



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

11 December 2013

Ref: AUD/AKI/HBL/NRO/EBL

Dear Sir or Madam,

Re: FEE Comments on PCAOB Rulemaking Docket Matter No. 034 – Proposed Auditing Standards Regarding the Auditor’s Report and the Auditor’s Responsibilities Regarding Other Information

FEE¹ is pleased to provide you with its comments on the aforementioned matter.

1. International alignment with the IAASB

In our previous comment letters to the PCAOB, we have consistently expressed the view that the alignment of auditing standards globally to the maximum extent possible enhances both the quality of audits and also the acceptance of audit reports beyond home jurisdictions.

In this context, since some entities require audit reports under both PCAOB and IAASB standards, it is important that there is consistency in what needs to be included in the auditor’s reports especially around the area of “critical audit matters” (CAM) and “key audit matters” (KAM). It would not assist users if the terminology, the definitions in the standards covering this area and the requirements as to the determination of and content of such

¹ FEE is the Fédération des Experts comptables Européens (Federation of European Accountants). It represents 45 professional institutes of accountants and auditors from 33 European countries, including all 28 EU member states. In representing the European accountancy profession, FEE recognises the public interest. It has a combined membership of more than 700,000 professional accountants working in different capacities in public practice, small and large firms, government and education – all of whom contribute to a more efficient, transparent and sustainable European economy.

reporting could result in the auditor reporting either more or even different “matters” under the different standards.

As you may be aware, in the European Union (EU), there is currently a discussion about the reform of the auditor-related EU legislation². The projects on auditor reporting that are currently being addressed by the PCAOB, the IAASB and other bodies are of the utmost importance as they will also inform and influence the European debate.

FEE supports the European Commission’s (EC’s) proposals to enhance the auditor’s public communication for public-interest entities (PIEs), especially on:

- Qualitative information on the individual audit;
- More reporting on going-concern assumptions based on information provided by management.

These proposals have, at the time of writing this letter, reached the final stage of the political discussion, the so-called Trilogue, where the European Commission, the European Parliament and the Council – representing the Member States – have to agree on a consensual text for final legislation. FEE believes that it is important that the PCAOB, IAASB and EC proposals converge together and are consistent.

2. General comments

FEE welcomes the proposed auditing standards and acknowledges that the PCAOB is aware of developments in the related projects at the IAASB and elsewhere. FEE has recently issued a comment letter to the IAASB in which we very much welcome the approach taken while suggesting some areas of improvement³.

FEE notes the circumstances that underpin significant differences between the proposed IAASB approach and that of the PCAOB, which is specific to defined national circumstances (including e.g. the separate project on naming the engagement partner). Nevertheless, we would, once again, recommend convergence to the maximum extent possible with International Standards on Auditing (ISAs) issued by the IAASB in due course, in order to avoid unnecessary additional differences between the two sets of standards.

It is not just those auditors who may need to apply both sets of standards who would be confused by such differences, but also – and more importantly – investors familiar with capital markets outside the US. For example, considerable confusion may result from the fact that the PCAOB proposals do not mention significant risks in regard to determining CAM (risks only mentioned in the Paragraph 9 (e)), whereas the IAASB’s approach

² Proposal of the European Commission available at:

http://ec.europa.eu/internal_market/auditing/reform/index_en.htm#maincontentSec1

³

http://www.fee.be/images/publications/auditing/Gunn_131106_IAASB_EDs_comment_letter_auditor_reporting.pdf

essentially centers on these. Another example is the emphasis by the PCAOB on the relevance of “posed the most difficulty [...] in the audit”, which is not a prominent feature of the IAASB’s proposals.

We do not comment on all the questions raised in the Rulemaking Docket. In particular, we have not responded to:

- Questions 33, 34 and 40 on Additional Discussion Related to the Proposed Auditor Reporting Standard;
- Questions 35 to 39, Appendix 5, Audits of Brokers and Dealers;
- Questions 41 and 42, Appendix 5, related to effective date;
- Questions on Emerging Growth Companies, Appendix 7.

