

**PCAOB RULE MAKING DOCKET MATTER NO. 012  
PROPOSED AUDITING STANDARD ON AUDIT DOCUMENTATION**

**Clarification needed**

Paragraph 5 tracks Section 103 of the Act and in so doing drops the Government Auditing Standards' requirement to document "judgments" as well as "conclusions". As a result it may not be clear whether or not the judgments that are integral to conclusions need to be documented. For example, the evidence relating to auditors' conclusions on materiality and risk will be documented, but the judgments, i.e. the thought processes and logic that were applied to the evidence, may not be documented.

**Donald H. Chapin, CPA  
December 12, 2003**