

Audit Evidence and Risk Response (AE&RR) – Authenticity of Information

This Agenda Item considers further matters relevant to the auditor's work effort for authenticity as an attribute of information intended to be used as audit evidence in Proposed ISA 500 (Revised)¹ and conforming and consequential amendments to the lead-in sentence of paragraph A24 in ISA 200.²

Previous IAASB Deliberations

1. In September 2025, there was a range of views among the Board on whether the lead-in sentence of paragraph A24 of ISA 200, allowing the auditor to accept records and documents as genuine unless the auditor has reason to believe the contrary, should be removed or retained:³
 - (a) Certain Board members supported its removal as a conforming and consequential amendment arising from the revisions in Proposed ISA 500 (Revised), emphasizing that authenticity is an attribute of information intended to be used as audit evidence that should be considered when evaluating the reliability of that information.
 - (b) Certain Board members cautioned that its removal could widen the expectation gap and fundamentally alter the nature of an audit of financial statements to a forensic audit, with significant regulatory and legal implications.
2. For the insertion of the sentence in Proposed ISA 500 (Revised), that it is not necessary for the auditor to consider the authenticity of every single document or record encountered in an audit, the following directional feedback was provided by the Board:
 - (a) Reconsider the placement of the clarification, either as a separate paragraph or in another location, because it remains unclear how many documents or records are necessary to be considered when conditions are identified.
 - (b) Consider using consistent language across the ISAs to avoid confusion (e.g., 'authenticity' instead of 'genuine').
 - (c) Clarify that, in the context of Proposed ISA 500 (Revised), a document or record is encompassed by information intended to be used as audit evidence.

Principle-Based Reference Framework Supporting Auditor's Judgments About Audit Evidence

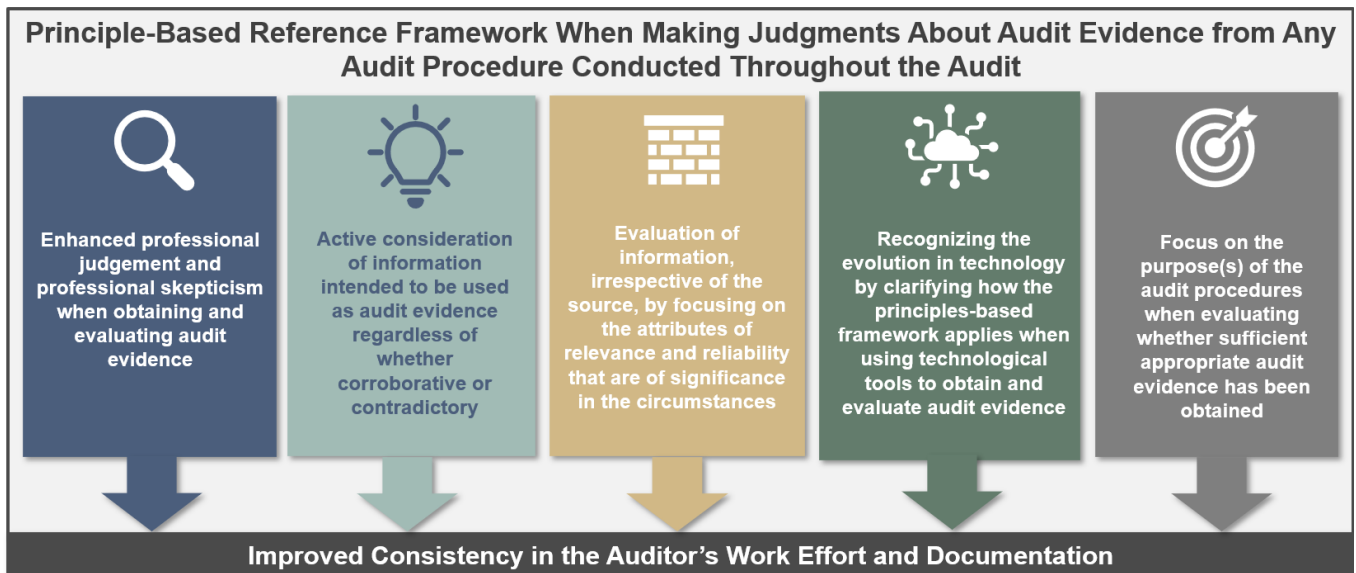
3. Given the role and nature of Proposed ISA 500 (Revised) as an overarching standard that deals with the auditor's responsibilities relating to audit evidence, in the course of the IAASB's Audit Evidence project, the Board believed that it is appropriate to retain a principle-based reference framework approach for the standard to support the auditor's judgments about audit evidence from all audit procedures undertaken in planning and performing an audit in accordance with the ISAs.