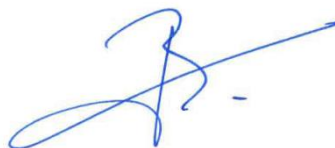
We have included our general view on Other Information and the Responsibilities of the Auditor in relation thereto. However, given the uncertainty of the outcome of the IAASB work on other information (revision of ISA 720), we do not comment on the questions posed in Appendix 6, Additional Discussion Related to the Proposed Other Information Standard.

For further information on this FEE letter, please contact Hilde Blomme, Deputy Chief Executive at +32 2 285 40 77 or via email at hilde.blomme@fee.be or Noémi Robert, Project Manager at +32 2 285 40 80 or via email at noemi.robert@fee.be.

Yours sincerely,



André Killesse
President



Olivier Boutellis-Taft
Chief Executive

Appendix: Responses to Questions

Question Related to Section II

1. Do the objectives assist the auditor in understanding the requirements of what would be communicated in an auditor's unqualified report? Why or why not?

Subject to our comments in the accompanying letter relating to the desirability for consistency in terms of the definition and content of reporting certain entity specific matters within the auditor's report, we agree it is appropriate for the auditor to report critical audit matters and to this end the objectives, as set in the proposals, are clear.

Questions Related to Section IV

2. The proposed auditor reporting standard would require the auditor's report to be addressed at least to (1) investors in the company, such as shareholders, and (2) the board of directors or equivalent body. Are there others to whom the auditor's report should be required to be addressed?

From the European perspective, we agree that addressees should be limited to shareholders and those charged with governance (TCWG).

3. The proposed auditor reporting standard retains the requirement for the auditor's report to contain a description of the nature of an audit, but revises that description to better align it with the requirements in the Board's risk assessment standards. Are there any additional auditor responsibilities that should be included to further describe the nature of an audit?

A section describing the nature of an audit may need to include a mention of going concern.

The linkage between critical audit matters and the going concern basis of accounting could be clarified. More specifically, in cases where there is a potential going-concern issue and where, following a considerable amount of audit work, the auditor concludes that there is no material uncertainty, the audit report should be clear on the difficulty of the audit work performed on the going concern issues as required in a critical audit matter. More extensive disclosures would then be required such as additional details about the work carried out by the auditor in this regard and the conclusion that "the auditor has not identified a material uncertainty that may cast significant doubt about the entity's ability to continue as a going concern"

Therefore, the work of the auditor on the going-concern basis of accounting and the reporting of the auditor's conclusions on the management statement thereon should be included in the proposed PCAOB standard. In that case, we would very much welcome a clear requirement that going concern issues should be included as a critical audit matter if the definition is met.

4. The proposed auditor reporting standard would require the auditor to include a statement in the auditor's report relating to auditor independence. Would this statement provide useful information regarding the auditor's responsibilities to be independent? Why or why not?

Yes, we think that a statement like the one included in paragraph 6h is necessary, as it provides more information than simply mentioning the independence of the auditor in the title of the audit report. The reference to specific laws, rules and regulations provides further transparency to inform users. Nevertheless, this paragraph should be kept concise to avoid ambiguity and boilerplate statements.

5. The proposed auditor reporting standard would require the auditor to include in the auditor's report a statement containing the year the auditor began serving consecutively as the company's auditor.

- a) Would information regarding auditor tenure in the auditor's report be useful to investors and other financial statement users? Why or why not? What other benefits, disadvantages, or unintended consequences, if any, are associated with including such information in the auditor's report?**
- b) Are there any additional challenges the auditor might face in determining or reporting the year the auditor began serving consecutively as the company's auditor?**
- c) Is information regarding auditor tenure more likely to be useful to investors and other financial statement users if included in the auditor's report in addition to EDGAR and other sources? Why or why not?**

In general, FEE believes that the auditor should not be the primary source of such information. It is up to the management or those charged with governance/the audit committee to disclose this type of information.

