

Audit Evidence – Issues

Objective:

The objective of the IAASB discussion in March 2024 is to obtain the Board's input on the Audit Evidence Task Force's (AETF):

- (a) Proposals for addressing key themes from the responses to the Exposure Draft (ED-500): [Proposed International Standard on Auditing \(ISA\) 500 \(Revised\), Audit Evidence, and Proposed Conforming and Consequential Amendments to Other ISAs](#).
- (b) Updates to the conforming and consequential amendments to other ISAs as a result of the revisions for proposed ISA 500 (Revised).

In addition, the Board will be presented with the AETF discussion for certain topics that are relevant to other ongoing IAASB workstreams.

Approach to the Board Discussion:

The AETF Chair will go through the questions in the order they are set out in this Agenda Item and, where applicable, will refer to the drafting for proposed ISA 500 (Revised) presented in **Agenda Item 5–A** and the proposed conforming and consequential amendments included in **Agenda Item 5–B**.

Introduction

Background

1. At the December 2023 IAASB meeting, the AETF presented to the Board proposals for addressing key themes from the responses to ED-500.¹ In addition, the Board was presented with additional information-gathering and analysis performed to date to inform the AETF proposed revisions in relation to technology-focused modernization of proposed ISA 500 (Revised), and for other aspects relevant to the interdependencies between the 'reference framework' aspects of ED-500 and the 'performance' aspects of other ISAs (e.g., ISA 330² and ISA 520³).
2. The Board supported the usefulness of the additional information-gathering and analysis performed to date as a basis to inform planned new projects in the IAASB Strategy and Work Plan for 2024–2027 (Strategy and Work Plan).⁴ The Board also provided directional input to the AETF on the topics discussed, for consideration in further developing the drafting for proposed ISA 500 (Revised). The draft December 2023 IAASB meeting minutes are available in [Agenda Item 1](#) on the *IAASB Quarterly Board Meeting – March 18-21, 2024* webpage.

¹ The themes discussed in further depth during the December 2023 IAASB meeting included: (i) technology, (ii) definitions, (iii) evaluating the relevance and reliability of information, (iv) conditional requirement for accuracy and completeness, (v) professional skepticism, and (vi) other matters.

² ISA 330, *The Auditor's Responses to Assessed Risks*

³ ISA 520, *Analytical Procedures*

⁴ See [Agenda Item 4-D](#) presented to the Board in December 2023 that includes the approved IAASB's Strategy and Work Plan for 2024–2027.

Status of the Audit Evidence Project

3. The Strategy and Work Plan anticipates that after March 2024, the revision of proposed ISA 500 (Revised) will pause temporarily, while work is undertaken to identify, understand and scope the risk response elements of the new project: “*Integrated Approach to Audit Evidence and Risk Response, Including Focus on Technology and Internal Control*” (the integrated project). In parallel with scoping the integrated project, which will include building on the work already undertaken on ED-500, the Board will also undertake work to establish a position, including a vision and roadmap, on addressing the impact of technology in the IAASB’s standards. Such position will inform the focus on technology for the integrated project, and the Board’s standard-setting and related activities more broadly.
4. The integrated project reflects an integrated approach to addressing the ‘reference framework’ aspects relating to judgments about sufficient appropriate audit evidence (ISA 500) and the ‘performance’ aspects of the auditor’s responsibility to design and perform audit procedures to obtain sufficient appropriate audit evidence (ISA 330 and potentially ISA 520). The Strategy and Work Plan includes the explanation of a revised timeline and the possibility that the timelines of different workstreams may differ.

Materials Presented

5. This paper sets out:
 - **Section I:** key matters considered since December 2023, and changes made by the AETF to the drafting for proposed ISA 500 (Revised).
 - **Section II:** substantial updates to the proposed conforming and consequential amendments to other ISAs as a result of the revisions to proposed ISA 500 (Revised).
 - **Section III:** AETF discussion of topics relevant to other ongoing IAASB workstreams.
 - **Section IV:** the way forward.
6. This Agenda Item includes the following appendices and other agenda items:

Appendix 1	AETF members and activities since the December 2023 IAASB meeting
Appendix 2	Possible model for the “stand-back” requirements in the ISAs
Agenda Item 5-A	Drafting for proposed ISA 500 (Revised) (in mark-up from December 2023)
Agenda Item 5-B	Updates to the conforming and consequential amendments arising from the revision of proposed ISA 500 (Revised) (in mark-up from ED-500)
Agenda Item 5-C	Explanation of other changes not discussed in Section I of this Agenda Item, relating to the draft of proposed ISA 500 (Revised) to reflect previous Board feedback and discussions

Coordination Activities

International Ethics Standards Board for Accountants (IESBA)

7. In January 2024, a review was requested from IESBA Staff and the IESBA’s IAASB liaison Board member on the updated drafting for proposed ISA 500 (Revised) post exposure. The review focused on identifying any relevant ethical considerations for matters pertaining to audit evidence. In

coordinating with IESBA, the following topics were emphasized as areas of importance where respondents to ED-500 believed that further consideration may be necessary:

- Reflecting in ED-500 some of the changes made to the IESBA Code⁵ that promote the role and mindset expected of professional accountants (e.g., a focus on the auditor's integrity, strength of character to act appropriately, and the need for auditors to have an inquiring mind).⁶
- Aligning associated outcomes with the technology-related revisions to the IESBA Code.⁷
- Coordinating with IESBA on its project on use of experts⁸ that is contemplating revisions to the IESBA Code to address specific ethics and independence issues that may arise when experts work alongside professional accountants.

The AETF have proposed amendments to respond to the feedback provided by IESBA in **Agenda Item 5-A** (also see paragraph 37).

Risk Response Workstream of the Integrated Project

8. IAASB Staff of the risk response workstream of the integrated project participated in a working session of the AETF meeting in February 2024. A subsequent discussion also took place between the AETF Chair and Staff of the audit evidence project and the risk response workstream. During these interactions, areas of identified interdependencies between proposed ISA 500 (Revised) and ISA 330 were discussed, such as for the “stand-back” requirement and the objectives (also see paragraphs 30-35 and **Appendix 2**). In addition, feedback was exchanged for aspects where a stronger focus on internal control has been emphasized that may be relevant for the ‘performance’ aspects addressed by ISA 330 or other ISAs (e.g., exploring the impacts on the auditor's use of automated tools and techniques (ATT) when general IT controls implemented by the entity are not operating effectively or clarifying the minimum level of audit evidence from internal control testing and its impact on audit evidence needed from substantive testing).

Technology Consultation Group (TCG)

9. In January and February 2024, the AETF Chair⁹ and Staff of the audit evidence project attended the working sessions of the TCG in relation to the ongoing IAASB work for developing a Board position on addressing the impact of technology in the IAASB's standards.

Key Aspects of Proposed ISA 500 (Revised) that are Expected to Improve Audit Quality

10. The diagram below demonstrates a roadmap that summarizes the AETF views for the key outcomes of proposed ISA 500 (Revised) that would most significantly contribute to enhancing consistency in practice and modifying auditor behavior. The AETF has remained mindful of these key outcomes when formulating its views and proposals discussed in this Agenda Item, and when reflecting the changes for the drafting to proposed ISA 500 (Revised) included in **Agenda Item 5-A**.

