Sheri M. Morris
Senior Director and Head of U.S.
Fund Administration

Invesco Advisers, Inc.
11 Greenway Plaza, Suite 1000
Houston, Texas 77046-1173
Direct 713 214 4354
Fax 713 821 9554
sheri.morris@invesco.com

www.invesco.com

December 11, 2013

Submitted via electronic mail
comments@pcaobus.com

Ms. Phoebe W. Brown
Secretary
Public Company Accounting Oversight Board
1666 K Street, N.W.
Washington, DC 20006-2803

Re: Proposed Auditing Standards on the Auditor's Report and the Auditor's Responsibilities Regarding Other Information and Related Amendments; Docket Matter 034

Dear Ms. Brown:

Invesco Advisers, Inc. ("Invesco" or "we") is a registered investment adviser that, along with its affiliates, provides a comprehensive range of investment strategies and investment vehicles to retail, institutional and high-net-worth clients. As of October 31, 2013, Invesco had approximately $233.8 billion in assets under management in Invesco Funds registered investment companies ("RICs") and, along with our affiliates, had over $763.9 billion in total assets under management. Invesco appreciates the opportunity to comment on the Public Company Accounting Oversight Board's ("PCAOB") proposed changes to *The Auditor's Report on the Audit of Financial Statements When the Auditor Expresses an Unqualified Opinion, The Auditor' 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 Auditor Reporting Standard* (the "Proposal").

Invesco supports efforts to improve audit quality in order to enhance investor confidence of the audit process and the auditor's responsibilities related to other information. However, Invesco does not support the PCAOB's proposals in their current form.

By this letter, we wish to communicate our support for the comments of the Investment Company Institute ("ICI") in their comment letter dated December 11, 2013, with respect to the Proposal. However, we are submitting this separate letter in order to emphasize the burden that the Proposal would place on investment companies and their auditors and the increase in audit costs, with no demonstrated benefit to mutual fund investors. Therefore, we to note the following specific points from the ICI's letter that we believe are of heightened importance to investment companies (mutual funds) and their investors:

- No Additional Useful Information. Critical Audit Matter ("CAM") disclosure requirements are not likely to add useful information to the existing disclosures in a mutual fund's shareholder report. Because mutual funds' assets are primarily invested in investment securities, the financial reporting is less complex than a traditional corporation and is significantly related to such investments. A CAM reported by the auditor regarding difficult or subjective audit matters is likely to be repetitive of similar disclosure already included in the financial statements (e.g., fair value measurements). The nature of the investments in certain mutual funds may mean that the auditor will make the same CAM disclosure every year and consequently lose its effectiveness. Conversely, some mutual funds may not have any significant audit risks but the proposed definition of CAMs as a relative concept may induce the auditor to communicate non-critical items as CAMs anyway.

- Investor Confusion. CAM disclosure requirements may inappropriately influence and/or confuse investors in their decision-making process regarding which mutual funds to invest in. By their nature, CAM disclosures can be subjective, from one auditor to the next and from one fact pattern to the next. Different auditors can see the same set of facts and make different determinations on whether a CAM is necessary. This inconsistent use and application of CAM disclosures could lead an investor to misunderstand the impact of a CAM on a mutual fund, placing emphasis on CAMs when reviewing similar types of mutual funds, and incorrectly using a CAM as a deciding factor on investing in a mutual fund, when other factors such as the mutual funds' investment objectives, strategies, risks and fees would be more appropriate tools to use for mutual fund comparison purposes. CAM disclosures may also unnecessarily impact brokers who sell mutual funds and/or third-party consultants reviewing mutual funds and recommending them for investment purposes. This influence and impact does not appear to be outweighed by the benefits, if any, of CAM disclosure in mutual fund financial reports, which are not typically the documents used by investors when making a mutual fund investment selection.

- Increased Investor Expenses. CAM disclosure requirements may lead to an increase in audit costs due to the one-time setup necessary to update auditing methodologies and the ongoing annual costs associated with making determinations on whether a CAM exists or not. These additional audit costs will be borne by the mutual funds being audited, not the investment adviser of the mutual funds. These additional mutual fund costs will have direct impact on mutual fund net asset values, in turn, reducing shareholder returns. Again, any benefits to be realized by potential CAM disclosures do not outweigh the negative impact of higher audit costs on mutual funds and the impact these higher audit costs will have on investor returns.

- Outreach to Retail Mutual Fund Investors. We do not believe that any substantive outreach was conducted toward mutual fund investors who own shares of investment companies that are being audited. There does not appear to be any evidence of a need or desire by mutual fund investors for CAM disclosures. Rather, as noted above, mutual fund investors base their investment selection on mutual fund strategies, performance and fees, among other things, not financial statement disclosures.

- Enhanced Auditor Review of Other Information. Unlike annual reports of traditional corporations, mutual fund reports contain a number of items that do not directly relate to the mutual fund's financial statements (e.g., fund performance and management's discussion thereof, growth of $10,000 chart, graphical representation of portfolio holdings and the board's basis for approval of the fund's investment advisory contract, among other things). We do not believe it is beneficial for mutual fund investors to incur additional audit costs for auditors to thoroughly review and evaluate this non-financial statement information when it does not relate to the mutual fund's financial statements—the subject of the audit. Nevertheless, the Proposal requires that auditors place more emphasis on these non-financial disclosures. Again, we do not believe these additional efforts are offset by any real tangible or potential mutual fund investor benefits. Moreover, if the Proposal does go forward, we believe that any "Other" information should be limited to the management discussion and other information included in the report itself, and not go outside the report. Expanding the reporting requirement to information included outside of the information in the report would create inconsistencies in the timing of required mutual fund reporting and would increase the costs to mutual fund investors without demonstrated incremental benefits. Narrowing the scope of the Proposal for mutual funds by limiting review to items included in the mutual fund report would limit the costs of the Proposal.

We appreciate the opportunity to comment on the Proposal. We support the ICI's comment letter to the PCAOB relating to the Proposal. And we would like to emphasize again our concerns that the Proposal will have a negative impact on mutual funds and their investors, without any real tangible benefits. The lack of benefits, the potential investor confusion and the potential for increased costs lead us to the conclusion that as written, the Proposal is inappropriate and unnecessary for investment companies. If you have any questions, please contact me at 713-214-4354.

Sincerely,

/S/ SHERI M. MORRIS

Sheri M. Morris
Senior Director and Head of U.S.
Fund Administration
Invesco Advisers, Inc.

cc: James R. Doty, PCAOB Chairman
Lewis H. Ferguson, PCAOB Member
Jeanette M. Franzel, PCAOB Member
Jay D. Hanson, PCAOB Member
Steven B. Harris, PCAOB Member