However, if not already disclosed in the management report or the annual financial statements for the same financial year, we agree that the auditor could indicate the date of the appointment of the audit firm and the period of total uninterrupted engagement including previous renewals and reappointments of the audit firm in the auditor's report.

6. The proposed auditor reporting standard would require the auditor to describe the auditor's responsibilities for other information and the results of the evaluation of other information. Would the proposed description make the auditor's report more informative and useful? Why or why not?

Yes, we consider that the proposed requirement would increase transparency in making the auditor's involvement with other information clearer. FEE agrees it is necessary to revise the standards dealing with other information and the responsibilities of the auditor thereon. Therefore, we support the PCAOB proposal.

The objective of such revision should be to diminish confusion amongst stakeholders – including auditors - with regard to:

- What does, and what does not, constitute other information in the context of an audit of financial statements – in contrast to the IAASB's ED on ISA 720, this is far clearer in the US environment;
- The auditors' responsibilities in respect to this other information – we are concerned that the PCAOB term “evaluate” may be perceived to differ from the IAASB term “consider” (yet to be finalised) and would urge consistency if consistency is meant;
- The extent of the work effort – in this context, the last sentence in Paragraph 5 of the proposed Other Information Standard will need further clarification.

It is essential to be clear on the aforementioned “boundaries” as only then can there be clarity regarding the role of the auditor. FEE thinks that these boundaries are clear in the PCAOB proposals. More specifically:

- The PCAOB rightly uses the term “material inconsistency” with a clear definition of what is meant. We welcome the emphasis on materiality;
- The PCAOB proposal is more rule-based than the IAASB one⁴, for instance in paragraph 3d of Appendix 6 with regard to calculations, the advantage of this proposal being that the auditor's involvement is more specific. The IAASB requires “considering whether there may be inconsistency [...]”, whereas the PCAOB concentrates the work of the auditor on the ‘evaluation’. In addition, there might be a difference in approaches taken: the IAASB has included discussion with management in the first stage of the identification of the matters, whereas the PCAOB only refers to the evaluation of other information to be performed by the auditor without explicitly referring to discussion with management.

In the auditor's responsibilities for other information and the related reporting requirements, it is important that we concentrate on fostering international harmonisation as far as possible. We refer to our general comments included in the front letter on international alignment with the IAASB and the EU⁵.

⁴ We acknowledge that the PCAOB is aware that the IAASB is currently revising its standard dealing with other information and the role of the auditor thereon. FEE commented on the IAASB exposure draft where we expressed our concerns to the proposals. This comment letter is available at: http://www.fee.be/images/publications/auditing/AUD_Gunn_130314_isa720_exposure_draft_final.pdf

⁵ For information, a new European requirement has recently been voted in the recast of the Accounting Directive. As stated in Article 34:

“[In addition to statutory audits on the basis of Directive 2006/43/EC], the statutory auditor(s) or audit firm(s) shall also:

- (a) express an opinion on:
 - (i) whether the management report [which is often used as a proxy for other information] is consistent with the financial statements for the same financial year, and
 - (ii) whether the management report has been prepared in accordance with the applicable legal requirements;
- (b) state whether, in the light of the knowledge and understanding of the undertaking and its environment obtained in the course of the audit, he, she or it has identified material misstatements in the management report, and shall give an indication of the nature of any such misstatements.”

7. Should the Board require a specific order for the presentation of the basic elements required in the auditor's report? Why or why not?

FEE supports 'global standardisation' of the auditor's report, including the ordering of the paragraphs. This would help:

- Navigate users through the auditor's report; and
- Provide a comparison between auditor's reports.

However, we acknowledge that flexibility may be needed in some jurisdictions and/or in the circumstances of a particular engagement.

To this end, FEE welcomes the proposal of the IAASB to mitigate the risk of losing consistency at global level by requiring the report to include obligatory subheadings. Even if the paragraph order differs between jurisdictions, as a result of national laws or regulations, the reader can use those subheadings to navigate the report more easily. It would be most helpful if the PCAOB report uses the same headings, the comparison between auditor's reports will then be more straightforward.