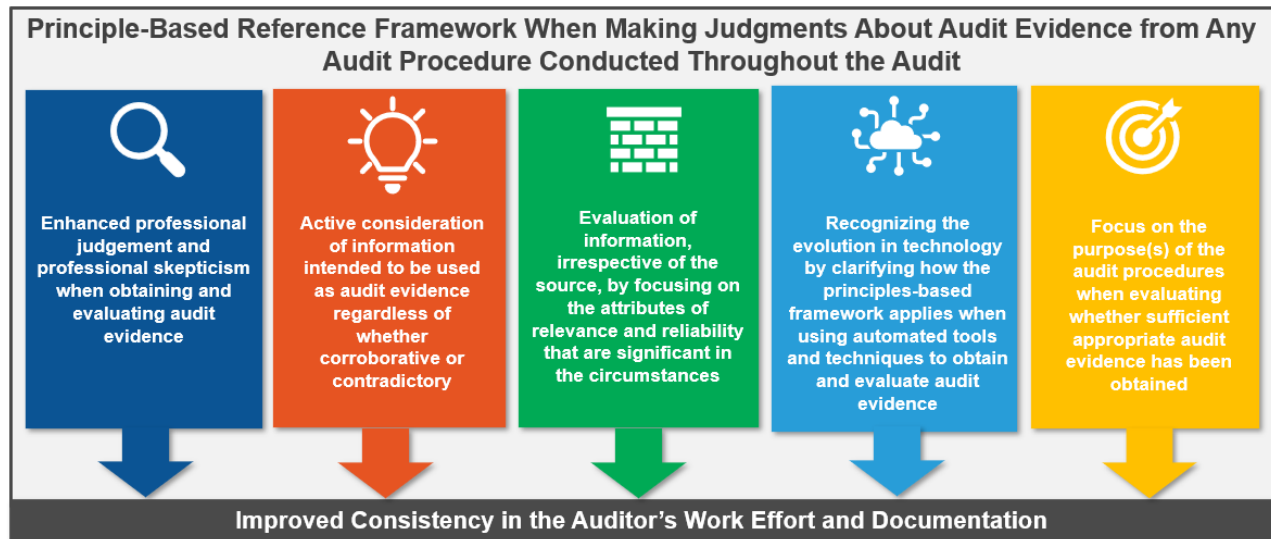
⁵ The International Ethics Standards Board for Accountants' *International Code of Ethics for Professional Accountants (including International Independence Standards)*

⁶ See the [Final Pronouncement: Revisions to the Code to Promote the Role and Mindset Expected of Professional Accountants](#).

⁷ See the [Final Pronouncement: Technology-Related Revisions to the Code](#).

⁸ See [Use of Experts | Ethics Board](#).

⁹ The AETF Chair is also a member of the TCG and provides inputs to the working sessions of this consultation group.



Qualitative Standard-Setting Characteristics

11. Because the Public Interest Framework (PIF)¹⁰ had not been implemented when the audit evidence project was approved, the [project proposal](#) to revise ISA 500 did not include consideration of the qualitative standard-setting characteristics of the PIF. The AETF believes that the following list of qualitative standard-setting characteristics from the PIF are of most relevance to the revisions for proposed ISA 500 (Revised) that should be used as criteria to assess the public interest responsiveness of the standard:

- *Comprehensiveness*, through limiting the extent to which there are exceptions to the principle-based reference framework.
- *Clarity and conciseness*, to enhance understandability and minimize the likelihood of differing interpretations of the principles set out.
- *Scalability*, to address both less and more complex circumstances, commensurate to the varying circumstances that may occur.
- *Coherence*, with the overall body of standards.
- *Timeliness*, focusing on timely standard-setting action to address identified needs without sacrificing quality.
- *Relevance*, through recognizing and responding to emerging issues, changes in business and technology.
- *Implementability*, and ability of being *consistently applied and globally operable* across entities of all sizes and regions, respectively, as well as considerations of the different conditions prevalent in different jurisdictions.
- *Enforceability*, through clearly stated responsibilities that make it possible to ascertain the extent to which an auditor has complied with the standard.

¹⁰ See the Monitoring Group report [Strengthening the International Audit and Ethics Standard-Setting System](#).

Section I – Proposals to Address Key Themes from the Responses to ED-500

Draft of Proposed ISA 500 (Revised)

12. **Agenda Item 5-A** reflects changes made by the AETF to the draft of proposed ISA 500 (Revised) since December 2023. In developing the changes, the AETF considered comments made by the Board during the December 2023 meeting, comments provided to IAASB Staff directly (i.e., ‘off-line comments’), as well as inputs received from coordinating with IESBA. This Section discusses the more substantive changes considered or made by the AETF to the draft of proposed ISA 500 (Revised) in response to the feedback. **Agenda Item 5-C** provides an explanation of other changes relating to the draft of proposed ISA 500 (Revised) to reflect previous Board feedback and discussions.
13. The draft of proposed ISA 500 (Revised) in **Agenda Item 5-A** reflects the Board’s deliberations, decisions, and directions in response to stakeholder feedback to ED-500, supported by the meeting materials presented by the AETF in September and December 2023. Cognizant of the IAASB’s ongoing work for developing a Board position on addressing the impact of technology in the IAASB’s standards, the AETF has **grayed out** certain paragraphs in **Agenda Item 5-A** that address the project objective for technology-focused modernization of proposed ISA 500 (Revised).¹¹
14. Accordingly, in providing its feedback for the matters discussed in this Section of the Issues paper and for the draft of proposed ISA 500 (Revised) included in **Agenda Item 5-A**, the Board is asked not to consider the paragraphs highlighted in gray. **Section III** below includes a further discussion for matters related to technology and the use of ATT.

Definition of Audit Evidence

<i>Relevant Paragraphs in Agenda Item 5-A:</i>	<i>Paras. 7(b), A12A</i>
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Previous IAASB Feedback

15. In December 2023, the Board directed the AETF to consider whether the second sentence added to the definition of audit evidence should be retained, or whether it could be relegated to the application material to the definition. Views included that as drafted, this sentence could suggest that all audit procedures involve evaluating the relevance and reliability of the information.

AETF Discussion and Views

16. The AETF noted that the intent for adding the second sentence to the definition was to respond to stakeholders who asked for clarity about what constitutes an audit procedure that turns “information” into “audit evidence.” The AETF believes that it remains important to clarify that the audit procedures applied to the information intended to be used as audit evidence include evaluating its relevance and reliability because the term “evaluate” has a described meaning for the ISAs¹² that implies a specific

¹¹ In **Agenda Item 5-A**, these include the proposed conditional requirement for the use of ATT (paragraph 10A), including related introductory and application material, and the description of ATT (paragraph A2A).

¹² The IAASB Glossary of Terms includes a description for evaluate as follows: *Identify and analyze the relevant issues, including performing further procedures as necessary, to come to a specific conclusion on a matter. “Evaluation,” by convention, is used only in relation to a range of matters, including evidence, the results of procedures and the effectiveness of management’s response to a risk.*

conclusion rather than an audit procedure.

17. In considering the Board's feedback, the AETF acknowledge that it may be more appropriate to pursue providing the clarification in the application material, instead of the definition itself. In response, paragraph A12A of **Agenda Item 5-A** was clarified to explain that the audit procedures applied to the information intended to be used as audit evidence include procedures to evaluate its relevance and reliability and the second sentence of the definition was removed.

Threshold for the Attributes of Relevance and Reliability of Information

<i>Relevant Paragraphs in Agenda Item 5-A:</i>	<i>Paras. 9(b), A35, A40, A50, A53–A53A, A56C–A56D</i>
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Previous IAASB Feedback

18. While directionally supportive of the proposals, in December 2023, some Board members questioned whether the use of the word “significant” is appropriate to be used as the threshold for the auditor's consideration of the attributes of relevance and reliability when evaluating information, given it may imply a too low bar for the auditor's work effort.
19. Suggestions included to revert to the text of ED-500 (i.e., to use the phrase “applicable in the circumstances”) or to consider whether a spectrum approach may be appropriate to explain the work effort for the auditor's consideration of the attributes of relevance and reliability when evaluating information. It was also suggested that further outreach be undertaken, in particular with regulatory stakeholders, in relation to this matter.

