

# Agenda Item 2–A

## Audit Evidence & Risk Response (AE&RR) – Explanation of Changes

This Agenda Item explains the changes, and the rationale for those changes, made to Proposed ISA 330 (Revised),<sup>1</sup> Proposed ISA 500 (Revised)<sup>2</sup> and Proposed ISA 520 (Revised),<sup>3</sup> and the related conforming and consequential amendments arising from the revisions, presented in **Agenda Items 2–B to 2–E**, respectively. The changes have been based on the Board’s comments (i.e., comments provided in plenary discussions in March and May 2026 as well as offline comments provided directly to the project team), additional stakeholder feedback from the ongoing project outreach activities and input from the Technology Consultation Group (TCG). The changes also reflect addressing the feedback received from the independent Complexity, Understandability, Scalability and Proportionality (CUSP) Drafting Principles and Guidelines<sup>4</sup> review undertaken.

The changes addressed in this Agenda Item do not address matters of an editorial nature. In addition, this Agenda Item also refers to the key matters considered, and significant changes made, that are discussed in more detail in the relevant sections of **Agenda Item 2** (Issues Paper).

| A. Proposed ISA 330 (Revised) (Ref: Agenda Item 2–B) |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                           |
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| Reference                                            | Explanation of Significant Changes                                                                                                                                                                                                                                                                                                                                                                                                                                                                        |
| <b>Definitions</b>                                   |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                           |
| Paragraph 4                                          | <p><i>Definitions and Application Material</i></p> <ul style="list-style-type: none"> <li>The second sentence of the definition of substantive procedures in paragraph 4(a) has been relocated to application material paragraph A0.</li> <li>The definition for “tests of details” in paragraph 4(c) has been revised to read in the singular form (i.e., a “test of details”).</li> <li>In paragraph A0A, the second bullet has been aligned to language used in Proposed ISA 500 (Revised).</li> </ul> |

<sup>1</sup> Proposed International Standard on Auditing (ISA) 330, *The Auditor's Responses to Assessed Risks*.

<sup>2</sup> Proposed ISA 500 (Revised), *Audit Evidence*

<sup>3</sup> Proposed ISA 520 (Revised), *Analytical Procedures*

<sup>4</sup> See the [CUSP Drafting Principles and Guidelines](#).

| A. Proposed ISA 330 (Revised) (Ref: Agenda Item 2–B)                                              |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                |
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| Reference                                                                                         | Explanation of Significant Changes                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                             |
|                                                                                                   | <ul style="list-style-type: none"> <li>The title referring to test of details was extended to specify that those tests are in relation to classes of transactions, account balances or disclosures (COTABDs). In addition, the wording of the examples for test of details was reconsidered in cases where there was a need to provide clarity or to improve the consistency of the verbs used in the sentences to describe the same action.</li> </ul>                                                                                                                                                                                                                                                                                                                                                        |
| Overall Responses                                                                                 |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                |
| Paragraph 5                                                                                       | <p><i>Application Material</i></p> <ul style="list-style-type: none"> <li>The example in the last bullet point of paragraph A1 was removed, based on a consideration that it may be a too narrow example of the possible effects on the timing of substantive procedures as well that it may be inconsistent or confusing when read together with the examples provided in paragraph A11 that address the timing of further audit procedures.</li> <li>Paragraph A2 was further streamlined for the purpose of improved alignment with terms and concepts addressed by ISA 315 (Revised 2019).<sup>5</sup></li> <li>Changes to paragraph A3A aim to provide improved linkages with requirements and guidance addressed by other ISAs (i.e., ISA 265<sup>6</sup> and ISA 705 (Revised)<sup>7</sup>).</li> </ul> |
| Audit Procedures Responsive to the Assessed Risks of Material Misstatement at the Assertion Level |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                |
| Paragraph 6                                                                                       | <p><i>Requirements</i></p> <ul style="list-style-type: none"> <li>Refer to <b>Agenda Item 2</b>.</li> </ul>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                    |

<sup>5</sup> ISA 315 (Revised 2019), *Identifying and Assessing the Risks of Material Misstatement*

<sup>6</sup> ISA 265, *Communicating Deficiencies in Internal Control to Those Charged with Governance and Management*

<sup>7</sup> ISA 705 (Revised), *Modifications to the Opinion in the Independent Auditor's Report*

| A. Proposed ISA 330 (Revised) (Ref: Agenda Item 2–B) |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                         |
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| Reference                                            | Explanation of Significant Changes                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                      |
|                                                      | <p><i>Application Material</i></p> <ul style="list-style-type: none"> <li>The guidance on the nature of audit procedures in paragraph A5 was aligned with changes proposed to paragraph A15 of Proposed ISA 500 (Revised). Also, in the second sentence, a clarification was provided that the nature of the audit procedures in the context of the standard refers to, for example, tests of controls or substantive procedures.</li> </ul>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                            |
| Paragraph 7                                          | <p><i>Requirements</i></p> <ul style="list-style-type: none"> <li>Refer to <b>Agenda Item 2</b>.</li> </ul> <p><i>Application Material</i></p> <ul style="list-style-type: none"> <li>Changes to the lead-in of paragraph A9 reflect alignment with terms used in ISA 315 (Revised 2019). Also: <ul style="list-style-type: none"> <li>The first example was clarified to emphasize that performing a combination of audit procedures may result in more persuasive audit evidence than performing only one type of audit procedure.</li> <li>The second example was revised to remove the link to a specific class of transactions (i.e., revenue) and thereby ensure its broader applicability.</li> </ul> </li> <li>Paragraph A10A was clarified not to inadvertently imply optionality to comply with ISA 220 (Revised)<sup>8</sup> as well as to explain that the entity's use of technology may affect: <ul style="list-style-type: none"> <li>The type of audit procedures that the auditor designs and performs in response to assessed risks of material misstatement (ROMM) at the assertion level.</li> <li>The auditor's decisions about the overall approach to apply in addressing assessed ROMM at the assertion level, including whether tests of controls are necessary.</li> </ul> </li> <li>The examples in paragraph A11 were streamlined for and reworded to improve consistency with other paragraphs of the standard.</li> </ul> |