¹ See Proposed International Standard on Auditing (ISA) 500 (Revised), *Audit Evidence*, in **Agenda Item 5–N**.

² ISA 200, *Overall Objectives of the Independent Auditor and the Conduct of an Audit in Accordance with International Standards on Auditing*.

³ See the draft IAASB meeting minutes from September 2025 available in [Agenda Item 1](#) on the *IAASB Quarterly Board Meeting – December 8–11, 2025* webpage.

4. Broadly, the following key features underpin the principle-based reference framework addressed in Proposed ISA 500 (Revised) to support consistent auditor's judgments when obtaining and evaluating information intended to be used as audit evidence:
- (a) A revised definition for audit evidence, based on the 'input-output model,' that provides auditors an appropriate foundation to actively consider *all information* intended to be used as audit evidence. The definition acknowledges that information can only become audit evidence after audit procedures are applied, including audit procedures for evaluating its relevance and reliability.
 - (b) Focus on the attributes of reliability of information that are of significance to meet the intended purpose(s) of the audit procedures which are important new features introduced for Proposed ISA 500 (Revised) because they enable a strengthened evaluation of the reliability of information intended to be used as audit evidence, irrespective of its source.
 - (c) Emphasis on the intended purpose(s) on the audit procedures, to obtain sufficient appropriate audit evidence, which includes all audit procedures designed and performed when planning and performing an audit engagement in accordance with the ISAs.
5. The diagram below demonstrates a roadmap that was presented to the Board in March 2024. It summarizes the key outcomes of the principle-based reference framework embedded in Proposed ISA 500 (Revised) that would most significantly contribute to enhancing consistency in practice and modifying auditor behavior:



Attributes of Reliability

6. When evaluating information intended to be used as audit evidence as reliable, in addition to considering the source, Proposed ISA 500 (Revised) introduces a set of attributes to be considered

that include: accuracy, completeness, authenticity, bias and credibility. The table below sets out the descriptions included in the standard for the attributes of reliability:⁴

Accuracy	The information is free from error in its reflection of the underlying conditions, events, circumstances, actions or inactions, including reflecting the appropriate time period or point in time attributable to the conditions or events.
Completeness	The information reflects all of the underlying conditions, events, circumstances, actions or inactions.
Authenticity	The information has been generated by or provided by a source authorized to do so, and the information has not been inappropriately altered.
Bias	The information is free from intentional and unintentional bias in its reflection of the underlying conditions, events, circumstances, actions or inactions.
Credibility	The source has the competence and capability to generate the information to a required standard, and the source can be trusted.

7. The standard explains that all of the attributes of reliability apply (or are inherent) to the information being evaluated.⁵ This is of importance because all attributes of reliability are necessary to collectively address the reliability of information.
8. However, the attributes of reliability operate as a ‘set’ rather than individually. This is because there is an interrelationship among them. For example, if something is not accurate then the auditor may also question whether it is also unauthentic on the basis that the inaccuracy may have been caused by certain alterations (e.g., a fault of an information system that has not been addressed appropriately or may indicate tampering with a document or record that is ‘very’ inappropriate). In another example, an electronic confirmation received from an unknown email address is neither authentic nor credible.

Work Effort to Evaluate Reliability of Information

9. While all attributes of reliability apply to the information being evaluated (i.e., they collectively address as a ‘set’ all features that reliable information should exhibit), their importance to the auditor’s evaluation of the reliability of information will vary based on their significance to *meet the intended purpose(s) of the audit procedures*. When the auditor judges that an attribute is of significance in the circumstances to meet the intended purposes(s) of the audit procedure, the standard requires the auditor to perform audit procedures in relation to that *attribute*. Importantly, while the auditor considers the attributes of reliability in relation to the information, the ‘significance’ of an attribute (i.e. the trigger to perform audit procedures) is in the context of the significance of that attribute (of the information) to meeting the intended purpose(s) of the audit procedures.

