



February 3, 2014

Technical Director
File Reference No. 029
Public Company Accounting Oversight Board
1666 K Street, NW
Washington, DC 20006-2803

Via e-mail: comments@pcaob.org

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Re: Improving the Transparency of Audits: Proposed Amendments to PCAOB Auditing Standards to Provide Disclosure in the Auditor's Report of Certain Participants in the Audit

Dear Board Members:

The Accounting Principles and Auditing Standards Committee (the Committee) of the Florida Institute of Certified Public Accountants (FICPA) respectfully submits its comments on the referenced proposal. The Committee is a technical committee of the FICPA and has reviewed and discussed the above referenced proposed amendments, including the questions posed in the "Questions for Commenters." The FICPA has approximately 18,500 members, with its membership comprised primarily of CPAs in Public Practice and Industry. The Committee is comprised of 20 members, of whom 50% are from local or regional firms, 20% are from large multi-office firms, 10% are sole practitioners, 10% are in academia or private industry, and 10% are in international firms. Therefore we are addressing this exposure draft both from the viewpoint of preparers of financial statements as well as those performing attest services on them.

We appreciate the PCAOB's continued efforts to improve overall audit quality and are pleased to provide our responses below:

Overall

- The Committee does not agree with the concept of placing the engagement partner's name on the audit report for a number of reasons as further summarized below.
- Regarding disclosing the information about other participants in the audit, the Committee generally feels that existing standards, possibly supplemented by current US GAAS on group audits, provide enough guidance for practitioners and provide sufficient reporting for investors.

Engagement partner's name on the audit report

The Committee noted a variety of concerns regarding placing the engagement partner's name on the audit report:

Usefulness to investors

- Committee members expressed concerns over the usefulness of disclosing the engagement partner's name. It was also noted that investors would not have all the facts needed to judge the partner's performance and expertise.

Litigation

- Committee members noted the proposed amendments are generally consistent with practice in certain foreign jurisdictions and it can be said are well-intentioned. However, given the legal climate in the United States, the inclusion of the audit partner's name may do more to add figurative ammunition to a plaintiff's case than actually improving audit quality.

Partner workload

- Committee members noted the proposed amendments may actually hinder audit quality as firms may be forced to utilize a figurative "brand name" partner on certain engagements rather than the partner who would be the best fit to a particular audit. If firms are more concerned about having "brand name" partners on so many engagements, such partners may have a workload that is not conducive to high audit quality.

Partner experience

- Long-term, the proposed amendments may be detrimental to the development of future partners if younger partners are prohibited from serving as engagement partner on a number of engagements in the interest of having "brand name" partners instead for the sake of appearances. This issue, the issue above regarding workload, and other factors, could diminish a firm's quality control.

Slippery slope

- Members of the Committee also voiced concerns of a figurative slippery slope where the proposed amendments could lead to further expansion of the level of disclosure in the audit report ultimately leading to boiler plate wording and a dilution of investor reliability on such audit reports in part due to the heavy legal nature of the disclosures.

Focus on the partner

- Committee members indicated that it is not just a partner that is involved in an audit, but rather a team at a firm that is subject to a firm's quality control processes. Including the name of the engagement partner may work to provide too much focus on the partner.

Disclosing the information of other participants in the audit:

- Regarding disclosing the information about other participants in the audit, while views were not as strong as on the issue above, the Committee generally feels that existing standards, possibly supplemented by current US GAAS on group audits, provide enough guidance for practitioners and provide sufficient reporting for investors. While it can be said the proposed amendments are well-intentioned, Committee members expressed concern that the proposed amendments are overly prescriptive and may be information overload, ultimately hindering the usefulness of the information. Committee members noted the current AICPA guidance on group audits, applied in the public company environment, would provide sufficient information to investors.

The Committee appreciates this opportunity to respond to the proposed amendments. Members of the Committee are available to discuss any questions you may have regarding this communication.

Respectfully submitted,

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Committee members coordinating this response:
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