<sup>8</sup> ISA 220 (Revised), *Quality Management for an Audit of Financial Statements*

| A. Proposed ISA 330 (Revised) (Ref: Agenda Item 2–B)                               |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                   |
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| Reference                                                                          | Explanation of Significant Changes                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                |
|                                                                                    | <ul style="list-style-type: none"> <li>The last sentence of paragraph A15 and the example box were removed, for improved flow and conciseness.</li> <li>The second and third bullet in paragraph A16 were presented separately as those address two distinct scenarios.</li> <li>New paragraph A19ABd highlights the linkages between Proposed ISA 330 (Revised) and other ISAs that require specific procedures with respect to significant risks, including making a linkage with ISA 240 (Revised)<sup>9</sup> by example.</li> </ul>                                                          |
| <b>Responding to Assessed Risks of Material Misstatement in an Unbiased Manner</b> |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                   |
| Paragraph 7B                                                                       | <p><i>Requirements</i></p> <ul style="list-style-type: none"> <li>Refer to explanations in <b>Agenda Item 2</b>.</li> </ul> <p><i>Application Material</i></p> <ul style="list-style-type: none"> <li>The first sentence in paragraph A19ABa was split up into two sentences to improve readability. Also, a linkage was made to emphasize the importance to maintain professional scepticism when performing the new “stand-back” evaluation that is specific to further audit procedures (i.e., paragraph 25A).</li> </ul>                                                                      |
| <b>Tests of Controls</b>                                                           |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                   |
| <i>Designing and Performing Tests of Controls</i>                                  |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                   |
| Paragraph 8                                                                        | <p><i>Requirements</i></p> <ul style="list-style-type: none"> <li>The revisions reflect that the auditor may have assessed control risk because of a choice to test controls, or because it would not otherwise be possible to obtain sufficient appropriate audit evidence at the assertion level. In both circumstances, the auditor is required to obtain audit evidence about the operating effectiveness of controls. In making these changes, certain enhancements were also considered and made to improve linkage with terms and concepts addressed by ISA 315 (Revised 2019).</li> </ul> |

<sup>9</sup> ISA 240 (Revised), *The Auditor’s Responsibilities Relating to Fraud in an Audit of Financial Statements*

| A. Proposed ISA 330 (Revised) (Ref: Agenda Item 2–B) |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                 |
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| Reference                                            | Explanation of Significant Changes                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                              |
|                                                      | <p><i>Application Material</i></p> <ul style="list-style-type: none"> <li>The revisions to paragraph A19ABb clarify the related requirement by explaining that testing controls may be a strategy choice or necessity to obtain sufficient appropriate audit evidence; and that it may affect the auditor's approach to designing further audit procedures at the assertion level.</li> <li>Changes to paragraph A19ABc aim to make explicit that the auditor is not always required to perform tests of controls, and that in some cases, the auditor may decide to respond to assessed ROMM at the assertion level, primarily, or only, through substantive procedures.</li> <li>Paragraphs A19AC and A19A were retained but relocated in the sections addressing nature and extent of tests of controls.</li> <li>Paragraphs A24 and A24A were combined. In doing so, the lead-in clarifies that the auditor is not required to make a “new” determination in the context of subparagraph 8(b). Rather, the auditor is referred to their previous determination made in complying with requirements of ISA 315 (Revised 2019). In addition, the project team considered whether the guidance addressed by paragraph A24 is better placed in ISA 315 (Revised 2019), given that this is the standard that requires the auditor to make a determination that substantive procedures alone cannot provide sufficient appropriate audit evidence. However, the project team notes that paragraphs A87–A89 of ISA 540 (Revised),<sup>10</sup> address application material to support auditor's judgment for such circumstances when auditing accounting estimates and disclosures. On balance, and for the purpose of remaining consistent with decisions made for ISA 540 (Revised), the project team formed the view that paragraph A24 should remain placed in Proposed ISA 330 (Revised), with appropriate cross references to both ISA 315 (Revised 2019) and ISA 540 (Revised).</li> </ul> |
| Paragraphs 9–9A                                      | <p><i>Requirements and Application Material</i></p> <ul style="list-style-type: none"> <li>For changes to paragraphs 9A, A25–A25aa refer to explanations in <b>Agenda Item 2</b>.</li> </ul>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                    |

<sup>10</sup> ISA 540 (Revised), *Auditing Accounting Estimates and Related Disclosures*

| A. Proposed ISA 330 (Revised) (Ref: Agenda Item 2–B) |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                      |
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| <i>Nature and Extent of Tests of Controls</i>        |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                      |
| Paragraph 10                                         | <p><i>Requirement</i></p> <ul style="list-style-type: none"> <li>Essential material was provided to the requirement to emphasize that inquiry alone cannot provide sufficient appropriate audit evidence about the operating effectiveness of controls.</li> </ul> <p><i>Application Material</i></p> <ul style="list-style-type: none"> <li>Changes to paragraphs A25A–A25E aim to improve readability and align with terminology and concepts addressed by ISA 315 (Revised 2019).</li> <li>Paragraph A27 was merged with paragraph A19A, because both paragraphs described how the nature and precision of a control may influence the design of tests of controls. Also, the last example of paragraph A27, was revised to refer to technology that produces variable outputs, or technology that changes, evolves or updates over time, rather than referring to “probabilistic” or “adaptive” technologies, in view of a consideration that such terms may date the standard. In addition, the second sentence of the example was rephrased so as not to inadvertently imply a presumption about the consistency with which such controls may be expected to operate.</li> <li>The same terminology change discussed above was proposed in paragraph A29a. Additionally, sentence was introduced to describe other considerations that the auditor may have in considering the effect on the extent of tests of controls, of characteristics of controls that operate using technology that changes, evolves, or updates over time.</li> </ul> |
| <i>Timing of Tests of Controls</i>                   |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                      |
| Paragraph 11–11B                                     | <p><i>Requirements</i></p> <ul style="list-style-type: none"> <li>The requirement in paragraph 11 clarifies that the “particular time” for which the auditor obtains audit evidence about the operating effectiveness of controls refers to a “point in time.”</li> <li>Changes to paragraph 11B are of a clarity nature (i.e., referring to “responding to an assessed ROMM at the assertion level” rather than addressing such ROMM).</li> </ul>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                   |

| A. Proposed ISA 330 (Revised) (Ref: Agenda Item 2–B) |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                             |
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| Reference                                            | Explanation of Significant Changes                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                          |
| Paragraph 12                                         | <p><i>Requirements</i></p> <ul style="list-style-type: none"> <li>The reference to “intending to extend conclusions” was removed from the requirement, in view of comments that it was unclear whether this involved a separate documented conclusion. The proposed revisions also aim to acknowledge that there may not be significant changes to controls between the interim date and the period end.</li> </ul> <p><i>Application Material</i></p> <ul style="list-style-type: none"> <li>Paragraphs A34–A35 were revised for enhanced alignment with ISA 315 (Revised 2019), and for improved consistency of terms throughout the proposed standard.</li> </ul>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                        |
| Paragraphs 13                                        | <p><i>Requirements</i></p> <ul style="list-style-type: none"> <li>The consideration for assessed ROMM and the persuasiveness of the audit evidence was positioned as first in the list (i.e., in subparagraph (a1)), given its overarching nature relative to the other factors in the list.</li> <li>The references to ISA 315 (Revised 2019) were removed to streamline subparagraph (b).</li> <li>Subparagraph (c) was extended to clarify the subject of the consideration related to general IT controls and risks arising from the use of IT (i.e., a consideration of evidence obtained in the current period, and that the underlying principle relates to considering whether risks arising from the use of IT have occurred, or whether general IT controls have addressed such risks).</li> <li>The word “significantly” was removed from subparagraph (d) to avoid potential misalignment with the meaning of a “significant change” addressed by paragraph 14.</li> </ul> <p><i>Application Material</i></p> <ul style="list-style-type: none"> <li>The changes to paragraphs A34–A36C aim to align with terminology and concepts addressed elsewhere in the standard. In addition, in paragraphs A36A–A36B, the changes intend to contrast manual controls with automated controls, and to avoid dating the standard, given entities’ use of new and emerging technologies may be changing how controls that are operated through technology are to be considered.</li> </ul> |

