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Office of the Secretary
Public Company Accounting Oversight Board
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. 040

Deloitte & Touche LLP (“D&T”) is pleased to respond to the request for comments from the Public Company Accounting Oversight Board (the “PCAOB” or the “Board”) on its *Proposed Framework for Reorganization of PCAOB Auditing Standards and Related Amendments to PCAOB Auditing Standards and Rules* (the “proposed framework”), PCAOB Release No. 2013-002; PCAOB Rulemaking Docket Matter No. 040 (March 26, 2013).

OVERALL COMMENTS

We strongly support the Board’s efforts to reorganize its auditing standards into a single topical structure with a uniform numbering system. Adopting such a structure and system will considerably enhance the usability of the PCAOB’s auditing standards by stakeholders, including auditors.

Framework for PCAOB’s Auditing Standards

Renumbering and reordering the PCAOB’s auditing standards is a positive initial step toward presenting the PCAOB’s auditing standards in a logical order that follows the flow of the audit process. We agree with the Board’s proposed approach to first renumber and reorder each standard in its entirety rather than to open all of the auditing standards at once to reorder at the paragraph level. We believe that this reorganization will set an excellent foundation for the Board to ultimately have all of its standards organized in a logical order that follows the flow of the audit. On a go-forward basis, as new standards are developed, and existing standards are superseded, certain current auditing standards that cover multiple phases of the audit should be disaggregated at the paragraph or section level and aligned with the appropriate audit process flow within the PCAOB’s proposed structure. Adherence to the audit process flow approach will help new standards to be developed in such a way that they fit logically within a given phase of the audit, rather than traversing more than one phase.

Other PCAOB Guidance

In keeping with the objective of creating a single topical structure for enhanced usability, we believe that the Board's guidance documents that are not auditing standards (e.g., "PCAOB guidance" as described in footnote 21 of the proposed framework) should be included in the topical structure with the auditing standards. We believe that there is significant value in organizing all professional literature published by the Board which is used to effectively execute audits together in a single common framework, rather than organizing the professional literature in different manners, thereby making it more accessible to auditors. We recognize that this guidance would need to be clearly identified as different from the PCAOB's auditing standards, as it is not authoritative and is not intended to supersede the requirements of auditing standards approved by the Board.

Proposed Rescissions

We support the Board's proposed activities to eliminate outdated references as part of the overall renumbering and reordering process. We also understand that the Board's proposed changes are not intended to result in substantial changes in practice. With that in mind, we are concerned with the proposal to rescind AU Section No. 532, *Restricting the Use of an Auditor's Report* (AU 532). We believe that the PCAOB's auditing standards need to continue to provide for the auditor's ability to restrict the use of the auditor's report or other written communications when appropriate. Eliminating the auditing standard addressing how an auditor restricts the use of the auditor's communications, including the auditor's report, could represent a substantive change in practice (if the elimination were taken to infer that an auditor was prohibited from restricting the use of the auditor's communications). We believe that AU 532 provides standards which are relevant to certain auditor communications and therefore it should be retained.

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D&T appreciates the opportunity to provide our perspective on these important topics. Our comments are intended to assist the PCAOB in analyzing the relevant issues and potential impacts. We encourage the PCAOB to engage in active and transparent dialogue with commenters as the proposed standard is evaluated and changes are considered. If you have any questions or would like to discuss these issues further, please contact William Platt at 203-761-3755 or Megan Zietsman at 203-761-3142.

Very truly yours,

/s/ Deloitte & Touche LLP

cc:

James R. Doty, PCAOB Chairman
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