

May 28, 2013

Submitted via e-mail to [comments@pcaobus.org](mailto:comments@pcaobus.org)

Office of the Secretary  
PCAOB  
1666 K Street, N.W.  
Washington, D.C. 20006-2803

Re: Proposed Framework for Reorganization of PCAOB Auditing Standards  
and Related Amendments to PCAOB Auditing Standards and Rules,  
PCAOB Rulemaking Docket Matter No. 40

Thank you for opportunity to provide comments on the Board's proposal to reorganize PCAOB auditing standards.

### Questions

1. Is the proposed framework for reorganizing PCAOB auditing standards appropriate and an improvement over the existing structure of the PCAOB auditing standards? Are there ways to improve the proposed reorganization framework?
2. Would the proposed reorganization described in this release help users navigate the standards more easily, help avoid potential confusion between the Board's standards and the standards of the ASB, and provide a structure for updating PCAOB standards in the future? Are there other potential benefits the Board should be aware of in considering its proposed reorganization?

Now that U.S Auditing Standards Board (ASB) auditing standards have been restructured so that the indexing conforms with the IAASB standards structure, we believe that it would be *extremely helpful* to both U.S. auditing firms and firms outside the U.S. who regularly deal with the U.S. companies to use the same framework and codification process as the ASB/IAASB. We acknowledge all the reasons stated for creating a separate framework, as discussed in Section B of your March 26, 2013 Release. Nevertheless, we believe the benefits of having similar structures among *all three organizations* would far outweigh the costs/considerations you cited in the Release.

We are in no way suggesting that the Board codify its standards in a manner similar to the FASB Accounting Standards Codification (Release, Note 36). However, we are suggesting that you focus on structuring your current and future requirements so that they may be added into separately designated sections of the U.S. ASB Codification, similar to the way in which the SEC staff does for SEC guidance (for example, in the FASB ASC, all SEC guidance is indicated by section numbers beginning with "S").

Rather than helping to "avoid potential confusion between the Board's standards and the recently reorganized standards of the ASB" (Release, p. 2), we believe that creating a new and completely different PCAOB structure will only create confusion among users. The PCAOB needs to bear in mind that the auditors engaged to perform PCAOB issuer audit engagements are just as likely to perform audits in accordance with ASB and in some cases IAASB standards. Other than within the "Big 4" auditing firms, there are likely to be few who practice solely on U.S. issuer engagements. Most auditors will need to be familiar with both ASB and PCAOB auditing standards as well as IAASB standards.

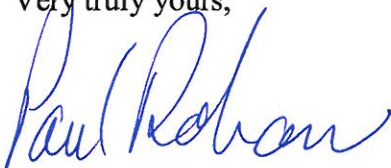
We believe the benefit of having a codified source of ASB/IAASB/PCAOB auditing standards will greatly outweigh its cost.

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If the PCAOB concludes that using the ASB/IAASB framework is not possible, we suggest that you adopt any method that is well indexed. This will provide a good starting point for those who will inevitably prepare cross-reference materials to create the effect of a combined source.

Should you have any questions, please feel free to contact me at (203) 401-2101.

Very truly yours,



Paul Rohan, CPA

Partner

National Director of Financial Reporting and Quality Control