8. What other changes to the basic elements should the Board consider adding to the auditor's report to communicate the nature of an audit, the auditor's responsibilities, the results of the audit, or information about the auditor?

Please refer to our response to Question 3.

9. What are the potential costs or other considerations related to the proposed basic elements of the auditor's report? Are cost considerations the same for audits of all types of companies? If not, explain how they might differ.

The new requirements are expected to result in a cost increase for the additional time needed and potential delays in finalising the auditor's report concerning the following matters:

- Drafting the additional information (CAM) to be included in the auditor's report;
- Discussing these matters, as well as any matters ultimately not determined as CAM internally within the audit firm, including with the engagement quality control reviewer and possibly with others outside the firm (e.g. in some cases recourse to advisory services by a professional institute); and
- Discussions with both management and those charged with governance.

Management and TCWG are also likely to spend additional time reviewing and discussing wording and presentation with the auditor. Nevertheless, the European audit profession agrees that the benefits generally outweigh the costs, and is ready to enhance the

The approved Directive is accessible at:

<http://eur-lex.europa.eu/LexUriServ/LexUriServ.do?uri=OJ:L:2013:182:0019:0076:EN:PDF>

communication process. However, this step forward has to be done in an appropriate manner.

That is why responding to users' needs for more information should be proportionate to the nature, size and complexity of the entity, as foreign subsidiaries and smaller SEC issuers might have disproportionate costs attached to such disclosures.

Questions Related to Section V

10. Would the auditor's communication of critical audit matters be relevant and useful to investors and other financial statement users? If not, what other alternatives should the Board consider?

Yes, we believe that enhanced auditor communication of critical audit matters or key audit matters would be relevant and useful to users of financial statements. There is evidence to support this as investors and shareholders have called for greater transparency about the audit outcome.

However, as noted in our accompanying letter, we consider it would be unhelpful to investors, auditors and regulators if the PCAOB and the IAASB were to use differing terminology, definitions and criteria in their respective final pronouncements. We have not been able to determine whether the differences in the proposals would lead to different reporting, and would encourage cooperation between the two Boards in this respect.

11. What benefits or unintended consequences would be associated with the auditor's communication of critical audit matters?

The auditor's communication of critical audit matters would be beneficial insofar as it would provide the public with more information on the audit and its outcome. However, there are cases that can be difficult to tackle. We refer to our response to Question 27.

It is worth noting that the critical audit matter proposals are an experiment, and that time will be needed to adapt and develop best practice. The definitions and requirements included in the proposals cannot currently respond to all possible questions which are bound to arise upon application of this new form of auditor reporting.

12. Is the definition of a critical audit matter sufficient for purposes of achieving the objectives of providing relevant and useful information to investors and other financial statement users in the auditor's report? Is the definition of a critical audit matter sufficiently clear for determining what would be a critical audit matter? Is the use of the word "most" understood as it relates to the definition of critical audit matters?

