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December 11, 2013

Via email to: comments@pcaobus.org

Office of the Secretary
Public Company Accounting Oversight Board
1666 K Street, NW
Washington, DC 20006

RE: PCAOB Rulemaking Docket Matter No. 34 – *The Auditor’s Report on an Audit of Financial Statements When the Auditor Expresses and Unqualified Opinion, The Auditor’s Responsibilities Regarding Other Information in Certain Documents Containing Audited Financial Statements and the Related Auditor’s Report, and Proposed Amendments to PCAOB Standards Related to the Proposed Audit Reporting Standard.*

Coca-Cola Enterprises, Inc. (CCE, the Company, we, our, or us) appreciates the opportunity to respond to the Public Company Accounting Oversight Board (PCAOB) regarding the August 13, 2013 proposed changes to the Auditor’s Reporting Model and Responsibilities for Other Information.

With over \$8 billion in revenues in 2012, CCE is the leading Western European marketer, distributor, and producer of bottle and can nonalcoholic beverages and one of the largest independent Coca-Cola bottlers. CCE is the sole licensed bottler for products of The Coca-Cola Company in Belgium, continental France, Great Britain, Luxembourg, Monaco, the Netherlands, Norway, and Sweden. CCE is a public company and is registered with the New York Stock Exchange.

While we support the PCAOB’s efforts to increase the value of the auditor’s report to analysts, investors, and other financial statement users, we do not support the Board’s proposal in its current form. Our viewpoints of the primary changes to the Auditor’s Reporting Model, which are consistent with comments previously provided by the majority of respondents to this proposed rule, are as follows:

Critical Audit Matters (“CAMs”):

The proposed standard would require auditors to include in their report a discussion of matters they consider to be “critical” to the audit. As a multinational reporting company, we frequently enter into complex business transactions which require judgment in interpreting and implementing appropriate accounting guidance. These transactions are often discussed with our auditors and our Audit Committee. Many of these transactions are neither individually material to the overall financial statements, nor core to our day-to-day business operations. Our concerns fall into three broad areas. First, mandatory disclosure of these accounting matters could cause misunderstanding as to the magnitude and/or importance of these transactions in reference to the company’s overall financial performance. Sophisticated users of financial statements likely already understand where to find information within existing disclosures. For the casual users, the addition of disclosures of potentially complex matters would negatively impact their ability to interpret the core financial information. Second, the use of CAMs also has potential to become an area of undue caution for auditors. This could lead to an abundance of matters designated as CAMs, which could place unnecessary importance on these items and result in significant variation

in the selection, interpretation and explanation of these items across their registrant clients. Third, we strongly support maintaining the pass/fail model as it focuses on the presentation of the financial statements as a whole. This pass/fail model is both effective and well understood by financial statement users. The disclosure of CAMs, however, undermines the value of the pass/ fail model by highlighting specific areas of the financial statements rather than only evaluating the financial statements as a whole. We believe the proposed changes to the auditor's report, if implemented, could be interpreted to provide different levels of assurance on different areas of the financial statements.

We also believe, in some circumstances, the possibility exists that the CAMs disclosure represent the sole discussion of certain accounting matters, and we do not support the use of the auditor's report as the primary source of accounting disclosure. An original or sole disclosure in the auditor's report blurs the responsibility of financial information communication between the corporation and the auditors. Management is responsible for all aspects of the preparation of disclosures. We caution the Board to consider the potential for CAMs to represent an original source of disclosure.

In the current regulatory environment it is likely that auditors will perform additional procedures documenting their justification for whether or not matters classify as CAMs which will, in turn, result in increased audit costs. Given the level of disclosures already available to financial statement users we do not believe this incremental cost would be justified.

Reporting on Other Information:

We support enhancements to the auditor's report which clarify the responsibility of the auditor in regards to the notes to the financial statements, fraud, and independence to the extent the enhancements provide improved information to the users of financial statements as to the meaning and relevance of the auditor's opinion. However, we are concerned the Board's current proposal increases auditor responsibility for information beyond the financial statements. Our company's information outside of the financial statements is often the result of subjective, forward-looking internal analysis. The use of the auditor to evaluate this information would prove difficult without further insight into the detailed and subjective decision-making of management. It is also our understanding that some accounting firms believe significant incremental procedures would be necessary to "evaluate" information within management's discussion and analysis, selected financial data, and other information incorporated by reference, such as proxy statements. Compliance with this proposal could result in a substantial increase in audit costs. We believe the current requirement to "read and consider" other information for consistency and material misstatement of facts is sufficient and the potential benefits of this proposal do not outweigh the additional costs.

Auditor Tenure Disclosures:

We believe that the quality of our audit increases over time with the use of an experienced auditor as the auditor is able to learn our business in more depth, and is therefore able to perform a more thorough audit. Disclosure of auditor tenure in the audit report could be interpreted by the reader as having a bearing on the independence of the auditor or the audit quality. We believe the auditor tenure is best disclosed elsewhere in annual Securities and Exchange Commission filings, such as the proxy statement, and we currently express this information therein.

In Summary, while we support the PCAOB's efforts to increase the value of the auditor's report to analysts, investors and other financial statement users, we do not support the Board's proposal in its current form due to the considerations detailed above.

Thank you for your consideration of our comments on these matters. If you have any questions, comments, or would like further information regarding this submission, please contact Janelle Tzanetakos at 678-260-3000.

Sincerely,

A handwritten signature in cursive script that reads "Janelle Tzanetakos".

Janelle Tzanetakos
Director, Financial Reporting and Technical Accounting
Coca-Cola Enterprises, Inc.