AETF Discussion and Views

20. In considering the Board's suggestions for the threshold, the AETF reflected on respondents' feedback to ED-500 and in particular concerns with using the phrase “applicable in the circumstances” to explain the threshold for the auditor's consideration of the attributes of relevance and reliability. Respondents' views included that this phrase is vague and not sufficient to support the auditor's judgment as to whether an attribute is important when evaluating the reliability of the information. In addition, respondents found the work effort for the attributes of relevance and reliability unclear, given that all attributes apply to the information being evaluated. In this respect, comments also included that the lack of clarity for the work effort may have the unintended consequence of auditors developing checklist approaches in practice by documenting considerations for each of the attributes, irrespective whether they represent a risk to the reliability of the information being evaluated.
21. The AETF also explored suggestions as to whether the threshold for the attributes could include “the significance of the attributes to meet the intended purpose(s) of the audit procedures” and believes it is responsive to the feedback received. This is because the use of this phrase aligns with views that a spectrum approach should be pursued rather than a specific cut off point implied by the words “significant in the circumstances” used in the requirement, and because such an approach allows scalability for the auditor's work effort. The approach also emphasizes the need for the auditor to consider all of the attributes of reliability and then focus on those that are of most importance to meet the intended purpose(s) of the audit procedures when evaluating information as relevant and reliable. The AETF have reflected this in the requirement in paragraph 9(b) of **Agenda Item 5-A** (and in the related application material) and in doing so have also reconsidered the placement of the essential material in the requirement (see paragraph 26 below).

22. The AETF also notes views from December 2023, that further outreach should be undertaken with regulatory stakeholders to inform the Board’s position on the threshold for the attributes of relevance and reliability of information. In this respect, the AETF intends to undertake further engagement with regulatory and other stakeholders, including discussing the matter with jurisdictional/ national auditing standard setters (NSS) at their meeting in May 2024. In addition, post March 2024, the AETF intends to leverage the outreach and engagement with stakeholders undertaken by the risk response workstream of the integrated project to obtain feedback on these changes to ED-500 (see paragraph 62).

Accuracy and Completeness

Relevant Paragraph in Agenda Item 5-A :	Para. 10
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Previous IAASB Feedback

23. In December 2023, some Board members asked the AETF to reconsider the essential material in paragraph 9(b) of **Agenda Item 5-A** given that accuracy and completeness may not be significant attributes when performing risk assessment procedures. Similar feedback was provided by the IFAC SMP Advisory Group who noted in their December 2023 letter for IAASB’s projects that the essential material conflicts with the guidance provided in the application material that accuracy and completeness may not always be significant when performing risk assessment procedures.

AETF Discussion and Views

24. The AETF discussed that there were strong messages from regulatory respondents to ED-500 who asked for a more robust approach for accuracy and completeness. On this basis the AETF elevated to the requirement the essential material to call out the importance of these attributes when information is from sources internal to the entity.
25. The AETF considered the CUSP Drafting Principles and Guidelines¹³ for terms that describe the likelihood of occurrence in the ISAs and on this basis believes that the word “ordinarily” does not contradict the application material that accuracy and completeness may not in all cases be significant attributes for information from sources internal to the entity when performing risk assessment procedures. Instead, the use of this term in the ISA is commonly understood as sending a stronger message through the application and other explanatory material.
26. Given that the requirement in paragraph 10 of **Agenda Item 5-A** actions a response to perform audit procedures for those attributes that are of significance to meet the intended purpose(s) of the audit procedures, the AETF have moved the essential material to paragraph 10 of **Agenda Item 5-A** to improve the flow of the requirements. In addition, the wording of the requirement was simplified by removing the reference to paragraph 9(b) of **Agenda Item 5-A**.

¹³ See Appendix 1. “Terms to Describe Likelihoods of Occurrence in ISAs” of the [CUSP Drafting Principles and Guidelines](#).

Doubts About Relevance or Reliability of Information

Relevant Paragraphs in Agenda Item 5-A :	Paras. 12–12A, A78B–A83
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Previous IAASB Feedback

27. The Board asked the AETF to reconsider the need to bifurcate the requirement in paragraph 12 of **Agenda Item 5-A** as well as to consider whether paragraph 12A of **Agenda Item 5-A** should apply only to information from sources internal to the entity.

AETF Discussion and Views

28. The AETF does not propose further changes for the requirement in paragraph 12 of **Agenda Item 5-A** given that the need to bifurcate the requirement was responsive to stakeholder feedback, in particular from regulators and Monitoring Group members, who asked for strengthening the auditor's actions when determining *what* modifications or additional audit procedures are necessary when doubts about information are identified. However, the AETF replaced the words “are possible” with “can be made” for the requirement in subparagraph 12(a) of **Agenda Item 5-A** as this uses more active language to direct the auditor to resolve the doubts about relevance of the information where possible.
29. In addition, the AETF believes that no further changes should be pursued for the applicability of the requirement in paragraph 12A of **Agenda Item 5-A** given it remains appropriate irrespective of the source of the information (e.g., for an external confirmation request, when there are unresolved doubts about reliability, it would still be appropriate for the auditors to consider the effect on other aspects of the audit, including whether such doubts indicate a fraud risk).

“Stand-Back” Requirement and Objectives

Relevant Paragraphs in Agenda Item 5-A :	Paras. 1, 4, 6, 13, A84–A88
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Background

30. In September 2023, the AETF presented to the Board respondents' feedback for the “stand-back” requirement (paragraph 13 of ED-500) and for the objectives (paragraph 6 of ED-500). Respondents' views included that there are overlaps and duplications between the “stand-back” requirement and the objectives of ED-500 with the overall conclusion whether sufficient appropriate audit evidence has been obtained in paragraph 26 of ISA 330. In addition, respondents observed a proliferation of “stand-back” requirements across the ISAs that may diminish their effectiveness and expressed concerns about the work effort for the “stand-back” in ED-500 given it implies a required documentation effort at the audit procedure level, rather than for the aggregate evidence obtained during the audit.
31. The AETF also presented to the Board an analysis of the various “stand-backs” across the ISAs, including those proposed in ED-500 and in ED-570.¹⁴ Based on the analysis performed, the AETF views included that there are no gaps identified that should be addressed in this regard.
32. Accordingly, the AETF proposals in September 2023 included to remove the “stand-back” requirement in paragraph 13(b) of ED-500 and to consider if it is possible to retain the requirement in paragraph 13(a)

¹⁴ See [Exposure Draft of Proposed ISA 570 \(Revised 202X\), Going Concern and Proposed Conforming and Proposed Consequential Amendments to Other ISAs](#).

of ED-500. There was broad support from the Board for the AETF proposed approach to address the feedback on exposure for the “stand-back” requirement in paragraphs 13(a)–(b) of ED-500.¹⁵