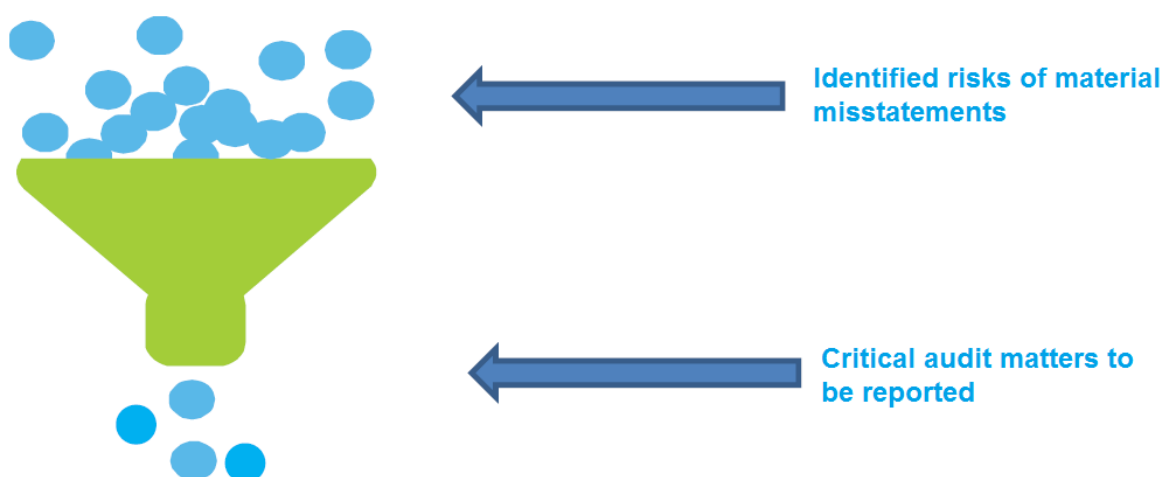
We refer to our response to Question 10 regarding the use of the PCAOB and IAASB' proposals use of different terms, definitions and criteria.

The definition of a critical matter or a key matter needs to be sufficient to determine the inclusion of matters that have to be brought to the attention of users. However, FEE

wonders whether it is a good solution to focus on the level of difficulty of audit matters to select the ones to be reported.

We would advocate the use of the following principles-based approach, which can be viewed as a type of ‘funnel’ process:

- Identification of the potential critical audit matters in the identified significant risks of material misstatements;
- As a subset of the identified risks of material misstatements, the critical audit matters to be reported in the audit report should be the ones that would be relevant to users of financial statements and internal control report – in general, with the opportunity to clearly refer to the related disclosure of the financial statements.



Both the number of items and the length of descriptions would need to be limited in order to avoid lengthy paragraphs and/or boilerplate information.

FEE has carried out some work in this area and published a policy statement in July 2012 with regard to ‘improved auditor reporting’, which contains some examples of reporting of significant audit risks:

http://www.fee.be/images/publications/auditing/PS_120709_-_Policy_Statement_on_Improved_Auditor_Reporting_1372012371225.pdf

13. Could the additional time incurred regarding critical audit matters have an effect on the quality of the audit of the financial statements? What kind of an effect on quality of the audit can it have?

FEE would assume that the additional time incurred regarding critical audit matters would have an overall positive effect, but pose challenges to the timely completion of the audit.

Audit has become more complex over recent years with the increase in the complexity of entities’ business models and financial reporting. In this context, the auditor’s report cannot be viewed in a vacuum; rather there is a strong link to financial reporting. In addition, care needs to be taken to ensure that the so called “expectation gap” is not increased, i.e. that exactly what the auditor is reporting (and what the auditor is not reporting) is capable of

being properly understood. This would ensure that the core service of the audit profession, the audit, continues to be valued by its users.

Improvements should only be made that really do meet user needs and enhance audit quality, i.e. by providing better information as opposed to merely providing more information.

In the broader context of the European debate on audit policy, it has become even more urgent to review at an international level whether improvements can be made as to how auditors should best communicate with all relevant stakeholders.

14. Are the proposed requirements regarding the auditor's determination and communication of critical audit matters sufficiently clear in the proposed standard? Why or why not? If not, how should the proposed requirements be revised?

The requirements are clear and understandable. The content of paragraphs 8 and 9 provide sufficient criteria to be used by the auditor to determine critical audit matters. However, we also refer to our responses to Questions 10 and 12.

With regard to communication of critical audit matters, it should be emphasised that the PCAOB proposal requires "identification" in each critical audit matter paragraph, whereas the IAASB requires a 'description' of each key audit matter. Practical differences may arise as 'description' could be seen as more detailed than 'identification'.

15. Would including the audit procedures performed, including resolution of the critical audit matter, in the communication of critical audit matters in the auditor's report be informative and useful? Why or why not?

