J.H. COHN LLP
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April 14, 2009

Via E-mail: rule-comments@sec.gov

Ms. Elizabeth M. Murphy
Secretary
Securities and Exchange Commission
100 F Street, NE
Washington, DC 20549-1090

Reference: File Number S7-27-08

Dear Ms. Murphy,

J.H. Cohn LLP appreciates the opportunity to provide comments and suggestions on the proposed roadmap (Proposed Roadmap) issued by the Securities and Exchange Commission (SEC or Commission) for U.S. issuers to adopt International Financial Reporting Standards (IFRS), as promulgated by the International Accounting Standards Board (IASB). As one of the top 20 largest public accounting firms in the U.S., J.H. Cohn's primary constituents include private entities (owner-operated businesses) and small to mid-market public entities. Additionally, J.H. Cohn has a well-established practice that serves U.S.-based subsidiaries of foreign entities. These various client groups operate within industries that collectively represent a significant portion of U.S. economic activity. Our commentary below addresses the needs and concerns of our client base.

We begin our remarks within the context of the SEC's tripartite mission, namely the protection of investors; maintenance of fair, orderly, and efficient markets; and the facilitation of capital formation. J.H. Cohn believes that the arguments for a single set of high quality global accounting standards are compelling. Where dual or multiple accounting languages are required, companies and investors are unnecessarily burdened by having to allocate extra resources to their reporting and analytical functions. Moreover, multiple reporting languages can lead to uncertainties about the meaning of reported results and implications for future results, which in turn could increase a company's cost of capital. **Thus, J.H. Cohn is supportive of the objectives of the Proposed Roadmap and agrees that a uniform set of accounting standards provides real economic benefits to various constituents.**

Concurrently, we recognize the challenges confronting our financial system from the present economic crisis. In light of recent events, many public and private figures are calling for changes in both our reporting and oversight functions. Such changes should be addressed globally by an independent standard-setting and regulatory body with sufficient resources. Irrespective of the current situation, we continue to believe, however, that the financial reporting system in the U.S. is unrivaled in terms of the level of development, transparency, timeliness, due process, oversight, and implementation guidance.

As J.H. Cohn contemplates the possibility of U.S. issuers adopting IFRS, we recognize that in spite of the positive attributes of accounting principles generally accepted in the United States of America (U.S. GAAP), a missing ingredient is international comparability. **As U.S. GAAP and IFRS migrate toward full convergence, we recommend a steady and clear path forward both in the interest of minimizing costs and uncertainty and facilitating global accounting transparency.**

We wish to contribute to the IFRS discussion by providing the following observations and recommendations:

<u>Proactive Leadership by the SEC</u>

We encourage the SEC to continue, or even expand, its role in leading the transition to IFRS so that the various participants (issuers, stakeholders, auditors, academics, regulators, IT staffs, and state boards of accountancy, among others) become knowledgeable about the standards and about the process of becoming IFRS compliant. According to the experience cited by many European companies when they adopted IFRS under the European Union mandate, a long lead time reduces the likelihood of accounting errors, if that lead time is used to educate personnel and to prepare for convergence. During the transition period, therefore**, positive, proactive advocacy by the SEC would be beneficial and would engender confidence in the process.**

<u>Proposed Roadmap Milestones</u>

The Proposed Roadmap includes “milestones, which, if adopted, could lead to the eventual use of IFRS by all U.S. issuers.” Since the issuance of the Proposed Roadmap, it appears that progress has been made regarding these milestones. **We suggest that the SEC set forth regularly scheduled**, **periodic communications regarding the Commission’s evaluation of the progress regarding these milestones.**

<u>Contingent Nature of the SEC’s Decision</u>

The SEC’s ultimate decision about conversion is contingent upon achieving the Proposed Roadmap milestones. As such, the SEC could ultimately decide not to require conversion. This will create undue hardships for companies which adopt early, should the SEC ultimately decide not to adopt IFRS. Moreover, the contingent nature of the SEC’s decision will result in companies taking a “wait-and-see” approach. Since an orderly transition from U.S. GAAP to IFRS will require modifications to accounting policies, information technology systems and business processes, a “wait and see” approach would certainly hinder the goal of a smooth and timely conversion**. Thus, the SEC should consider changing from a “contingent” adoption to a “certain” adoption.**

Proposed Staggered Adoption

J.H. Cohn is supportive of the staggered adoption timetable presented in the Proposed Roadmap, specifically 2014 for large accelerated filers, 2015 for accelerated filers and 2016 for non-accelerated filers. Although this timetable will result in non-comparability in the basis of reporting for U.S. issuers during the transition period, we believe that lessons learned from the transitions by the large accelerated filers along with a more even demand on the external resources to be involved in the conversions for the remaining filers will outweigh the comparability issues.

Conversion Considerations

Similar to the procedures followed by foreign private issuers in their initial adoption of IFRS and in accordance with the provisions of IFRS 1 (First Time Adoption of IFRS), we suggest that the Commission consider permitting U.S. issuers to present **one year of comparative IFRS financial statements** in the year of adoption. This approach would ease the burden of conversion.

The Roles of FASB

Since the users of **financial statements of non-registrants will drive a subsequent transition, if any, for non-issuers** from U.S. GAAP to IFRS, the continuing role of the FASB as the U.S. GAAP standards setter will be required. In conjunction therewith, J.H. Cohn is supportive of the option discussed in Footnote 31 to the Proposed Roadmap regarding the role of the FASB "to continue to be the designated standard setter for purposes of establishing the financial reporting standards in issuer filings with the Commission." Under this option, "the FASB would incorporate all provisions under IFRS, and all future changes to IFRS, directly into U.S. GAAP." Since "this type of approach has been adopted by a significant number of other jurisdictions when they adopted IFRS as the basis of financial reporting in their markets," it would appear to be the prudent approach for the U.S. markets.

Availability of Audit Services

The largest audit firms possess the financial and intellectual resources to build the infrastructure necessary to service U.S. issuers reporting under IFRS. **Upon the Commission's "certain" adoption of the Proposed Roadmap, regional audit firms, including J.H. Cohn, will accelerate their commitment to the investment in the training required to build the infrastructure to service U.S. issuers reporting under IFRS.** Most of these next tier audit firms are members of international networks, which most likely, will be utilized to leverage the creation of the necessary infrastructure.

Concluding Remarks

As stated in our opening paragraph, our commentary addresses the needs and concerns of our client base. As such, our commentary is certainly not an exhaustive list of concerns. Indeed, the impact of IFRS conversion reaches far beyond financial reporting. The adoption of IFRS will also affect internal reporting systems, managerial decisions, compensation decisions, and internal control functions. In addition, IFRS has potentially far-reaching implications for the measurement of companies' tax liabilities, and, therefore, the tax authorities could also be affected by the SEC's decisions.

Although far from perfect, U.S. GAAP has evolved into a comprehensive and increasingly principles-based measurement and recognition system. It covers certain issues that IFRS does not yet address, such as the specialized accounting in certain regulated industries. Indeed, IFRS has benefited, and will continue to benefit, from the U.S. GAAP experience.

Nonetheless, the benefits of a uniform set of accounting standards are certainly compelling. Therefore, while there are clearly many issues and implications to be considered with regard to the convergence of U.S. GAAP and IFRS, we encourage the SEC to take the reins firmly and decisively with regard to the process.

J.H. Cohn appreciates this opportunity to contribute to the IFRS discussion and would be pleased to discuss these issues further. If you have any questions concerning our comments, please contact William Kowals at 1-800-395-2260 ext. 3001.

Very truly yours,

/s/ J.H. Cohn LLP