| A. Proposed ISA 330 (Revised) (Ref: Agenda Item 2–B) |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                           |
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| Reference                                            | Explanation of Significant Changes                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                        |
| Paragraph 14                                         | <p><i>Requirements</i></p> <ul style="list-style-type: none"> <li>The requirement was reworded to avoid the use of two “shall” in the lead-in sentence. Also, the auditor’s actions required by subparagraph (b) were presented as two separate sub bullets to improve understandability.</li> </ul> <p><i>Application Material</i></p> <ul style="list-style-type: none"> <li>The changes to paragraphs A36D–A40 intend to align with terminology and concepts addressed elsewhere in the standard.</li> </ul>                                                                                                                                                                                                                                                                                                           |
| Paragraph 16                                         | <p><i>Requirements</i></p> <ul style="list-style-type: none"> <li>The addition of the words “if any” to the requirement aims to address concerns that the previous drafting may have implicitly presumed that misstatements will always be identified. Also, the addition of the phrase “that have been tested” intends to highlight that the auditor is not required to evaluate the possible effect of such misstatements on all controls within the entity.</li> </ul> <p><i>Application Material</i></p> <ul style="list-style-type: none"> <li>Technical clarity was added to the last sentence of paragraph A41, using language from the objective of ISA 265, and thereby clarifying that ISA 265 does not require all deficiencies to be communicated to those charged with governance and management.</li> </ul> |
| Paragraphs 17–17A                                    | <p><i>Requirements</i></p> <ul style="list-style-type: none"> <li>The requirement was separated into two paragraphs (i.e., paragraph 17 and 17A) to improve clarity and emphasize the distinctive conditions which apply to each separate action. New paragraph 17A specifies that, if, having evaluated the results of tests of controls, the auditor is unable to conclude that the controls are operated as expected, the auditor is required to revise the assessment of control risk, and modify the nature, timing and extent of substantive procedures. This, implicitly, includes designing and performing such procedures if they had not been previously.</li> </ul>                                                                                                                                            |

| A. Proposed ISA 330 (Revised) (Ref: Agenda Item 2–B) |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                 |
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| Reference                                            | Explanation of Significant Changes                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                              |
|                                                      | <p><i>Application Material</i></p> <ul style="list-style-type: none"> <li>The application material in paragraph A42B was extended to be explicit about the further auditor actions when deviations are identified in the operation of indirect controls.</li> </ul>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                             |
| <b>Substantive Procedures</b>                        |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                 |
| Paragraph 18A                                        | <p><i>Requirements</i></p> <ul style="list-style-type: none"> <li>Refer to explanations in <b>Agenda Item 2</b>.</li> </ul> <p><i>Application Material</i></p> <ul style="list-style-type: none"> <li>The circumstances discussed in bullets one and two in paragraph A45 have been clarified, with enhanced alignment to the language of ISA 315 (Revised 2019).</li> <li>The references to Proposed ISA 520 (Revised) in paragraph A46A were streamlined, to avoid duplication in the paragraph. Also, the examples were removed as they were not perceived to be adding incremental value, as they illustrated well understood scenarios in practice.</li> <li>Paragraph A48 was removed as it was repetitive with similar guidance included in paragraph A19ABb.</li> </ul> |
| Paragraph 18B                                        | <p><i>Requirements</i></p> <ul style="list-style-type: none"> <li>The requirement from paragraph 21 (and the respective heading) were relocated to paragraph 18B for emphasis earlier in the section addressing substantive procedures.</li> </ul> <p><i>Application Material</i></p> <ul style="list-style-type: none"> <li>Paragraph A49B was reworded for alignment with terms in ISA 315 (Revised 2019) and the concept of persuasiveness addressed by Proposed ISA 500 (Revised).</li> </ul>                                                                                                                                                                                                                                                                               |

| A. Proposed ISA 330 (Revised) (Ref: Agenda Item 2–B) |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                |
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| Reference                                            | Explanation of Significant Changes                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                             |
| Paragraph 19                                         | <p><i>Requirement</i></p> <ul style="list-style-type: none"> <li>The requirement was reworded in active voice, and a new heading was included for improved readability.</li> </ul> <p><i>Application Material</i></p> <ul style="list-style-type: none"> <li>Revisions to paragraphs A50–A53 primarily aim to address the appropriate use of the word “may” in the application section of the standard and not create perceptions of implied requirements.</li> </ul>                                                                                                                                                                                                                                                                                          |
| Paragraph 22–23                                      | <p><i>Requirements</i></p> <ul style="list-style-type: none"> <li>The rewording of paragraphs 22–23 reflects the use active voice, improved linkages with terms and concepts addressed by ISA 315 (Revised 2019) (e.g., by linking the requirement in paragraph 23 to assessed ROMM at the assertion level) and replacing the work effort “evaluate” with “determine” in line with drafting conventions.</li> </ul> <p><i>Application Material</i></p> <ul style="list-style-type: none"> <li>Revisions to paragraphs A56–A59 are of a clarifying nature and for alignment or enhancement with terminology and concepts addressed by ISA 315 (Revised 2019) and elsewhere in the standard (e.g., with the definition of substantive procedures).</li> </ul>    |
| <b>Selecting Items for Testing</b>                   |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                |
| Paragraph 23A                                        | <p><i>Requirements</i></p> <ul style="list-style-type: none"> <li>The word “and” was replaced with an “or” to clarify that the requirement applies to determining the means of selecting items for both tests of controls and tests of details. That is, it is not necessary for the auditor to be designing tests of details and tests of controls in response to an assessed ROMM at the assertion level, for the requirement to apply. Also, the word “intended” was included to align with terminology used in Proposed ISA 500 (Revised).</li> </ul> <p><i>Application Material</i></p> <ul style="list-style-type: none"> <li>In paragraph A60A a clarification was provided that the terms “means” and “approach” have an equivalent meaning</li> </ul> |