AETF Discussion and Views

33. The AETF considered whether it is possible to refocus the requirement in paragraph 13(a) of **Agenda Item 5-A** in the context of “closing the loop” on the requirement in paragraph 8(b) of **Agenda Item 5-A**, instead of linking to the conclusion whether sufficient appropriate audit evidence has been obtained in ISA 330. However, given that the requirement in paragraph 8(b) of **Agenda Item 5-A** is formulated at the audit procedure level, the evaluation of the audit evidence obtained would also imply the same performance level.
34. The AETF also considered whether it can be explained better that the “stand-back” in paragraph 13 of **Agenda Item 5-A** is an *evaluation* that supports the overall *conclusion* required by paragraph 26 of ISA 330. However, the AETF recognizes that pursuing this option would not offer a different solution than already proposed in ED-500 and would not address respondents’ concerns about the uncertainty for the required work effort and documentation.
35. On balance, the AETF retained its view from September 2023 that based on the analysis of the various “stand-backs” in the ISAs there are no gaps identified that should be addressed. On this basis the AETF have proposed to remove the “stand-back” requirement in paragraph 13 of **Agenda Item 5-A**. In addition, as a consequence of the removal of the requirement:
 - (a) The related application material in paragraphs A84–A88 of **Agenda Item 5-A** was also removed, and the introductory material in paragraphs 1 and 4 of **Agenda Item 5-A** was aligned.
 - (b) The objective in paragraph 6(b) of **Agenda Item 5-A** to evaluate the audit evidence has been further considered and amended as it is no longer relevant for the requirements addressed by the draft of proposed ISA 500 (Revised). In making this change, the AETF also considered views by respondents, including a Monitoring Group member respondent, that observed overlaps between the objectives of ED-500 and ISA 330.

Paragraphs 59-60 and **Appendix 2** of this Agenda Item provide further analysis of the “stand-back” requirements in the ISAs that may further inform the risk response workstream of the integrated project.

Other Matters

Professional Skepticism

36. In response to the Board’s feedback in December 2023, the AETF redrafted the introductory material in paragraph 4A of **Agenda Item 5-A** to better align with the guidance in paragraph A21 of ISA 200.¹⁶ In addition, the phrase “*may not ignore*” was reworded to avoid implying that the contrary outcome may apply.
37. Also, in coordinating with IESBA (see paragraph 7), it was suggested that a reference is made from the introductory material addressing professional judgment and professional skepticism, to the IESBA Code provisions that promote the role and mindset expected of professional accountants. In response, the

¹⁵ See the September 2023 IAASB meeting [minutes](#).

¹⁶ ISA 200, *Overall Objectives of The Independent Auditor and the Conduct of an Audit in Accordance with International Standards on Auditing*

AETF have included new application material in paragraph A4A of **Agenda Item 5-A**.

38. The AETF also considered respondents' suggestions about:

- (a) Expanding on the list of biases in paragraph A19 of **Agenda Item 5-A**. The AETF reviewed the list of biases in ISA 220 (Revised),¹⁷ including whether any other examples of biases should be carried over to **Agenda Item 5-A**. However, on balance, the AETF believes that the guidance provided sufficiently addresses examples of unconscious or conscious auditor biases that may affect the auditor's professional judgments in critically assessing audit evidence and determining whether sufficient appropriate audit evidence has been obtained. In addition, the AETF considered that by expanding on the list of biases in response to the feedback (e.g., adding authority bias, hindsight bias, or representativeness bias) this may cause misalignment with the conscious and unconscious biases discussed in ISA 220 (Revised) and lead to unnecessary repetition between the ISAs.
- (b) Enhancing the linkages to other standards when there are inconsistencies and doubts about audit evidence. In response, the AETF added an example to paragraph A90 of **Agenda Item 5-A** to enhance the linkages with ISA 580¹⁸ for matters where the auditor may have doubts about the reliability of written representations. In doing so, the AETF remained mindful not to add unnecessary length to the application material (also see paragraph 39 below).

Streamlining the Application Material

39. The AETF continues to remain mindful about the length of the overall standard. In this regard, the AETF undertook a further exercise to streamline certain paragraphs of the application material in **Agenda Item 5-A**, other than those that have been grayed out. This included identifying opportunities to condense certain paragraphs and examples and identify paragraphs that could be better placed in implementation support materials. **Agenda Item 5-C** provides further explanation for the paragraphs where streamlining has been suggested. In addition, the AETF notes that further opportunities may exist to streamline the application material that has been grayed out, subject to the IAASB's ongoing work for developing a Board position on addressing the impact of technology in the IAASB's standards.

Phrase "Intended Purpose(s) of the Audit Procedures"

40. The AETF discussed that the phrase "intended purpose(s) of the audit procedures" is prominently featured in the requirements of the standard (e.g., in paragraphs 8, 9 and 10 of **Agenda Item 5-A**). This phrase aims to emphasize the relevance for the concept that it is the outcome of an audit procedure that results in audit evidence. To support further understanding for this phrase when applying the standard, the AETF enhanced the application material in paragraphs A14D and A15 of **Agenda Item 5-A**, including providing an example that links the purpose of the audit procedures to relevant assertions.

Matter for IAASB Consideration:

1. The Board is asked for its views on the proposals of the AETF in responding to the feedback to ED-500, to update proposed ISA 500 (Revised) as presented in **Agenda Item 5-A** and the matters discussed in **Section I** above, including with respect to the threshold for the attributes of relevance and reliability of information, and with respect to accuracy and completeness.

¹⁷ ISA 220 (Revised), *Quality Management for an Audit of Financial Statements*, paragraph A35

¹⁸ ISA 580, *Written Representations*

Section II – Updates to the Conforming and Consequential Amendments

Overview of Changes

41. Since the publication of ED-500, the text of the conforming and consequential amendments presented in **Agenda Item 5-B** was updated to reflect the paragraphs as published in the IAASB 2022 Handbook. Many of the other changes made to the conforming and consequential amendments post exposure were straightforward and included revisions of an alignment nature to reflect the updated text for the drafting of proposed ISA 500 (Revised). This Section discusses the more substantive changes considered or made for the conforming and consequential amendments.

Physical Inventory Counting

42. Respondents to ED-500 welcomed the acknowledgment in ED-500 of using remote observation tools for inspection and observation (e.g., use of drone technology) and commented that it would be useful to recognize, as a conforming or consequential amendment to ISA 501,¹⁹ that such tools may be used to inspect or observe management's inventory count procedures. However, from the feedback there were also calls from respondents for broader revisions to modernize ISA 501 for technological development (e.g., to reflect modern inventory counting methods, including in relation to information systems for inventory and technologies used by the entity or to set out requirements and guidance when the auditor uses remote observation techniques to perform inventory counts).
43. The AETF believes that the broader requests for technological modernization of ISA 501, as well as for any other targeted ISAs in the 500-series, go beyond the scope of revisions foreseen through conforming and consequential amendments.²⁰ The AETF also notes that the approved Strategy and Work Plan anticipates a new project, *Modernization of Other Targeted Standards in the ISA 500 Series, Including Focus on Technology*, which includes ISA 501.
44. While recognizing that more substantial efforts are required to appropriately address stakeholder expectations for modernization of the 500-series of ISAs, the AETF nevertheless believes it is useful to provide an example in paragraph A5 in ISA 501 of **Agenda Item 5-B** to enhance the coherence between proposed ISA 500 (Revised) and ISA 501, by recognizing the use of remote observation tools of management's inventory count procedures.