Added-value from the auditor's report will be provided by giving the following information for each critical audit matter reported:

- A clear reference to the related disclosure in the financial statements. This reference will help the users to link the point raised by the auditor to the disclosures, but not necessarily to navigate the users through the financial statements;
- The nature of the critical audit matter disclosed;
- The audit approach undertaken in response to this matter; and
- The key findings from that audit work.

FEE stresses that it is important to avoid piecemeal opinions. Accordingly, it is essential that the auditor states that the auditor's opinion on the financial statements is not modified with respect to any of the matters reported, and the auditor does not express an opinion on these individual matters.

16. Are the factors helpful in assisting the auditor in determining which matters in the audit would be critical audit matters? Why or why not?

Yes. However, we also refer to our responses to Questions 10, 12 and 14.

17. Are there other factors that the Board should consider adding to assist the auditor in determining which matters in the audit would be critical audit matters? Why or why not?

We refer to our responses to Questions 10, 12 and 14.

18. Is the proposed requirement regarding the auditor's documentation of critical audit matters sufficiently clear?

Yes, the requirement as proposed is clear. The PCAOB's approach is more rule-based, as it requires documentation of the auditor's determination, including of matters not to be reported, whereas the IAASB does not require documentation of this step of the process in the proposed standard. However, we do not consider this a fundamental difference as the PCAOB 'explicitly' requires documentation in this standard while the IAASB includes an 'implicit' requirement, based on the objectives and requirements set out in ISA 230 'Audit Documentation'.

19. Does the proposed documentation requirement for non-reported audit matters that would appear to meet the definition of a critical audit matter achieve the Board's intent of encouraging auditors to consider in a thoughtful and careful manner whether audit matters are critical audit matters? If not, what changes should the Board make to the proposed documentation requirement to achieve the Board's intent?

No addition to what is already proposed.

20. Is the proposed documentation requirement sufficient or is a broader documentation requirement needed?

No addition to what is already proposed.

21. What are the additional costs, including indirect costs, or other considerations related to the auditor's determination, communication, and documentation of critical audit matters that the Board should take into account? Are these costs or other considerations the same for all types of audits?

Please refer to our response to Question 9. Furthermore, auditors may also incur additional costs in conferring within the firm, and possibly with others, in respect of the documentation of matters determined not to be critical audit matters (see note to proposed paragraph 14 of the standard).

22. What are the additional costs, including indirect costs, or other considerations for companies, including their audit committees, related to critical audit matters that the Board should take into account? Are these costs or other considerations the same for audits of both large and small companies?

Please refer to our response to Question 9.

23. How will audit fees be affected by the requirement to determine, communicate, and document critical audit matters under the proposed auditor reporting standard?

FEE is not commenting on this question.

24. Are there specific circumstances in which the auditor should be required to communicate critical audit matters for each period presented, such as in an initial public offering or in a situation involving the issuance of an auditor's report on a prior period financial statement because the previously issued auditor's report could no longer be relied upon? If so, under what circumstances?

The auditor should first and foremost concentrate on those critical audit matters arising from the audit of the current period, even in the case of comparative financial statements, when the auditor is required to report on both the current period financial statements and the prior period financial statements in connection with the current year's audit.

Nevertheless, due to the fact that a number of these critical audit matters are likely to recur in the risk assessment of the audit of financial statements and internal control report year on year, there might be a need to consider whether critical audit matters of the previous period have to be reassessed or not.

25. Do the illustrative examples in the Exhibit to this Appendix provide useful and relevant information of critical audit matters and at an appropriate level of detail? Why or why not?

The examples are useful and will inform the implementation of the requirements, especially in the first year(s). With regard to relevance, we suspect that pointing out the "difficulties" as illustrated in the examples will be perceived as not sufficiently helpful, and that investors in particular will seek more information on the auditor's views.

However, as this could constitute piecemeal opinions, which should not be given, it is very important that the statement "The critical audit matters communicated below do not alter in any way our opinion on the financial statements taken as a whole" be read and properly understood in this context.