| A. Proposed ISA 330 (Revised) (Ref: Agenda Item 2–B)                       |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                          |
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| Reference                                                                  | Explanation of Significant Changes                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                       |
|                                                                            | given that they are used interchangeably in the ISAs. Also, references were included for enhanced linkages with the concept for professional judgment and with other ISAs (i.e., ISA 530 <sup>11</sup> ).                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                |
| <b>Audit Procedures Related to the Financial Statement Closing Process</b> |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                          |
| Paragraph 23B                                                              | <p><i>Requirements</i></p> <ul style="list-style-type: none"> <li>The requirement was repositioned from paragraph 20 into a separate section, to help clarify that the audit procedures related to the financial statement closing process are a “baseline procedure” for the engagement, and not a substantive procedure as defined in paragraph 4(a) of the standard. Also, revisions to the lead-in aim to streamline and to align with language used for the equivalent requirement in other recently approved IAASB standards.</li> </ul> <p><i>Application Material</i></p> <ul style="list-style-type: none"> <li>In paragraph A60B a reference was included to the concept for professional judgment.</li> </ul> |
| <b>Evaluating the Sufficiency and Appropriateness of Audit Evidence</b>    |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                          |
| Paragraphs 25–25A                                                          | <p><i>Application Material</i></p> <ul style="list-style-type: none"> <li>Changes in paragraphs A62–A63A aim to enhance the clarity of cross-references to other ISAs and improve the consistency of terms used throughout the proposed standard.</li> <li>Also, the last bullet point in paragraph A63A was removed as it could be read to have implied that a significant proportion of the ROMM at the assertion level addressed on an audit engagement are by using primarily tests of controls to obtain audit evidence. This could have unintentionally discouraged auditors to consider the appropriateness of such an approach.</li> </ul>                                                                       |

<sup>11</sup> ISA 530, *Audit Sampling*

| A. Proposed ISA 330 (Revised) (Ref: Agenda Item 2–B) |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                   |
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| Paragraphs 27                                        | <p><i>Requirements</i></p> <ul style="list-style-type: none"> <li>Given that the construct “If the auditor is unable to do so” was found unclear, the phrase was extended to specify that it is in relation to obtaining sufficient appropriate audit evidence related to a relevant assertion.</li> </ul>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                        |
| <b>Documentation</b>                                 |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                   |
| Paragraph 28–29                                      | <p><i>Requirements</i></p> <ul style="list-style-type: none"> <li>A cross reference to the overarching documentation requirements addressed by ISA 230<sup>12</sup> was included to the lead-in of paragraph 28. Also, the change in subparagraphs (a) and (b) aims to separately address the documentation requirements for the overall responses and those for the nature, timing and extent of the further audit procedures, including their linkage with the assessed ROOM at the assertion level.</li> <li>The placement of the words “in a previous audit” was reconsidered in paragraph 29 to emphasize that it is the prior year conclusions about the operating effectiveness of controls that should be included to support the current year documentation.</li> </ul> <p><i>Application Material</i></p> <ul style="list-style-type: none"> <li>The changes to paragraph A65 are of a clarifying nature, including to consistently refer to the term “technological tools.”</li> </ul> |

<sup>12</sup> ISA 230, *Audit Documentation*

| B. Proposed ISA 500 (Revised) (Ref: Agenda Item 2–C) |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                              |
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| Reference                                            | Explanation of Significant Changes                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                           |
| <i>Introduction</i>                                  |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                              |
| Paragraphs 1–3                                       | <p><i>Scope</i></p> <ul style="list-style-type: none"> <li>The reference to “procedures” was removed from the second sentence in paragraph 1, not to inadvertently suggest that the evaluation of the relevance and reliability of the information is always undertaken as a separate evaluation.</li> <li>In paragraph 3, the list of standards that address audit evidence to be obtained for specific matters was extended to also refer to Proposed ISA 330 (Revised), given its foundational nature. Also, the references to the other ISAs were presented as a bulleted list, instead of in sequence, to enhance readability.</li> </ul> <p><i>Application Material</i></p> <ul style="list-style-type: none"> <li>The guidance for technological tools in paragraphs A2B–A4 was reallocated from the scope section of the standard into paragraphs A14E–A14F within the section addressing the design and performance of audit procedures to obtain sufficient appropriate audit evidence, given this was considered to be a more logical placement.</li> <li>For changes to paragraphs A4Aa–A4Ad, refer to explanations in <b>Agenda Item 2</b>. In addition, in paragraph A4Ad, the attribute of “bias” was renamed to “lack of bias” to better align with the other attribute titles which are all phrased in a “positive” connotation.</li> </ul> |
| <i>Definitions</i>                                   |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                              |
| Paragraph 7                                          | <p><i>Application Material</i></p> <ul style="list-style-type: none"> <li>For changes to paragraphs A12A, refer to explanations in <b>Agenda Item 2</b>.</li> <li>Paragraph A12B: the full term “information intended to be used as audit evidence” was included in the first sentence, given that this is now the first application material paragraph in this section. Also, a clarification was included to indicate that the evaluation of the relevance and reliability of the information may be performed as an integral part of the audit procedures.</li> </ul>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                     |

| B. Proposed ISA 500 (Revised) (Ref: Agenda Item 2–C)                                                 |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                             |
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| Reference                                                                                            | Explanation of Significant Changes                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                          |
|                                                                                                      | <ul style="list-style-type: none"> <li>Paragraph A14B (first bullet) was split into two sentences to enhance readability. In addition, matters of an alignment nature for terms and concepts among the in-scope standards were addressed.</li> </ul>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                        |
| <i>Designing and Performing Audit Procedures to Obtain Sufficient and Appropriate Audit Evidence</i> |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                             |
| Paragraph 8                                                                                          | <p><i>Application Material</i></p> <ul style="list-style-type: none"> <li>A heading was included before paragraph A14D to enhance clarity and streamline the cross referencing from the requirements to the application material section.</li> <li>The examples in paragraph A14E (bullets three and four) were presented separately to enhance clarity as they address two separate considerations when using technological tools.</li> <li>In paragraph A14F, a cross reference was included to Appendix 3 addressing considerations for using technological tools when designing and performing audit procedures to obtain audit evidence. In addition, certain streamlining was made to the references to other ISAs that address considerations when using technological tools.</li> <li>The guidance on the nature of audit procedures in paragraph A15 was extended to promote clarity for the different purposes of an audit procedure and align with the revisions to the definitions for risk assessment procedures, tests of controls and substantive procedures which all refer to a “purpose.” Also, given the role of Proposed ISA 500 (Revised), which addresses all procedures undertaken in an audit, the guidance on “Nature of an Audit Procedure” is now anchored in this ISA, rather than cross referring to Proposed ISA 330 (Revised). A clarification was also provided that a <i>purpose</i> of an audit procedure is achieved by performing one or more <i>types</i> of audit procedures, thereby enhancing the interaction among the “type” and “purpose” elements of an audit procedure.</li> <li>In paragraph A16, a clarification was provided that the same type of audit procedure may be used to achieve different purposes.</li> <li>The example was removed from paragraph A19, given that the guidance on automation bias is now positioned into Appendix 3.</li> <li>The second sentence in paragraph A26B was streamlined to remove repetition with the first sentence. Also, the reference to Appendix 3 was removed as it was no longer relevant to this application material paragraph.</li> </ul> |

