

*new york state society of*

# NYSSCPA

*certified public accountants*

530 fifth avenue, new york, ny 10036-5101  
www.nysscpa.org

December 2, 2003

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

By e-mail: [comments@pcaobus.org](mailto:comments@pcaobus.org)

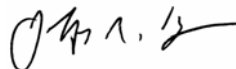
Re: Proposed Auditing Standard – References in the Auditors' Reports to the  
Standards of the Public Company Accounting Oversight Board

PCAOB Release No. 2003-021  
PCAOB Rulemaking Docket Matter No. 010

The New York State Society of Certified Public Accountants, the oldest state accounting association, representing approximately 30,000 CPAs, welcomes the opportunity to comment on the Proposed Auditing Standard referenced above.

The NYSSCPA Auditing Standards and Procedures Committee deliberated the Exposure Draft and prepared the attached comments. If you would like additional discussion with the committee, please contact Margaret Wood, chair of the Auditing Standards and Procedures Committee, at (212) 542-9528, or Robert Colson, NYSSCPA staff, at (212) 719-8350.

Sincerely,



Jeffrey R. Hoops  
President

Attachment

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**COMMENTS ON PCAOB PROPOSED AUDITING STANDARD**

**References in Auditors' Reports to the Standards of the Public  
Company Accounting Oversight Board**

**PCAOB Release No. 2003-021**

**PCAOB Rulemaking Docket Matter No. 010**

**December 2, 2003**

**Principal Drafters**

**Robert Waxman  
Margaret Wood**

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### **NYSSCPA Staff**

Robert H. Colson

**New York State Society of Certified Public Accountants**  
**Comments to the PCAOB**  
**Release No. 2003-21**

**General Comments**

It is appropriate that the report of an independent registered public accounting firm reference the standards of the PCAOB.

This would also be an appropriate time for the Board to consider other changes to the wording of the auditors' report. Some items to consider are:

- Clarifying in the opening sentence of paragraph two that the Board's auditing standards rules carry more authority than "generally accepted" by adding a reference indicating that these rules have a basis in law. Perhaps by changing that sentence to read "...the standards mandated (promulgated, required) by the Public...
  - By making it clear that the auditors have followed standards required by a board established by an Act of Congress will clarify in the mind of the public the distinction between these standards and other auditing standards that could be used in governmental, private, pension plans, and non-profit audits.
- The Board should reconsider including the phrase "present fairly, in all material respects."
- In the final paragraph, it would be clearer to specify the public company accounting principles standard setting bodies, the FASB and SEC.