

January 9, 2009

Sherry Hazel
Audit and Attest Standards
American Institute of Certified Public Accountants
1211 Avenue of the Americas
New York, New York 10036-8775

By e-mail: shazel@aicpa.org

**Re: Exposure Draft: Proposed Preface to *Codification of Statements on Auditing Standards, Principles Governing an Audit Conducted in Accordance With Generally Accepted Auditing Standards*, and
Proposed Statement on Auditing Standards, *Overall Objectives of the Independent Auditor and the Conduct of an Audit in Accordance With Generally Accepted Auditing Standards***

Dear Ms. Hazel:

The New York State Society of Certified Public Accountants, representing 30,000 CPAs in public practice, industry, government and education, welcomes the opportunity to comment on the above captioned exposure draft.

The NYSSCPA's Auditing Standards Committee deliberated the exposure draft and prepared the attached comments. If you would like additional discussion with us, please contact Robert N. Waxman, Chair of the Auditing Standards Committee at (212) 755-3400, or Ernest J. Markezin, NYSSCPA staff, at (212) 719-8303.

Sincerely,



Sharon Sabba Fierstein
President

Attachment

**NEW YORK STATE SOCIETY OF
CERTIFIED PUBLIC ACCOUNTANTS**

**COMMENTS ON PROPOSED PREFACE TO *CODIFICATION OF
STATEMENTS ON AUDITING STANDARDS, PRINCIPLES GOVERNING AN
AUDIT CONDUCTED IN ACCORDANCE WITH GENERALLY ACCEPTED
AUDITING STANDARDS*, AND
PROPOSED STATEMENT ON AUDITING STANDARDS, *OVERALL
OBJECTIVES OF THE INDEPENDENT AUDITOR AND THE CONDUCT OF AN
AUDIT IN ACCORDANCE WITH GENERALLY ACCEPTED AUDITING
STANDARDS***

January 9, 2009

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New York State Society of Certified Public Accountants

Auditing Standards Committee

Comments on

**Proposed Preface to *Codification of Statements on Auditing Standards, Principles Governing an Audit Conducted in Accordance With Generally Accepted Auditing Standards*, and
Proposed Statement on Auditing Standards, *Overall Objectives of the Independent Auditor and the Conduct of an Audit in Accordance With Generally Accepted Auditing Standards***

The New York State Society of Certified Public Accountants welcomes the opportunity to comment on the above-referenced exposure draft (“ED”). We agree with the proposed preface and revisions to existing standards; however, we have the following comments for your consideration.

Responses to questions posed in the Guide for Respondents:

- 1. Are the objectives to be achieved by the auditor, stated in the proposed SAS, appropriate?**
- 2. Are revisions from the existing standards to converge with ISA 200 appropriate?**
- 3. Are the differences between the proposed SAS and ISA 200 identified in the exhibit, and other language changes, appropriate?**

As to the above questions, the Society believes that:

1. The objectives to be achieved by the auditor are appropriate, have been clearly laid out and are well-defined.
 2. The revisions to converge with ISA 200 are appropriate. A broad framework of high quality globally accepted auditing standards will enhance audit quality and provide users of audited financial statements with relevant information.
 3. The differences between the proposed SAS and ISA 200, and other language changes, are appropriate.
- 4. Have considerations for audits of smaller, less complex entities and governmental entities been dealt with appropriately?**

The proposed SAS established the independent auditor’s overall responsibilities and sets out the independent auditor’s overall objectives. The audit objectives and the procedures are required to be performed on audits of financial statements of all non-public entities irrespective of the size of the Company being audited. The Society does not believe that there are significant differences in audit procedures between larger and smaller, less complex entities that would require additional guidance.

In addition to the above comments we have the following general comments.

General comments:

Presentation of the *Introduction* section of the proposed SAS

The Proposed SAS starts with the *Introduction* section which is further broken down into *Scope of This Statement on Auditing Standards, An Audit of Financial Statements* and the *Effective Date*. We believe that the definitions in paragraph 13 should be moved to the *Introduction* section immediately following the *Scope of This Statement*. This will enable readers to better understand the meaning of terms that are used in the *An Audit of Financial Statements* section of the *Introduction*.

Paragraph 14-17 of the proposed SAS

We do not understand why the requirements in paragraphs 14 through 17 of the proposed SAS are worded as presumptively mandatory requirements instead of unconditional requirements. We believe that “must” should be used in these paragraphs instead of “should.”