting.
2. Line of business reporting.
3. ✓ Cancellation of indebtedness.
4. ✓ Long-term lease disclosures.

* B. Does the SEC feel that all disclosures applying to publicly-held companies apply to non-listed companies?

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- C. Do you believe that the SEC pronouncements not presently part of the APBs or FASBs apply to closely held businesses?
- D. What accounting principles or additional disclosures are likely to arise in the future?
- E. What effect do you believe the SEC's activities will ultimately have upon the local practitioner whose service is primarily to closely held companies?

Our chapter consists primarily of local practitioners, some of which are involved in SEC filings, but the majority of which handle small clients. Please don't feel that you are restricted to the above items if you have others upon which you would like to comment. I have included them only as a frame of reference as to what things our own practitioners are thinking about.

Our chapter will be meeting at the Alpine II restaurant at 7220 Columbia Pike in Annandale, Virginia. Cocktails are served from 6 to 6:45 p.m., and dinner begins promptly at 6:45. Our program begins immediately after dinner. Normally our speakers present a 20-minute talk, with a question and answer session following.

If it would be more convenient, you could meet us at our office in Vienna, Virginia, and we could drive over together. In any case, I will be in touch with you prior to the meeting to firm up the arrangements.

With kindest personal regards,

Robert J. Neuland

Robert J. Neuland
Incoming Vice President