December 18, 2013

Office of the Secretary
Public Company Accounting Oversight Board
1666 K Street, N.W.
Washington, D.C. 20006-2803

Re: PCAOB Rulemaking Docket Matter No. 034

Submitted via comments@ pcaobus.org

I am Chairman of the Audit Committee of Comcast Corporation. I have read Comcast’s submission of comments on this proposal (copy attached) and I am in full agreement with the views expressed therein concerning critical audit matters, other information and auditor tenure.

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In support of the Comcast recommendation that critical audit matters be communicated to the audit committee rather than directly to investors, I believe the following considerations are most important:

Timeliness

Communicating critical matters in the auditor’s report on annual financial statements will be too late to be of real value and relevance. If it is important for someone to know “what kept the auditors up at night,” that can only be meaningful if that information is communicated on a timely basis, as such matters are identified, not two or three months after the year is over and the audit is completed.

Critical audit matters known at the time of preparation of the annual audit plan should be communicated to the audit committee in that plan. Critical audit matters identified thereafter should be communicated to the audit committee in a timely manner as they arise.

Communication to the Audit Committee

It is important that critical audit matters be communicated to the right people (the audit committee) at the right time (on a timely basis) so that appropriate questions can be asked, concerns expressed and discussed, and, if appropriate, action taken in response to the CAMs identified. The audit committee is knowledgeable about the Company’s financial reporting and internal controls and about the audit process; they are, obviously, the group to receive this information and to act on it in cooperation with the auditors and company management.

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Cost and Benefit

In my opinion, the proposal will impose significant costs, quantitative and qualitative, with little or no meaningful benefits.

Costs of implementing the proposed standard would include:

1. Significant monetary costs to be borne by auditors, registrants and, ultimately, investors.
2. A distraction of the time and attention of senior audit management at a critical stage of the audit process.
3. The likelihood that the presentation of numerous CAMs will dilute and perhaps obscure the critical audit conclusion - the result of the so-called “pass-fail test” that is the essential result of the audit.
4. Other concerns frequently mentioned - auditor communication in lieu of management which has primary responsibility for financial reporting; inference of piecemeal opinions; disclosure of other information not otherwise required to be disclosed by present standards - - to cite a few of the most significant.

Benefits

The objective of the standard is enhanced value of information communicated to investors. As indicated above, I believe that if such communications are not timely and not actionable, they are of limited relevance and questionable value.

In addition, while not objectively determinable at this stage, I strongly believe that this information will to be, perhaps from the outset, standardized “boiler plate,” of little substantive value to anyone.

I appreciate the opportunity to express my views on this important matter.

Sincerely,

J. Michael Cook
Chairman of the Audit Committee
December 18, 2013

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Public Company Accounting Oversight Board
1666 K Street, N.W.
Washington, D.C. 20006-2803

Re: PCAOB Rulemaking Docket Matter No. 034

Submitted via comments@ pcaobus.org

Comcast Corporation appreciates the opportunity to comment on the Public Company Accounting Oversight Board’s (the “Board” or “PCAOB”) Proposed Auditing Standards – The Auditor’s Report on an Audit of Financial Statements When the Auditor Expresses an Unqualified Opinion (the “Proposed Auditor Reporting Standard”); The Auditor’s Responsibilities Regarding Other Information in Certain Documents Containing Audited Financial Statements and the Related Auditor’s Report (the “Other Information Standard”); and Related Amendments to PCAOB Standards (collectively, the “Proposal”).

Comcast is a global media and technology company with two primary businesses, Comcast Cable Communications and NBCUniversal. During 2012, we generated approximately $63 billion of revenue and approximately $12 billion of operating income.

While we support the Board’s underlying objective in proposing changes to enhance the informational value, usefulness and relevance of the auditor’s report and agree with including clarifying language in the existing standard auditor’s report that enhances investors’ and users’ understanding of the scope of the audit, the work performed, and the inherent limitations of the audit process, we have significant concerns about the Proposal as noted below.

* * * * *

Critical Audit Matters

We believe the Proposal is fundamentally flawed as it relates to the processes and procedures surrounding the identification and public reporting of Critical Audit Matters (“CAMS”), which we believe may have the unintended consequence of altering the roles and responsibilities of management, auditors and the audit committee. Our specific concerns with the CAMS include: (i) the potential for putting auditors in the position of communicating original information that has not been separately disclosed, or is not
otherwise required to be disclosed, by the company (e.g., significant deficiencies); (ii) the potential for a perception that auditors are providing piecemeal opinions on those matters; (iii) the potential adverse effect on the clarity of responsibility for preparation of the financial statements; (iv) the potential undermining of the existing corporate governance structure among the audit committee, the auditors and management; (v) the potential for confidential discussions between the auditor and audit committee to be publically disclosed; (vi) increased time and associated audit fees resulting from the process of identifying, evaluating and documenting (both within the audit firm and with the company and audit committee) the CAMS, especially those ultimately determined to be audit matters not considered critical; and (vii) the timing of such procedures occurring at the most hectic or critical time in the annual reporting process. We believe the costs of the additional procedures to comply, as currently proposed; will greatly exceed any potential benefits.

Accordingly, for the reasons set forth above, we do not agree with the Board's Proposal for auditor's to identify and publicly report CAMS. If, after considering the costs and benefits, the Board nonetheless decides to retain the concept of CAMS, we believe the identification of CAMS should be limited to those items required to be communicated to the audit committee under AS 16, Communications with Audit Committees (“AS 16”). Under AS 16, auditors are currently required, among other things, to communicate the following (i) audit strategy, including the identification of significant audit risks and audit procedures to address fraud risk; (ii) significant accounting policies and practices; (iii) critical accounting policies and practices; (iv) critical accounting estimates; and (v) significant unusual transactions. We propose that these items should form the “population” of potential CAMS, but the independent auditors should not be required to finalize the CAMS until following a timely discussion with the audit committee. We believe the identification, reporting and discussions of CAMS by auditors should stop with timely communications to the audit committee, where they can be discussed by experienced financial professionals.

With that said, if the Board can conclude that any potential benefit to investors outweighs the burdens and requires that CAMS be publically reported, we believe it would be more appropriate to require such disclosure in the audit committee report of a company’s proxy statement and that such disclosure be limited to the fact that the audit committee has discussed CAMS with the auditors. We believe this approach would provide investors with the assurance that the auditors and audit committees are discussing CAMS, while maintaining the existing corporate governance framework among the audit committee, the auditors and management. As such, we would encourage the Board to solicit the feedback of the SEC on the feasibility of amending the requirements of Reg. S-X Rule 2-07 related to this potential alternative.
Other Information

Although we support the underlying objective of adding clarifying language around the auditor’s responsibilities with regard to information outside of the financial statements, we believe that, as proposed, the standard would lead to significant additional audit work, and therefore issuer costs, by requiring that the auditor “evaluate” the information and expand the scope of their work to other information beyond their area of professional expertise. We would, however, support a standard that conformed the auditor’s responsibility to the current requirement of a “read and consider” level of performance and limited the auditor’s responsibility to read and consider other information directly related to the financial statements.

Auditor Tenure

Finally, we believe that disclosures regarding auditor tenure would be more suitably placed in the proxy statement, where many companies submit to a vote of their shareholders ratification of the reappointment of the independent auditor.

We have reviewed this letter with our audit committee and they agree with our comments and recommendations.

We appreciate the opportunity to express our views on this proposed auditing standard.

Sincerely,

Lawrence J. Salva
Senior Vice President, Chief Accounting Officer and Controller

Leonard J. Gatti
Vice President, Financial Reporting