

Public Company Accounting Oversight Board
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Chris Barnard
Actuary

13 February 2023

- **Release No. 2022-009**
- **PCAOB Rulemaking Docket Matter No. 028**
- **Proposed Auditing Standard – The Auditor’s Use of Confirmation, and Other Proposed Amendments to PCAOB Standards**

Dear Sir.

Thank you for giving us the opportunity to comment on your Proposed Auditing Standard relating to The Auditor’s Use of Confirmation, and Other Proposed Amendments to PCAOB Standards.

You are currently proposing to replace your auditing standard relating to an auditor’s use of confirmation, AS 2310, The Confirmation Process, with a new proposed standard, AS 2310, The Auditor’s Use of Confirmation, and to make conforming amendments to certain related PCAOB auditing standards. This proposing release follows a previous public comment period on amendments that were proposed in a 2010 PCAOB release. The new proposed standard is designed to improve the quality of audits when confirmation is used by the auditor and to reflect changes in the means of communication and in business practice since the standard was originally issued.

I support these proposed changes, which will improve the consistency and effectiveness of the confirmation process and enhance audit quality. This should lead to more reliable audits and financial reporting, which will increase market certainty and promote confidence in financial markets.

Regarding the audit committee, I support that in principle, communications between the auditors and the audit committee should always encompass the following:

- any outstanding matters of material significance, including misstatements
- suspected bias in critical accounting estimates, and significant sensitivities thereon

Please note that the comments expressed herein are solely my personal views

- disagreements with management
- any judged shortfalls in processes or personnel in critical functions including governance, compliance, internal audit, risk management and legal, whether currently material or not
- any other matters of relevance

All such communications should preferably be in writing in my view. Therefore in answer to your question 19, the requirement for the auditor to communicate to the audit committee instances in which the auditor has determined that the presumption to confirm accounts receivable has been overcome and the basis for the auditor's determination is sufficiently clear and appropriate.

Yours faithfully

C.R.B.

Chris Barnard