
PCAOB Issues Quarterly Standard-Setting Agenda, Adopts Auditing Standard Reorganization

APRIL 1, 2015

The Public Company Accounting Oversight Board issued its [quarterly standard-setting agenda](#) on March 31. The current agenda items, some of which have been pending for some time, include:

- *Going Concern.* The staff is reviewing potential revisions to its existing standard on the auditor's going concern evaluation in light of changes in the relevant accounting rules and other input. It anticipates that a consultation paper on the subject will be issued in the second quarter of 2015. Notably, this item has moved to the top of the agenda, though it is hard to know how much significance to attach to this fact. (See [this previous post](#) for more on the PCAOB's going concern guidance.)
- *Audit Partner Identification.* The Board previously indicated that it would request supplemental comments regarding its 2013 repropose standard regarding identification of the audit partner and other audit participants. The staff is now targeting issuing the request in the second quarter of 2015.
- *Auditor's Reporting Model.* The Board previously announced that it would issue a reproposal of its 2013 proposed auditing standard expanding the scope of the auditor's report and the auditor's responsibilities regarding other information. The reproposal is now projected for the third quarter of 2015.
- *Supervision of Other Auditors and Multi-Location Audit Engagements.* The staff is preparing a proposal to improve the auditing standards that govern the planning, supervision, and performance of audits involving other auditors and multi-location engagements. The proposed standard is targeted for the second quarter of 2015.

The PCAOB has completed one item on its agenda. On March 31, it [approved](#) a reorganization of its auditing standards to integrate into a single framework the patchwork of Interim Standards, as adopted by the PCAOB from AICPA standards in 2003 and subsequently amended, and the new Auditing Standards adopted by the PCAOB. The reorganized standards are subject to SEC approval and will become effective as of December 31, 2016. This action by the PCAOB re-emphasizes that there are now two sets of auditing standards in the US—the PCAOB standards, applicable to audits of SEC-registered public companies, and AICPA standards, applicable to all other companies. The AICPA standards themselves were reorganized and restated pursuant to a "clarification" project, and

the revised standards took effect for audits of financial statements for periods ending on or after December 15, 2015.

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