We consider these proposals as an experiment, and that time will be needed to adapt and develop best practice and acknowledge the difficulty to create examples in a vacuum.

26. What challenges might be associated with the comparability of audit reports containing critical audit matters? Are these challenges the same for audits of all types of companies? If not, please explain how they might differ.

It is likely that users will look for comparability of reports in particular industries or where circumstances giving rise to critical audit matters are pervasive. However, such reporting is intended to be non-boiler plate and specific to the audit on the financial statements and internal control report of a specific period, so comparability cannot be an overriding goal.

27. What benefits or unintended consequences would be associated with requiring auditors to communicate critical audit matters that could result in disclosing information that otherwise would not have required disclosure under existing auditor and financial reporting standards, such as the examples in this Appendix, possible illegal acts, or resolved disagreements with management? Are there other examples of such matters? If there are unintended consequences, what changes could the Board make to overcome them?

It must be recognised that there are cases that can be contentious and difficult to tackle.

For instance, the reference “to the relevant financial statement accounts or disclosures that relate to the critical audit matter, *where applicable*” (paragraph 11 (c)) allows the auditor – if identified as necessary – to disclose as a critical audit matter a matter that is not disclosed either in the financial statement accounts or disclosures. For example, the auditor may determine a weakness in the IT system is a critical audit matter having identified it as a significant risk of material misstatement during the audit. The auditor will have reported its internal control assessment to TCWG, and would like to write a critical audit matter paragraph on this matter. What if the company has not disclosed this risk in the financial statements or internal control assessment, which is highly likely for this type of risk?

In general, FEE considers it is important to have a clear linkage between the information already reported by the company and the critical audit matter. This linkage would:

- Enhance the dialogue between auditors and TCWG, including audit committees;
- Improve the financial reporting by companies; and most importantly;
- Help the auditors apply their professional judgement in reporting potential contentious cases – such as the one described above.

To help the auditor resolve contentious cases, it may be strategic to state that discussions with the entity will be needed as to why an entity has not disclosed the issue and that the auditor will take this into account when forming the audit opinion.

28. What effect, if any, would the auditor's communication of critical audit matters under the proposed auditor reporting standard have on an auditor's potential liability in private litigation? Would this communication lead to an unwarranted increase in private liability? Are there other aspects of the proposed auditor reporting standard that could affect an auditor's potential liability in private litigation? Are there steps the Board could or should take to mitigate the likelihood of increasing an auditor's potential liability in private litigation?

The legal framework and litigation culture in many EU member states often still differ from the situation in the USA and the extent of private litigation is not necessarily a phenomenon of the same magnitude as it is in the US and some other jurisdictions. However, there are EU member states where an increase of litigation can be observed or feared. At this stage, there is no clear sign that an auditor's potential liability would be a major impediment inhibiting the communication of critical audit matters.

We would recommend, however, that the Board take the following into account:

- The difficulty of determining whether the auditor has reported all relevant critical audit matters;

- Users' expectations regarding the critical audit matters to be reported; and
- The ways in which the reporting of critical audit matters might be influenced by their sensitivity.

Questions Related to Section VI

29. Is it appropriate for the Board to include the description of the circumstances that would require explanatory language (or an explanatory paragraph) with references to other PCAOB standards in the proposed auditor reporting standard?

FEE agrees that it is appropriate to include these references to other PCAOB standards.

30. Is retaining the auditor's ability to emphasize a matter in the financial statements valuable? Why or why not?

FEE agrees with the decision to retain the ability to emphasise a matter. Users of auditor reports are used to having such paragraphs which have a different objective to reporting of critical audit matters.

31. Should certain matters be required to be emphasized in the auditor's report rather than left to the auditor's discretion? If so, which matters? If not, why not?

FEE is in favour of retaining the existing requirements as to matters to emphasise. The disclosure of critical audit matters should not change that situation.

32. Should additional examples of matters be added to the list of possible matters that might be emphasized in the auditor's report? If so, what matters and why?

FEE did not identify additional examples of matters to be added.