Definition of Audit Evidence in ISA 200

45. Respondents to ED-500 suggested retaining the definition of audit evidence in ISA 200, in addition to defining the term in proposed ISA 500 (Revised). Views included that, given the foundational nature of ISA 200 and because the term audit evidence is referred to in the requirements and in other paragraphs of this standard, the definition of audit evidence should also sit in ISA 200.
46. The AETF considered the CUSP Drafting Principles and Guidelines²¹ and on this basis believe it is appropriate not to repeat definitions already defined in other ISAs. With respect to where the definition of audit evidence should be best placed in the suite of the ISAs, the AETF considered that ISA 200 precedes

¹⁹ ISA 501, *Audit Evidence—Specific Considerations for Selected Items*

²⁰ Section 14. "Conforming and Consequential Amendments to ISAs" of the [CUSP Drafting Principles and Guidelines](#), explains that conforming and consequential amendments to the ISAs are made to the minimal extent necessary to resolve actual or perceived inconsistencies and maintain the coherence with the overall body of standards so these can be applied together without conflict.

²¹ See Section 8. "Definitions in the ISAs" of the [CUSP Drafting Principles and Guidelines](#).

ISA 500 (Revised) in terms of order. However, the AETF believes it would be counterintuitive not to have a definition of audit evidence included in ISA 500 (Revised) given it addresses the auditor's responsibilities in relation to audit evidence. Also, the AETF discussed that having the term defined in proposed ISA 500 (Revised), rather than in ISA 200, would not be inconsistent with the approach to the definitions in other ISAs. For example, ISA 200 includes requirements for the auditor to comply with relevant ethical requirements, including those related to independence, while the definition itself for relevant ethical requirements sits in ISA 220 (Revised).²²

Conforming and Consequential Amendments for Fraud and Going Concern

47. The AETF propose to reverse the proposed conforming and consequential amendments in **Agenda Item 5-B** for fraud (ISA 240²³) and going concern (ISA 570 (Revised)²⁴), given these standards are currently being revised by the IAASB and are progressed on a more advanced timetable than what is now envisioned for proposed ISA 500 (Revised).²⁵ As a consequence, from a timing perspective conforming amendments for the revised fraud and going concern standards may be best pursued once the revision for those standards is completed. This also resulted in reverting the proposed text in paragraph 3 (third bullet) of ISA 505 to extant given this paragraph has been addressed as a conforming and consequential amendment in the Exposure Draft for ISA 240 (Revised).²⁶

Considerations Relating to Audit Evidence when Applying ISA 540 (Revised)²⁷

48. In view of the AETF proposals in December 2023, to reinstate the requirement to evaluate the appropriateness of the management's expert work as audit evidence for the relevant assertion, alignment changes were proposed to the conforming and consequential amendment for paragraph 30 of ISA 540 (Revised), that includes reverting the text to extant.

Other Matters

49. The following updates were also made to the conforming and consequential amendments to address perceived inconsistencies:
- (a) Paragraph A31 of ISA 200 was aligned with the guidance in paragraph A12C of **Agenda Item 5-A** and with the requirement in paragraph 16 of ISA 315 (Revised 2019) addressing information from other sources that is cross-referenced from the application material.
 - (b) Paragraph 3 (fourth bullet) of ISA 505 was aligned with the example provided in paragraph A14C of **Agenda Item 5-A**, explaining that inspection or external confirmation "may provide more persuasive audit evidence" than inquiry.

²² See ISA 220 (Revised), paragraph 12(k).

²³ ISA 240, *The Auditor's Responsibilities Relating to Fraud in an Audit of Financial Statements*

²⁴ ISA 570 (Revised), *Going Concern*

²⁵ As explained in paragraph 3, the project to revise ISA 500 (Revised) will pause temporarily. On the other hand, as per the IAASB's current work plan the anticipated approval for the revised fraud and going concern standards is targeted for March 2025 and December 2024, respectively.

²⁶ See the [Exposure Draft: Proposed ISA 240 \(Revised\), The Auditor's Responsibilities Relating To Fraud In An Audit of Financial Statements](#).

²⁷ ISA 540 (Revised), *Auditing Accounting Estimates and Related Disclosures*

- (c) Paragraph A36 (second bullet) of ISA 550²⁸ was included as it was necessary to replace computer-assisted audit techniques with ATT as used elsewhere.

Matter for IAASB Consideration:

2. The Board is asked for its views on the proposals of the AETF in responding to the feedback to ED-500, to update the proposed conforming and consequential amendments to other ISAs as presented in **Agenda Item 5-B**, including with respect to the matters discussed in **Section II** above.

Section III – AETF Discussion of Topics Relevant to Ongoing IAASB Workstreams

50. This Section sets out the AETF discussions of certain topics that are relevant for, or are being considered by, other IAASB workstreams (i.e., the integrated project and the work to establish a position on addressing the impact of technology in the IAASB's standards). Recognizing that these matters will be further considered as part of other IAASB workstreams, the AETF is not seeking direction from the Board at this time. However, Board members are welcome to share observations on the matters presented in this Section of the Issues paper.

Technology

Introduction

51. In December 2023, the AETF presented to the Board its proposals for addressing matters relevant to the project objective for technology-focused modernization of proposed ISA 500 (Revised). The key proposals included providing a conditional requirement, with related application material, when the auditor uses ATT and a description for ATT. In addition to a deeper analysis of respondents' feedback relevant to technology, the proposals were informed by a review of available literature addressing a broad range of topics relevant to the use of ATT in an audit. The AETF also sought views and inputs from the TCG on these proposals. Based on this work, the AETF views also included that broader actions are necessary, including outside of ED-500, to fully meet stakeholder expectations in this regard.

AETF Discussion

52. Mindful that the ongoing work to establish a position on addressing technology in the IAASB's standards will further shape the IAASB work (and response) in this area, paragraphs 53-58 below focus on selected aspects of the proposals presented in December 2023. Such matters continue to be relevant to the IAASB's work as they set out critical elements to be considered when developing the broader IAASB response for technology. However, the AETF remains cognizant that the placement of these elements (within or outside proposed ISA 500 (Revised)) and the mechanism for how they may be approached would need further consideration as part of the Board's ongoing work for addressing technology in the IAASB's standards.

Description for ATT

53. The AETF deliberated that providing a description for ATT is important to articulate what is to be commonly understood by ATT as basis to establish expectations placed on the auditor when using ATT. The AETF also notes that in September 2023, the Board broadly agreed with the AETF proposal

²⁸ ISA 550, *Related Parties*

to pursue a description for the term, rather than defining ATT. This was because such description could allow more flexibility (e.g., referring to examples of new forms of technology in the description) and could be more easily updated as may be the case to recognize evolution in technology (i.e., forming part of the application material, it could be subject to amendments without reevaluating other aspects of the standard).

54. The box below presents further refinements to the description for ATT considered by the AETF post December 2023 in response to feedback received.

Automated tools and techniques (a subset of technological resources)²⁹ is a broad term that describes information technology enabled processes used by the auditor for the purpose of planning or performing the audit that involve the automation of methodologies and procedures, for example ~~the analysis of data analysis using modelling and visualization, or drone technology to observe or inspect assets~~. Other examples of automated tools and techniques are those developed using artificial intelligence and robotic process automation. The term is deliberately broad because technologies and related audit applications continue to evolve.

55. In refining the description, the AETF removed the reference to “drone technology” in response to suggestions and the examples were clarified, given that artificial intelligence and robotic process automation are technologies used to develop or run ATT but are not in themselves ATT. The AETF also considered whether the purpose of “planning or performing the audit” is a too broad reference for the description, however, the AETF believes that the broader term is appropriate given that ATT may be used for matters beyond performing risk assessment or obtaining audit evidence to respond to assessed risks (e.g., for obtaining an understanding of the entity and its environment).