⁴ See Proposed ISA 500 (Revised), paragraph A56.

⁵ See Proposed ISA 500 (Revised), paragraph A56A.

10. Being a principle-based reference framework supporting auditors' judgments when obtaining and evaluating audit evidence from any audit procedure in accordance with the ISAs, Proposed ISA 500 (Revised) does not mandate which attributes of reliability are of significance to meet the intended purpose(s) of the audit procedures. The only exception being for information from internal sources, where the standard does set an expectation for work on accuracy and completeness by emphasizing that accuracy and completeness are ordinarily of significance in the circumstances.⁶
11. Application material also clarifies that the auditor may consider one or more attributes of reliability to be of significance when evaluating information as reliable and that it is unnecessary for the auditor to perform audit procedures for all of the attributes of reliability (as in a checklist).⁷ This is appropriate because, depending on the circumstances, the auditor's work effort for one (or more) attribute(s) can provide evidence for the remaining attributes in the 'set.' For example, the auditor may be able to contact the confirming party for an electronic confirmation received from an unknown email address (e.g., by phone) to verify the source and the information in the confirmation request. Once credibility for the source is established and the information in the response is verified, then the information can be considered both authentic and credible.

Doubts About Reliability of Information

12. When there are doubts about the reliability of information, the standard requires the auditor to determine what modifications or additions to audit procedures are necessary to resolve the doubts.⁸ There is also an interplay among the work effort that the auditor performs for the attributes of reliability of information and the requirement when there is doubt about reliability of information. This is because the inability to evaluate the attributes that are of significance in the circumstances, such as whether the information is authentic, are circumstances that may give rise to doubts about the reliability of information intended to be used as audit evidence.⁹ If the doubts about the reliability of the information cannot be resolved, then the auditor is required to consider the effect, if any, on other aspects of the audit, including whether such doubts indicate a risk of material misstatement due to fraud.¹⁰

Staff Views and Recommendations

<i>Relevant Paragraphs in Agenda Item 5–N:</i>	Paras. A56; A56B; A56Fa–A56H
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Work Effort for Authenticity

13. Questions pertain in what circumstances would an auditor consider the attribute of authenticity of information of significance in the circumstances to meet the intended purpose(s) of the audit procedures. There is also concern about the potential quantity of documents or records for which the auditor might be

⁶ See Proposed ISA 500 (Revised), paragraph 10.

⁷ See Proposed ISA 500 (Revised), paragraph A56B.

⁸ See Proposed ISA 500 (Revised), paragraph 12(b).

⁹ See Proposed ISA 500 (Revised), paragraph A80.

¹⁰ See Proposed ISA 500 (Revised), paragraph 12A.

required to consider in relation to the attribute of authenticity, appreciating that it is not necessary to do so for every individual document or record encountered.

14. Staff propose new examples to aid auditors' judgments for when authenticity may be of significance in the circumstances *to meet the intended purpose(s) of an audit procedure*. In doing so, the intention is to explain that the consideration for authenticity of a document or record is linked to a certain elevated risk consideration for such piece of information, rather than this being a quantitative determination (see paragraph A56Fa of **Agenda Item 5–N**).

Description for Authenticity of Information

15. Outreach with firms indicated that 'authenticity' is commonly understood as being always associated with situations of 'fraud' (or intentional manipulation of information), based on the description for the attribute of authenticity of information in Proposed ISA 500 (Revised). Also, common understanding is that if there are instances of error, then this is captured by the attribute for 'accuracy.'
16. However, as demonstrated by the examples in paragraph A56Fa of **Agenda Item 5–N**, authenticity has a broader meaning than just instances associated with fraud in the context of the principle-based reference framework established by Proposed ISA 500 (Revised). This is because, as an attribute of the reliability of information intended to be used as audit evidence, the auditor may consider authenticity of significance in the circumstances to meet the intended purpose(s) of the audit procedures irrespective of whether conditions are identified.
17. To clarify the meaning of authenticity in the context of Proposed ISA 500 (Revised), Staff propose removing the word 'inappropriately' from the description for authenticity in paragraph in paragraph A56 of **Agenda Item 5–N**.