| B. Proposed ISA 500 (Revised) (Ref: Agenda Item 2–C)     |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                         |
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| Reference                                                | Explanation of Significant Changes                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                      |
| <i>Information Intended to Be Used as Audit Evidence</i> |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                         |
| Paragraphs 9–9A                                          | <p><i>Requirements</i></p> <ul style="list-style-type: none"> <li>The placement of the phrase “as necessary in the circumstances” in paragraph 9A was reconsidered given that it intends to apply to the <i>audit evidence</i> about accuracy and completeness, and not on the obligation for the auditor to obtain such audit evidence.</li> </ul> <p><i>Application Material</i></p> <ul style="list-style-type: none"> <li>For changes related to reordering paragraphs in this section and the related rationale, refer to explanations in <b>Agenda Item 2</b>.</li> <li>To enhance understandability that the evaluation of the relevance and reliability may be either an integral part of the audit procedures, or a separate evaluation, paragraph A35 was separated into two bullets to distinguish the two circumstances.</li> <li>In paragraph A35A: <ul style="list-style-type: none"> <li>The reference to the auditor’s determination that substantive procedures alone cannot provide sufficient appropriate audit evidence in bullet two was removed from the list of factors given that this is a relevant consideration addressed in Proposed ISA 330 (Revised).</li> <li>A new factor (i.e., the relative importance of the information to achieve the purpose(s) of the audit procedures) was included in bullet three given it is of importance to the auditor’s professional judgments about the significance in the circumstances of the attributes of reliability.</li> </ul> </li> <li>Clarifications were made to the lead-in sentence of paragraph A40A to clarify that the source of the information refers to the party who provides the information to the auditor or from whom the auditor accesses the information from. In addition, new guidance with supporting examples was provided to explain what is included in information from sources internal to the entity. These clarifications were considered necessary given that the term “information from sources internal to the entity” is now addressed by the requirement in paragraph 9A and the extended guidance</li> </ul> |

| B. Proposed ISA 500 (Revised) (Ref: Agenda Item 2–C) |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                       |
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| Reference                                            | Explanation of Significant Changes                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                    |
|                                                      | <p>aims to help clarify the scope of information to which the requirement applies.</p> <ul style="list-style-type: none"> <li>The examples in paragraph A40Ba were clarified to provide specificity about the sources providing the information to the auditor.</li> <li>The last example in paragraph A40C was reworded to better align with the intent of the requirement in paragraph 9A.</li> <li>New paragraph A54A was added to cross refer to the description for relevance that has been repositioned to the introductory section.</li> <li>For changes to paragraphs A40E–A56E, refer to explanations in <b>Agenda Item 2</b>.</li> <li>New paragraph A56B was added to cross refer to the descriptions of the attributes of reliability that has been repositioned to the introductory section.</li> <li>For consistency with the other examples addressed in the paragraph, a cross reference was provided from the example in the last bullet of paragraph A56Fa to the requirements for evaluating the reliability of information.</li> <li>The factors in paragraph A56Fab addressing considerations for authenticity of information were revised to better align with the principal list of factors addressed by paragraph A35A that supports the overall auditor’s judgments about all attributes of reliability that are of significance in the circumstances to meet the intended purpose(s) of the audit procedures.</li> <li>The guidance in paragraph A56L was extended to refer to a circumstance where the auditor may need to perform a more extensive procedure for information obtained from a less credible source. In doing so, paragraph A43 of extant ISA 500 was leveraged.</li> </ul> |
| Paragraph 10B                                        | <p><i>Requirements</i></p> <ul style="list-style-type: none"> <li>The interaction and linkages with paragraphs 9–9A were enhanced by including a cross reference to these paragraphs in the requirement. Also, subparagraph (b) was expanded to address identifying, evaluating design, determining whether controls have been implemented, in addition to testing their operating effectiveness.</li> </ul>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                          |

| B. Proposed ISA 500 (Revised) (Ref: Agenda Item 2–C) |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                         |
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| Reference                                            | Explanation of Significant Changes                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                      |
|                                                      | <p><i>Application Material</i></p> <ul style="list-style-type: none"> <li>• New paragraph A65Oa was included to set up the section on evaluating the reliability of information. Also, the presentation of the material in this section now addresses the factors that are relevant to the nature, timing and extent of the auditor's evaluation of the reliability of information, with supporting examples for each of the factors to be considered.</li> <li>• The last example (bullet three) of paragraph A65O was revised to refer to controls over the accuracy and completeness of information generated from a human resources information system, given that the airline reservation system referred to previously, most often forms part of the financial reporting information system.</li> <li>• A central list of factors addressing considerations that may be relevant to the auditor's decision of whether to test controls to evaluate the reliability of information was consolidated into paragraph A65P.</li> <li>• The second sentence in paragraph A65Q was removed, given that it overlapped with matters addressed previously in paragraphs A35 and A65Oa. Also, the examples were streamlined by removing bullets one and two.</li> <li>• The second sentence in paragraph A65Qaa was removed, given that it overlapped with matters addressed previously in paragraphs A35 and A65Oa.</li> <li>• In paragraph A65Qb, cross references were updated to refer to “establishing requirements and providing guidance” of the respective ISA cited in the paragraph.</li> <li>• Paragraph A78B was aligned with proposed conforming and consequential amendments proposed to paragraph A24 of ISA 200.<sup>13</sup></li> <li>• In paragraphs A83 and A88B (bullet three), cross references were updated to refer to “establishing requirements and providing guidance” of the respective ISAs cited in the paragraphs.</li> </ul> |