Conditional Requirement When the Auditor Uses ATT

56. The AETF reflected on the elements addressed by the conditional requirement (i.e., the inputs, the operation of the ATT and the outputs of an ATT) and believes that the requirement continues to capture all elements that are relevant from the audit evidence perspective. This is because relevant and reliable *inputs* together with relevant and reliable *operation of an ATT* will result in relevant and reliable *outputs* (i.e., audit evidence).
57. The box below presents further refinements to the conditional requirement when using ATT considered by the AETF post December 2023 in response to feedback received.

If the auditor uses automated tools and techniques to design ~~or and~~ perform audit procedures, as part of the auditor’s evaluation in accordance with paragraph 9, the auditor shall:

- (a) Consider the appropriateness of the information that comprises the inputs to the automated tools and techniques;
- (b) Determine whether the automated tools and techniques operate as designed and achieve the purpose for which they are intended; and
- (c) Determine whether the output(s) of the automated tools and techniques meet the intended purpose(s) for which it is intended of the audit procedures.

²⁹ ISQM 1, *Quality Management for Firms that Perform Audits or Reviews of Financial Statements, or Other Assurance or Related Services Engagements*

58. In refining the conditional requirement, the AETF aligned the text of the requirement with paragraph A100 of ISQM 1. In addition, the AETF:
- (a) Clarified that it is information that comprises the inputs to the ATT in subparagraph (a) of the requirement. In addition, the AETF retained the word “appropriateness” given this was considered a sufficiently broad term to address the wide circumstances that may arise when considering the inputs to the ATT that are further explained by the related application material (e.g., considerations related to the integrity of the data during collection or extraction from an identified source or when information is transformed from its original medium).
 - (b) Deliberated about the use of the work effort verb “determine” in subparagraph (b) of the requirement. Feedback included that this may imply an unachievable work effort for the auditor when using certain ATT (e.g., generative artificial intelligence), may have the unintended consequence of being too onerous (e.g., deter auditors from using ATT) or cause practical challenges at an engagement level given that the design or purchase of the ATT is generally undertaken at firm level. The AETF retained its view that “determine”, rather than “consider” is the appropriate work effort for the requirement as the auditor should be required to come to a specific conclusion on this matter. However, the AETF recognizes that further consideration for *scalability* should be provided in the related application material. For example, to recognize that the auditor may rely on the firm’s determination under ISQM 1 to use firm approved ATT to comply with the requirement. However, when, for example, using unapproved publicly available generative artificial intelligence for substantive audit procedures for a significant risk there is indeed a high bar established by the requirement.
 - (c) Considered a suggestion to replace the work effort verb “determine” with “conclude” in subparagraph (c) of the requirement. The AETF considered the CUSP Drafting Principles and Guidelines³⁰ and believes that determine is suitable in the context, noting that “conclude” involves documenting the conclusion reached and the basis for the auditor’s conclusion, which is a more onerous documentation effort than is warranted in all circumstances.

Analysis of “Stand-Back” Requirements

59. The AETF views and proposals for the “stand-back” requirement in response to the feedback are discussed in paragraphs 30-35 of this Agenda Item and are reflected in **Agenda Item 5-A**. They reflect the AETF thinking in the context of the scope of the project, which specifically excluded certain actions (e.g., possible enhancements to other ISAs, such as ISA 330).
60. In its deliberations, the AETF also considered an alternative approach to address respondents’ feedback for the “stand-back” requirement which is summarized in **Appendix 2** of this Agenda Item. Recognizing that such an alternative approach would require actions that extend beyond the scope envisioned by the project to revise ISA 500, the AETF have documented their deliberations in relation to this matter, in order that they may further inform the risk response workstream of the integrated project.

³⁰ See Appendix 2. “Work Effort Verbs” of the [CUSP Drafting Principles and Guidelines](#).

Section IV – Way Forward

61. See the status of the Audit Evidence project as discussed in paragraphs 3 and 4 of this Agenda Item.
62. The cumulative work of the AETF from the September 2023 IAASB meeting through March 2024, together with the Board's further input at the March 2024 IAASB meeting, represents *the ISA 500 (Revised) Pre-finalization Holding Package*. This is intended to reflect that although the revision of proposed ISA 500 (Revised) is temporarily put on hold while work is undertaken to identify, understand and scope the risk response elements of the integrated project, the Board has made significant progress in responding to the comments received on ED-500. The holding package encapsulates Board decisions on key aspects addressed in ED-500 as part of the Board's deliberations of proposals and options post exposure draft. Work to finalize proposed ISA 500 (Revised) will resume in due course in accordance with the project proposal for the integrated project. The integrated project also will include engagement with stakeholders on certain changes that have been proposed to ED-500.
63. The AETF will continue to be a source of input for the information-gathering activities related to the risk response elements of the integrated project, as necessary, and for developing the project proposal for the integrated project.

Appendix 1

AETF Members and Activities

AETF Members

1. The AETF consists of the following members:
 - Sue Almond (Chair)
 - Edo Kienhuis
 - Greg Schollum
 - Eric Turner
2. Information about the project can be found [here](#).

AETF Meetings

3. Since December 2023, the AETF held 1 physical meeting over 2 days and 1 virtual meeting.

Coordination Activities

4. Paragraphs 7–9 provide information about the coordination activities with IESBA, other IAASB workstreams and consultation groups.

Appendix 2

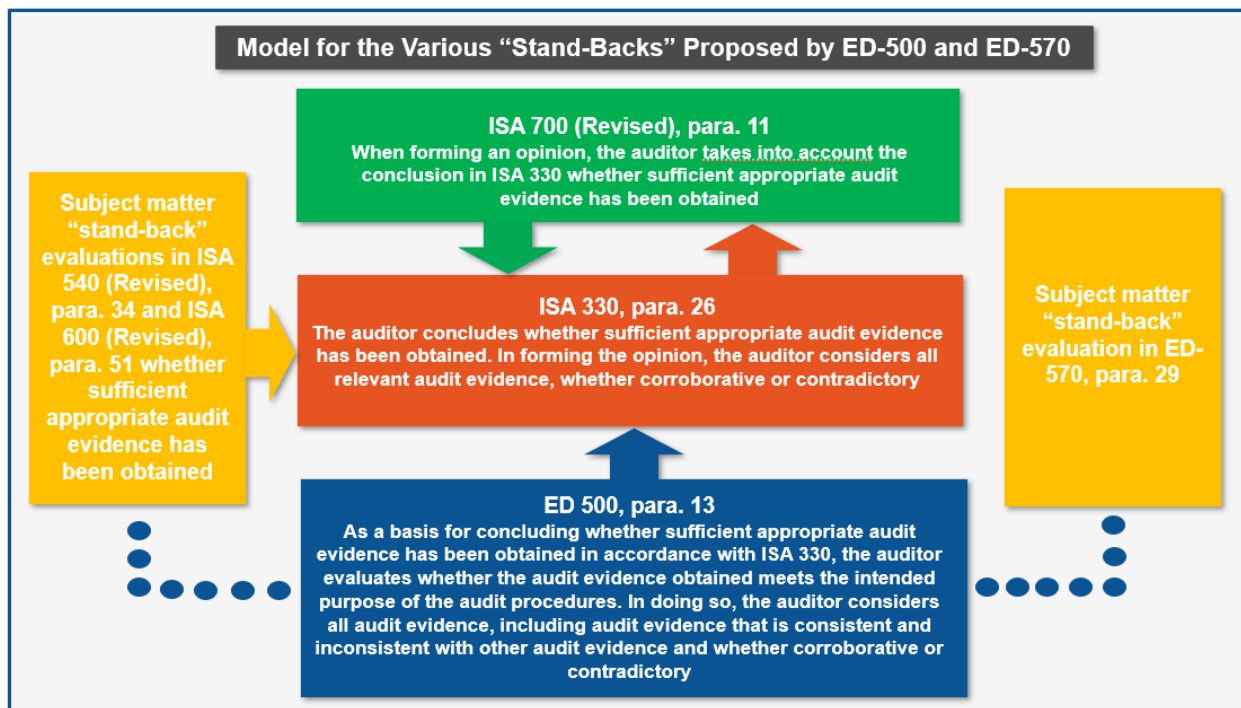
Possible Model for the “Stand-Back” Requirements in the ISAs