Other Matters

18. As a consequence of the proposed changes to the description for authenticity discussed in paragraphs 15–17 above, alignment changes were made to paragraphs A56G–A56H of **Agenda Item 5–N**.
19. In addition:
 - (a) In paragraph A56G of **Agenda Item 5–N**, a new example was provided in the second bullet of an audit procedure that may be relevant when authenticity is of significance in the circumstances to meet the intended purpose(s) of the audit procedures. Also, the example referring to an electronic confirmation was removed not to inadvertently imply that for an electronic confirmation that is received from firm approved third party web-based platform it would be more difficult to establish proof of origin and authority of source.
 - (b) In paragraph A56B of **Agenda Item 5–N**, a new example was provided to explain the interplay among credibility and authenticity of information for an electronic confirmation received from an unknown email address.

Refinements to Paragraph A24 of ISA 200

20. Staff retain their view from September 2025, that the lead-in sentence in paragraph A24 of ISA 200,

in its current form and wording, is giving rise to perceived inconsistencies with the work effort required for authenticity when complying with the standards. On this basis, Staff continue to believe that there is a need for a conforming and consequential amendment to address such perceived inconsistencies.¹¹

21. In response to feedback received by the Board in September 2025, and in offline comments, Staff have considered further refinements to paragraph A24 of ISA 200 (in mark-up from extant) as illustrated in the box below:

ISA 200:

Professional Skepticism (Ref: Para. 15)

...

A24. ~~The auditor may accept records and documents as genuine unless the auditor has reason to believe the contrary. Nevertheless, the auditor is required~~ Proposed ISA 500 (Revised) requires the auditor to evaluate ~~consider~~ the reliability of information intended to be used as audit evidence, which includes procedures to address the authenticity of such information when the auditor considers that the attribute of authenticity is of significance in the circumstances to meet the intended purpose(s) of the audit procedures.¹² Other than performing audit procedures in relation to authenticity when it is of significance in the circumstances¹³ and remaining alert throughout the audit for conditions or indications to the contrary, the auditor may consider information, including records or documents, to be authentic. However, in cases of doubt about the reliability of the information or indications of possible fraud (for example, if conditions identified during the audit cause the auditor to believe that a record or document may not be authentic or that terms in a document may have been falsified) modified but not disclosed to the auditor,¹⁴ the ISAs require that the auditor investigate further and determine what modifications or additions to audit procedures are necessary to resolve the matter.¹⁵

¹¹ Section 14: 'Conforming and Consequential Amendments to ISAs' of the [Complexity, Understandability, Scalability and Proportionality \(CUSP\) Drafting Principles and Guidelines](#), sets out that conforming and consequential amendments to the ISAs are made to the minimal extent necessary to: (i) resolve actual or perceived inconsistencies; and (ii) maintain the coherence with the overall body of standards so these can be applied together without conflict.

¹² [Proposed ISA 500 \(Revised\)](#), *Audit Evidence*, paragraphs [9\(b\)](#), [A56-A56B](#) and [A56Fa-A56H7](#)

¹³ [Proposed ISA 500 \(Revised\)](#), paragraph [10](#)

¹⁴ [ISA 240 \(Revised\)](#), paragraph [A35](#)

¹⁵ [ISA 240, \(Revised\)](#) paragraph [2244](#); [Proposed ISA 500 \(Revised\)](#), paragraphs [12–12A44](#); [ISA 505](#), External Confirmations, paragraphs 10–11, and 16

Matters for IAASB Consideration:

1. The Board is asked for their views on Staff's views and recommendations discussed in paragraphs 13–21 above. In particular:
 - (a) The proposed changes to the application material and the clarifications to the description for authenticity as an attribute of information intended to be used as audit evidence in paragraphs A56, A56B and A56Fa–A56H of **Agenda Item 5–N**.
 - (b) The proposed conforming and consequential amendments to paragraph A24 of ISA 200 presented in paragraph 21 above.
2. The Board is asked whether there are any other matters that should be considered in relation to the auditor's work related to authenticity.