<sup>13</sup> ISA 200, *Overall Objectives of the Independent Auditor and the Conduct of an Audit in Accordance with International Standards on Auditing*

| B. Proposed ISA 500 (Revised) (Ref: Agenda Item 2–C) |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                          |
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| Reference                                            | Explanation of Significant Changes                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                       |
| <i>Appendices</i>                                    |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                          |
| Appendix 1                                           | <ul style="list-style-type: none"> <li>In paragraph 1, the list of other ISAs addressing audit evidence for specific matters was extended to be more comprehensive.</li> <li>The references to substantive procedures in paragraph 1A was aligned with changes to the definition for substantive procedures in Proposed ISA 330 (Revised).</li> <li>A further clarification was included for a recalculation in paragraph 7 to indicate that such audit procedure may be performed manually or by using technological tools.</li> <li>The example in paragraph 10 was reworded to indicate that a risk assessment analytical procedure may provide audit evidence for the population not exhibiting characteristics of ROMM.</li> </ul>                                                                                                                                                                                                                                                                                                                                                  |
| Appendix 2                                           | <ul style="list-style-type: none"> <li>To align with the other appendices presented in the standard, an introductory paragraph was included to explain the objective of the appendix.</li> <li>A subtitle was added to precede paragraph 1. Also, a reference was provided to Proposed ISA 330 (Revised) that requires the auditor to determine a means for selecting items for testing that are effective in meeting the intended purpose of tests of controls or of details (of classes of transactions, account balances and disclosures).</li> <li>A new example was added to paragraph 3 to illustrate how the auditor may use a technological tool when selecting all items for testing.</li> <li>The reference to technological tools in the third bullet of paragraph 3A was extended to refer to a consideration of the appropriate use such tools in the circumstances.</li> <li>New paragraph 5A was included to clarify that when selecting specific items the auditor cannot project misstatements found in the selected outliers to the rest of the population.</li> </ul> |
| Appendix 3                                           | <ul style="list-style-type: none"> <li>The language in the table with factors in paragraph 2 was refined and clarified (e.g., for consistency of references to the auditor's consideration of when to use technological tools and clarifying the subtitles used). Also: <ul style="list-style-type: none"> <li>The factor addressing the nature of evidence was enhanced and extended to include the class of transactions,</li> </ul> </li> </ul>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                       |

| B. Proposed ISA 500 (Revised) (Ref: Agenda Item 2–C) |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                 |
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| Reference                                            | Explanation of Significant Changes                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                              |
|                                                      | <p>account balance or disclosure and the persuasiveness of the audit evidence needed.</p> <ul style="list-style-type: none"> <li>○ The factor addressing methodology and training support was extended to include whether the firm's methodology requires the use of particular technological tools in certain circumstances.</li> <li>• The subtitle preceding paragraph 3 was extended and clarified to be more indicative of the matters addressed in this section. Also, the examples in the table relating to how the auditor may use technological tools to achieve the intended purpose(s) of audit procedures were refined or revised to better reflect use cases of such tools.</li> <li>• The example referring to an audit procedure performed to achieve more than one purpose was removed from paragraph 4 in view of feedback that it was not sufficiently clear and given that paragraph A26B already provides relevant examples for the auditor's use of technological tools when performing such procedures.</li> <li>• Paragraph 5 was extended to make linkages with the requirements addressing the evaluation of the reliability of the information, including on why evaluating the results from using technological tools may be necessary.</li> <li>• The first sentence of paragraph 6 was included to clarify the purpose of the factors addressed by the table that follows, given it was not clear that such factors are relevant to the "extent" of the auditor's evaluation of the reliability of information, in view of implications related of the information used in (i.e., the "inputs"), and results of (i.e., the "outputs") of the use of technological tools. In addition, two factors were removed from the table, as follows: <ul style="list-style-type: none"> <li>○ The factor relating to information from sources that are internal to the entity to avoid confusion with the requirement addressed by paragraph 9A.</li> <li>○ The factor relating to traceability, replicability, and verifiability, as this factor may not necessarily drive the extent of the evaluation of reliability of information. Instead, an example was provided into the text of paragraph 6 to explain how traceability of the results may impact the auditor's work effort when using technological tools.</li> </ul> </li> </ul> |
| Appendix 4                                           | <ul style="list-style-type: none"> <li>• Refer to explanations in <b>Agenda Item 2</b> for the rationale for including a new Appendix 4.</li> <li>• A clarification was added to the last example in paragraph 5, indicating the type of specialized skills or knowledge that may be needed in this circumstance to interpret the information.</li> </ul>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                       |

| C. Proposed ISA 520 (Revised) (Ref: Agenda Item 2–D) |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                        |
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| Reference                                            | Explanation of Significant Changes                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                     |
| <i>Introduction</i>                                  |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                        |
| Paragraphs 1–1B                                      | <p><i>Scope</i></p> <ul style="list-style-type: none"> <li>To enhance the clarity and readability of the scope paragraph, the second sentence of paragraph 1 was presented as a bulleted list instead of a sequence.</li> <li>In paragraphs 1A–1B, cross references were updated to refer to “establishing requirements and providing guidance” of the respective ISA cited in the paragraph.</li> <li>In paragraph 1B the first sentence was aligned with the wording of the requirement in paragraph 6 of Proposed ISA 330 (Revised).</li> </ul> <p><i>Application Material</i></p> <ul style="list-style-type: none"> <li>Paragraph A0 was aligned with the text used in paragraph A46A in Proposed ISA 330 (Revised), given they both address the use of analytical procedures as further audit procedures, in combination with tests of controls and tests of details.</li> </ul> |
| <i>Definitions</i>                                   |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                        |
| Paragraph 4                                          | <p><i>Definitions</i></p> <ul style="list-style-type: none"> <li>In the definitions for analytical procedures (i.e., paragraph 4(a)) and substantive analytical procedures (i.e., paragraph 4(b)), the phrase “among both financial or non-financial information” was replaced with “among financial information, non-financial information, or both” to clarify that relationships may exist among financial information, among non-financial information, or among financial information and non-financial information.</li> <li>In paragraph 4(b), the plural form was replaced with the singular (i.e., “substantive analytical procedure”), to mirror the change made to the definition of test of details.</li> </ul>                                                                                                                                                            |

