

SEPTEMBER 15, 2004 OPEN MEETING

Statement of Board Member Daniel L. Goelzer

Regarding

**CONFORMING AMENDMENTS TO PCAOB INTERIM STANDARDS RESULTING
FROM THE ADOPTION OF PCAOB AUDITING STANDARD NO. 2**

While we have labeled these changes to the interim standards “conforming amendments,” that title doesn’t do full justice to the importance of this kind of project. As our standard-setting activities move into high gear, it will often be necessary to trace the effects of a new Board standard on the nearly 1,000 pages of small type that constitute the pre-existing, interim standards. In this particular case, the staff identified 48 separate paragraphs, sprinkled through 26 sections of the interim standards, that were affected by PCAOB Auditing Standard No. 2 and two sections that were entirely superceded. We expect auditors to be scrupulous in applying the Board’s standards. We in turn have to make sure that those standards are clear and consistent with Board policy. These amendments are an example of how we will discharge that responsibility.

Mr. Chairman, I would also like to underscore the importance of the milestone that you mentioned earlier -- the plan to publish on the Board’s website the Board’s auditing and other professional standards. Just as we have an obligation to adopt the kinds of amendments we are considering today in order to make sure our standards are clear and internally consistent, we have an obligation to make the standards we issue easily accessible to the profession and the public. I know that removing the obstacles to Board publication has been a high priority project to which the Chief Auditor’s staff, the General Counsel’s office, and you personally have devoted considerable time and effort. Accomplishing that goal is a real break-through, and I would like to add my thanks to everyone who has worked to make it possible for the Board to post a full codification of its standards on the website.