Introduction

1. The AETF analyzed the interrelationship between various paragraphs of the ISAs that address the evaluation of whether sufficient appropriate audit evidence has been obtained. The focus was on paragraphs in both foundational and subject matter standards, including those proposed in ED-500 and ED-570, and the auditor’s conclusions required by ISA 330 and ISA 700 (Revised).³¹ The table in paragraph 7 of this Appendix sets out the paragraphs from the ISAs that were subject to the analysis.
2. The AETF notes that these paragraphs are generally referred to as “stand-back” requirements. However, the AETF discussed that because there is no definition of a “stand-back”, there may be different views as to what its purpose is and how or when it should be used on a consistent basis in the standards.

Model for the Various “Stand-Backs” Proposed by ED-500 and ED-570

3. Based on the analysis performed, the AETF prepared the graph below that depicts the ‘architecture’ across the ISAs for the various “stand-back” requirements, considering those proposed by ED-500 and ED-570.



Notes to the graph above:

- (1) Paragraph 35 of ISA 315 (Revised 2019), *Identifying and Assessing the Risks of Material Misstatement*, has not been depicted, given the evaluation of the audit evidence obtained from the risk assessment procedures forms the basis for the identification and assessment of the risks of material misstatement. This informs the auditor’s design of the nature,

³¹ ISA 700 (Revised), *Forming an Opinion and Reporting on Financial Statements*

timing, and extent of further audit procedures responsive to the assessed risks of material misstatement, at the assertion level, in accordance with ISA 330.

- (2) *ED-570 also addresses the implications to the auditor's report and sets out requirements to report going concern matters in accordance with ISA 570 (Revised 202X).*

4. The AETF key observations from the analysis include:

- (a) Various ISAs address requirements to “stand-back” and evaluate the audit evidence obtained, including foundational standards (e.g., ISA 330) and subject matter ISAs addressing specific topics (e.g., ISA 540 (Revised) for accounting estimates, ED-570 for going concern and ISA 600 (Revised)³² for group audits). While the proposals in ED-500 do not conflict with the “stand-backs” required by the other ISAs, other standards also address similar requirements.
- (b) From the model presented in the graph above, the overall conclusion whether sufficient appropriate audit evidence has been obtained is anchored in ISA 330. However, the objective of ISA 330 is focused on the auditor obtaining sufficient appropriate audit evidence regarding the assessed risks of material misstatement, through designing and implementing appropriate responses to those risks. In contrast, the overall conclusion in paragraph 26 of ISA 330 is stated at a broader level, as it requires the auditor to consider all audit evidence obtained when forming an opinion on the financial statements, including from further audit procedures.
- (c) From a practitioner's perspective, for topics which may be specific and complex, for example accounting estimates or going concern, there is a benefit of including separate “stand-backs” in the subject matter standards as they provide an opportunity for a more subject matter-specific requirement to be considered and addressed by the auditor. However, the set-up for the various “stand-back” requirements in the subject matter ISAs is not fully consistent which may cause confusion about the *coherence* among the ISAs. For example, the “stand-back” evaluations in ISA 540 (Revised) and ISA 600 (Revised) link back to the conclusion in paragraph 26 of ISA 330 whether sufficient appropriate audit evidence has been obtained. On the other hand, the “stand-back” evaluation proposed in ED-570 does not cross reference to the conclusions required by paragraph 26 of ISA 330 or paragraph 11 of ISA 700 (Revised).

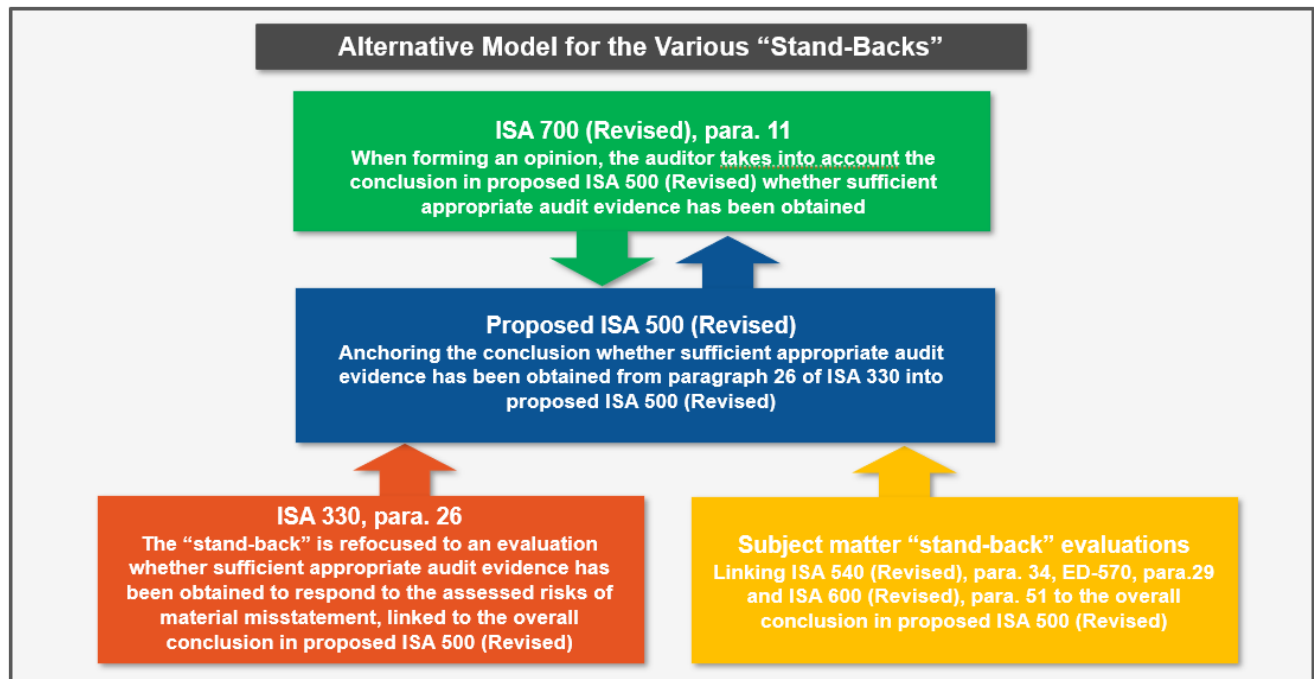
Alternative Model for the “Stand-Backs”

5. Considering these observations, the AETF discussed that an alternative model, as shown in the graph below, for the various “stand-backs” in the ISAs may offer a more *coherent* solution for the ‘architecture’ in the ISAs and establish a framework for consideration for future standard setting. In summary, the proposed alternative model would include:

- (a) Anchoring the overall conclusion whether sufficient appropriate audit evidence has been obtained in proposed ISA 500 (Revised), rather than in ISA 330. This would also necessitate changes to paragraph 11 of ISA 700 (Revised) to link to the conclusion in proposed ISA 500 (Revised), rather than in ISA 330.
- (b) Refocusing the conclusion in ISA 330 to an evaluation addressing matters specific to further audit procedures. The AETF discussed that this revised requirement could be approached in a similar manner as for the evaluation required by paragraph 35 of ISA 315 (Revised 2019) (e.g.,

³² ISA 600 (Revised), *Special Considerations—Audits of Group Financial Statements (Including the Work of Component Auditors)*

- to evaluate whether sufficient appropriate audit evidence has been obtained to respond to the assessed risks of material misstatement).
- (c) Linking the overall conclusion in ISA 500 (Revised) whether sufficient appropriate audit evidence has been obtained with the:
- The revised requirement in paragraph ISA 330 discussed in paragraph 5(b) above; and
 - The “stand-back” evaluations required by other subject matter ISAs (i.e., in paragraph 34 of ISA 540 (Revised), paragraph 29 of ED-570 and paragraph 51 of ISA 600 (Revised)).