| C. Proposed ISA 520 (Revised) (Ref: Agenda Item 2–D)                            |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                       |
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| Reference                                                                       | Explanation of Significant Changes                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                    |
|                                                                                 | <p><i>Application Material</i></p> <ul style="list-style-type: none"> <li>In paragraph A3, the phrase “one or more plausible relationships among information” was added to better align with the definition of analytical procedures.</li> <li>In paragraph A3A, the phrase “which may assist the auditor in exercising professional scepticisms” was removed given the concept of professional scepticism is already addressed in the lead-in sentence of the paragraph.</li> </ul>                                                                                                                                                                                                                                                                                                  |
| <i>Results of Analytical Procedures Performed as Risk Assessment Procedures</i> |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                       |
| Paragraph 4A                                                                    | <p><i>Requirements</i></p> <ul style="list-style-type: none"> <li>The conditionality of the requirement was reconsidered from a “when” to an “if”, which also necessitated reorganising the order of the words in the paragraph.</li> </ul> <p><i>Application Material</i></p> <ul style="list-style-type: none"> <li>In paragraph A3B (first bullet), the phrase “that indicate matters that may have audit implications, including risks of material misstatement, especially those due to fraud” was added for greater consistency with ISA 315 (Revised 2019).</li> <li>In paragraph A3B (third bullet), a new hanging paragraph was included to separately highlight that the result of analytical procedures may also affect the design of further audit procedures.</li> </ul> |
| <i>Substantive Analytical Procedures</i>                                        |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                       |
| Paragraph 5 (lead-in)                                                           | <p><i>Application Material</i></p> <ul style="list-style-type: none"> <li>In paragraph A4, the consistency of terms and concepts among the in-scope standards was improved by using the phrase “in responding to ROMM.”</li> <li>Paragraph A5 was relocated to paragraph A13A given it provides guidance that is specific to the reliability of information used to develop the auditor’s expectation.</li> </ul>                                                                                                                                                                                                                                                                                                                                                                     |

| C. Proposed ISA 520 (Revised) (Ref: Agenda Item 2–D) |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                              |
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| Reference                                            | Explanation of Significant Changes                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                           |
|                                                      | <ul style="list-style-type: none"> <li>The example in the last sentence of paragraph A5A was found too general. In response, specificity was included to address a circumstance of “circular auditing” that is of greater relevance when designing and performing substantive analytical procedures.</li> </ul>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                              |
| Paragraph 5(a)                                       | <p><i>Requirements</i></p> <ul style="list-style-type: none"> <li>The word “particular” was removed given that a substantive analytical procedure is a term that is defined in the standard. Also, the consistency of terms and concepts among the in-scope standards was improved by using the phrase “in responding to ROMM at the assertion level.”</li> </ul> <p><i>Application Material</i></p> <ul style="list-style-type: none"> <li>Paragraph A6, and the preceding heading, were aligned to mirror changes proposed to the corresponding requirement (i.e., by removing “particular”). Also, alignment changes were made, as necessary, to address matters of using consistent terminology among the in-scope standards.</li> <li>In paragraph A11, the sentence that referred to expenditure not being capitalised was removed in view of comments that this may not always be relevant all entities operating in the public sector. Instead, another example was included indicating comparative information that may exist in public sector entities.</li> </ul> |
| Paragraph 5(c)                                       | <p><i>Requirements</i></p> <ul style="list-style-type: none"> <li>The lead-in of subparagraph (c) was aligned with the change to the definition for a substantive analytical procedure. In addition, in subparagraph (c)(i), the phrase ‘in accordance with Proposed ISA 500 (Revised)’ was added to strengthen the linkage with the core requirements for evaluating the relevance and reliability of information, that also addresses the reliability of the information from which an auditor’s expectation is developed.</li> </ul> <p><i>Application Material</i></p> <ul style="list-style-type: none"> <li>New paragraph A11B was included to provide factors that may affect the plausibility and predictability of the relationship among financial information, non-financial information, or both.</li> <li>Paragraph A12 was extended to enhance consistency with Proposed ISA 500 (Revised), as well as to introduce the</li> </ul>                                                                                                                             |

| C. Proposed ISA 520 (Revised) (Ref: Agenda Item 2–D) |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                |
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| Reference                                            | Explanation of Significant Changes                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                             |
|                                                      | <p>source of the information and the attributes of reliability that are of significance in the circumstances when evaluating the reliability of the information.</p> <ul style="list-style-type: none"> <li>In paragraph A12A (first bullet), the “nature” of the information was replaced with “form” of the information, to align with concepts addressed by Proposed ISA 500 (Revised).</li> <li>In paragraph A12A (third bullet), the consideration of the entity’s controls addressing the preparation of the information was reinstated from paragraph A12(d) of extant ISA 520, given it is a factor that may be relevant when evaluating the reliability of the information from which the auditor’s expectation is developed.</li> <li>More substantial changes were proposed to paragraph A13, in response to comments that there was unnecessary repetition with matters addressed by Proposed ISA 500 (Revised). Instead, paragraph A13 of extant ISA 520 was reinstated, addressing an example of when the auditor may test controls, or perform other audit procedures, to evaluate the reliability of information on which the expectation is based.</li> </ul> |
| Paragraph 5(d)                                       | <p><i>Application Material</i></p> <ul style="list-style-type: none"> <li>In paragraph A15, the phrase “among financial or non-financial information” was aligned with the changes proposed to the definition of substantive analytical procedure.</li> </ul>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                  |
| Paragraph 5(e)                                       | <p><i>Requirements</i></p> <ul style="list-style-type: none"> <li>The reference to “material” was removed to make it explicit that the auditor would still need to evaluate whether the misstatements, individually or in aggregate, are <i>material</i> in accordance with ISA 450.<sup>14</sup></li> </ul> <p><i>Application Material</i></p> <ul style="list-style-type: none"> <li>Paragraph A16C was enhanced by adding a cross reference to Proposed ISA 500 (Revised) which explains that inquiry alone does not provide sufficient appropriate audit evidence of the absence of a material misstatement at the assertion level. In addition, the example was enhanced for clarity reasons.</li> </ul>                                                                                                                                                                                                                                                                                                                                                                                                                                                                  |

<sup>14</sup> ISA 450, *Evaluation of Misstatements Identified During the Audit*

| C. Proposed ISA 520 (Revised) (Ref: Agenda Item 2–D)                        |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                        |
|-----------------------------------------------------------------------------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| Reference                                                                   | Explanation of Significant Changes                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                     |
|                                                                             | <ul style="list-style-type: none"> <li>Paragraph A16E was removed in view of comments that it was repetitive with matters addressed by Proposed ISA 500 (Revised) and therefore not providing incremental value.</li> </ul>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                            |
| <i>Analytical Procedures that Assist When Forming an Overall Conclusion</i> |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                        |
| Paragraph 7                                                                 | <p><i>Requirements</i></p> <ul style="list-style-type: none"> <li>The requirement was separated into two sentences and presented in a bulleted list to improve clarity and readability. In addition, the phrase “and as appropriate, others within or outside the entity” was added into subparagraph (a) to broaden the range of parties with whom the auditor may make inquiries. This change also aligns with the wording used in subparagraph 5(e).</li> </ul> <p><i>Application Material</i></p> <ul style="list-style-type: none"> <li>Paragraph A20 of extant ISA 520 was reinstated and extended to provide guidance on how the auditor may obtain audit evidence relevant to responses received from inquiries made.</li> <li>In paragraph A21A, a cross reference was included to subparagraph 7(a) to enhance the interaction among these paragraphs. In addition, the flow of the sentence was reconsidered to align with the requirements addressed by ISA 315 (Revised 2019).</li> </ul> |