6. The AETF acknowledge that the alternative model would necessitate conforming changes to several other ISAs,³³ and more substantive changes for the requirement in paragraph 26 of ISA 330 (Revised). However, the AETF discussed that there are several key benefits for pursuing this approach, including that the alternative model would:
- (a) Establish a framework that could be *consistently* applied relevant to ongoing and future standard setting (e.g., optimize the proliferation of “stand-backs” across the ISAs or provide a roadmap that can be followed when incorporating “stand-backs” into other IAASB standards).
 - (b) Improve the overall *coherence* among the ISAs, given that by grounding the conclusion in proposed ISA 500 (Revised) this would apply to all audit evidence obtained from all audit procedures designed and performed when planning and performing an audit engagement in accordance with the ISAs and not just those to responding to risks.
 - (c) Better align with the objective of the auditor in ISA 330. In addition, by anchoring the overall conclusion in ED-500, instead of ISA 330, this would allow for embedding a complete

³³ For example, alignment changes would be needed to paragraph 11 of ISA 700 (Revised), paragraph 34 of ISA 540 (Revised) and paragraph 51 of ISA 600 (Revised).

framework in proposed ISA 500 (Revised) for the auditor when making judgments in relation to audit evidence, extending to both the “inputs” and the “outputs.”

“Stand-Back” Paragraphs Considered in the Analysis

7. The table below sets out the “stand-back” requirements subject to the analysis. The paragraphs proposed by ED-500 and ED-570 are shown in underline and strikethrough:

ISA	Paragraph
Forming an Opinion on the Financial Statements	
ISA 700 (Revised)	<p>11. In order to form that opinion, the auditor shall conclude as to whether the auditor has obtained reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error. That conclusion shall take into account:</p> <p>(a) The auditor’s conclusion, in accordance with ISA 330, whether sufficient appropriate audit evidence has been obtained;³⁴</p> <p>(b) The auditor’s conclusion, in accordance with ISA 450, whether uncorrected misstatements are material, individually or in aggregate;³⁵ and</p> <p>(c) The evaluations required by paragraphs 12–15.</p>
Overall Conclusion Whether Sufficient Appropriate Audit Evidence has been Obtained	
ISA 330	<p>26. The auditor shall conclude whether sufficient appropriate audit evidence has been obtained. In forming an opinion, the auditor shall consider all relevant audit evidence, regardless of whether it appears to corroborate or to contradict the assertions in the financial statements. (Ref: Para. A64)</p>
Evaluating the Audit Evidence Obtained in Foundational ISAs	
ISA 315 (Revised 2019)	<p>35. The auditor shall evaluate whether the audit evidence obtained from the risk assessment procedures provides an appropriate basis for the identification and assessment of the risks of material misstatement. If not, the auditor shall perform additional risk assessment procedures until audit evidence has been obtained to provide such a basis. In identifying and assessing the risks of material misstatement, the auditor shall take into account all audit evidence obtained from the risk assessment procedures, <u>including audit evidence that is consistent or inconsistent with other audit evidence, and regardless of whether it appears to corroborative or contradictory to the</u> assertions made by management. (Ref: Para. A230– A232)</p>

³⁴ ISA 330, *The Auditor’s Responses to Assessed Risks*, paragraph 26

³⁵ ISA 450, *Evaluation of Misstatements Identified during the Audit*, paragraph 11

ISA	Paragraph
ISA 330	<p>25. Based on the audit procedures performed and the audit evidence obtained, the auditor shall evaluate before the conclusion of the audit whether the assessments of the risks of material misstatement at the assertion level remain appropriate. (Ref: Para. A62–A63)</p> <p>...</p> <p>27. If the auditor has not obtained sufficient appropriate audit evidence related to a relevant assertion about a class of transactions, account balance or disclosure, the auditor shall attempt to obtain further audit evidence. If the auditor is unable to obtain sufficient appropriate audit evidence, the auditor shall express a qualified opinion or disclaim an opinion on the financial statements.</p>
ED-500	<p>13. <u>As a basis for concluding whether sufficient appropriate audit evidence has been obtained in accordance with ISA 330,³⁶ the auditor shall: (Ref. Para. A84–A88)</u></p> <p>(a) <u>Evaluate whether the audit evidence obtained meets the intended purpose of the audit procedures; and</u></p> <p>(b) <u>Consider all audit evidence obtained, including audit evidence that is consistent or inconsistent with other audit evidence, and regardless of whether it appears to corroborate or contradict the assertions in the financial statements.</u></p>
Subject Matter Evaluations Whether Sufficient Appropriate Audit Evidence has been Obtained	
ISA 540 (Revised)	<p>33. In applying ISA 330 to accounting estimates,³⁷ the auditor shall evaluate, based on the audit procedures performed and audit evidence obtained, whether: (Ref: Para A137–A138)</p> <p>(a) The assessments of the risks of material misstatement at the assertion level remain appropriate, including when indicators of possible management bias have been identified;</p> <p>(b) Management’s decisions relating to the recognition, measurement, presentation and disclosure of these accounting estimates in the financial statements are in accordance with the applicable financial reporting framework; and</p> <p>(c) Sufficient appropriate audit evidence has been obtained.</p> <p>34. In making the evaluation required by paragraph 33(c), the auditor shall take into account all relevant audit evidence obtained, whether <u>including audit evidence that is consistent or inconsistent with other audit evidence, and</u></p>

³⁶ ISA 330, paragraph 26

³⁷ ISA 330, paragraphs 25–26

ISA	Paragraph
	<u>regardless of whether it appears to corroborative or contradictory, the assertions made by management in the financial statements.</u> ³⁸ If the auditor is unable to obtain sufficient appropriate audit evidence, the auditor shall evaluate the implications for the audit or the auditor's opinion on the financial statements in accordance with ISA 705 (Revised). ³⁹
ED-570	<p>29. <u>The auditor shall evaluate whether sufficient appropriate audit evidence has been obtained regarding, and shall conclude on, the appropriateness of management's use of the going concern basis of accounting in the preparation of the financial statements. In doing so, the auditor shall (Ref: Para. A56):</u></p> <p>(a) ...</p> <p>(b) <u>Consider all audit evidence obtained, including audit evidence that is consistent or inconsistent with other audit evidence, and regardless of whether it appears to corroborate or contradict the assertions in the financial statements.</u></p>
ISA 600 (Revised)	51. In applying ISA 330, ⁴⁰ the group auditor shall evaluate whether sufficient appropriate audit evidence has been obtained from the audit procedures performed, including from the work performed by component auditors, on which to base the group audit opinion. (Ref: Para. A151–A155)

³⁸—ISA 500, paragraph 11

³⁹ ISA 705 (Revised), *Modifications to the Opinion in the Independent Auditor's Report*

⁴⁰ ISA 330, paragraph 26