| D. Conforming and Consequential Amendments (Ref: Agenda Item 2–E)                                                                                      |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                              |
|--------------------------------------------------------------------------------------------------------------------------------------------------------|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| Reference                                                                                                                                              | Explanation of Significant Changes                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                           |
| <i>ISQM 1, Quality Management for Firms That Perform Audits or Reviews of Financial Statements, or Other Assurance or Related Services Engagements</i> |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                              |
| Paragraph A99A                                                                                                                                         | <p><i>Application Material</i></p> <ul style="list-style-type: none"> <li>Given that ISQM 1 also applies to related services engagements, the reference to “sufficient appropriate” evidence were removed from the description of technological tools.</li> </ul>                                                                                                                                                                                                                                                                                                                            |
| <i>ISA 200, Overall Objectives of the Independent Auditor and the Conduct of an Audit in Accordance with International Standards on Auditing</i>       |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                              |
| Paragraph A24                                                                                                                                          | <p><i>Application Material</i></p> <ul style="list-style-type: none"> <li>A cross reference was added to paragraph 20 of ISA 240 (Revised)<sup>15</sup> that sets the obligation for the auditor to remain alert throughout the audit for information that indicates that one or more fraud risk factors are present and circumstances that may be indicative of fraud or suspected fraud.</li> </ul>                                                                                                                                                                                        |
| Paragraph A31                                                                                                                                          | <p><i>Application Material</i></p> <ul style="list-style-type: none"> <li>Clarification, including an example, was provided that in some cases the auditor may corroborate the absence of certain conditions (instead of absence of information). Also, a cross reference was included to application material paragraph A12C of Proposed ISA 500 (Revised) which discusses the revised definition for audit evidence.</li> </ul>                                                                                                                                                            |
| Paragraph A43                                                                                                                                          | <p><i>Application Material</i></p> <ul style="list-style-type: none"> <li>In view of the broadened scope of the definition for tests of controls, the change aims to recognize that tests of controls may also be used for a purpose other than responding to an assertion level ROMM (e.g., when evaluating the relevance and reliability of information intended to be used as audit evidence). Also, a cross reference was provided to Proposed ISA 500 (Revised) that established requirements when tests of controls may be used to evaluate the reliability of information.</li> </ul> |

<sup>15</sup> ISA 240 (Revised), *The Auditor’s Responsibilities Relating to Fraud in an Audit of Financial Statements*

| D. Conforming and Consequential Amendments (Ref: Agenda Item 2–E)                                              |                                                                                                                                                                                                                                                                                                                                                                                                                                               |
|----------------------------------------------------------------------------------------------------------------|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| Reference                                                                                                      | Explanation of Significant Changes                                                                                                                                                                                                                                                                                                                                                                                                            |
| Paragraph A73                                                                                                  | <p><i>Application Material</i></p> <ul style="list-style-type: none"> <li>Proposed ISA 500 (Revised) was included as an example of an ISA that addresses considerations specific to technological tools.</li> </ul>                                                                                                                                                                                                                           |
| <i>ISA 220 (Revised), Quality Management for an Audit of Financial Statements</i>                              |                                                                                                                                                                                                                                                                                                                                                                                                                                               |
| Paragraph A64A                                                                                                 | <p><i>Application Material</i></p> <ul style="list-style-type: none"> <li>The description for technological tool was aligned with the changes proposed for ISQM 1 discussed above (i.e., removing the reference to “sufficient appropriate”). Also, given that ISA 220 (Revised) applies to audit engagements, it was specified that the description of technological tools in the context of the ISAs refers to “audit evidence.”</li> </ul> |
| <i>ISA 240 (Revised), The Auditor’s Responsibilities Relating to Fraud in an Audit of Financial Statements</i> |                                                                                                                                                                                                                                                                                                                                                                                                                                               |
| Paragraph A34                                                                                                  | <p><i>Application Material</i></p> <ul style="list-style-type: none"> <li>The consideration for authenticity, as an attribute of reliability, was aligned with language used in the requirements of Proposed ISA 500 (Revised). Also, a cross reference was provided to the description for the attribute of authenticity of information in paragraph A4Ad of Proposed ISA 500 (Revised).</li> </ul>                                          |
| Paragraph A35                                                                                                  | <p><i>Application Material</i></p> <ul style="list-style-type: none"> <li>A cross reference was provided to paragraph A24 of ISA 200 that is relevant to the circumstances discussed.</li> </ul>                                                                                                                                                                                                                                              |
| Appendix 3                                                                                                     | <p><i>Appendices</i></p> <ul style="list-style-type: none"> <li>The second bullet was clarified not to unintentionally imply that original documents (e.g., digital signatures) may not exist in digital form.</li> </ul>                                                                                                                                                                                                                     |

| D. Conforming and Consequential Amendments (Ref: Agenda Item 2–E)                           |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                       |
|---------------------------------------------------------------------------------------------|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| Reference                                                                                   | Explanation of Significant Changes                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                    |
| <i>ISA 315 (Revised 2019), Identifying and Assessing the Risks of Material Misstatement</i> |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                       |
| Paragraphs 12(a)A, (a)A1                                                                    | <p><i>Definitions and Application Material</i></p> <ul style="list-style-type: none"> <li>The list of examples to the definition of “accounting records” was relocated to application material, consistent with the CUSP Drafting Principles and Guidelines.<sup>16</sup></li> </ul>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                  |
| Paragraph 12(j)                                                                             | <p><i>Definitions</i></p> <ul style="list-style-type: none"> <li>The “purpose” of a risk assessment procedure was specified in the definition of “risk assessment procedures” to enhance understanding and improve the consistency with the definitions for tests of controls and substantive procedures in Proposed ISA 330 (Revised).</li> </ul>                                                                                                                                                                                                                                                                                                                                                                                                                                    |
| Paragraphs 26                                                                               | <p><i>Requirements</i></p> <ul style="list-style-type: none"> <li>In view of the Board’s decision to explicitly recognize that tests of controls, may alone, in certain circumstances provide sufficient appropriate audit evidence in responding to ROMM at the assertion level, the change delinks the auditor’s plans to test controls from the determination of the nature, timing and extent of substantive testing.</li> </ul> <p><i>Application Material</i></p> <ul style="list-style-type: none"> <li>Changes to paragraph A128 align to the changes proposed to the related requirement in paragraph 26.</li> <li>Changes to paragraphs A162–A163 are of conforming nature to reflect revisions to the requirement in paragraph 8 of Proposed ISA 330 (Revised).</li> </ul> |
| Paragraphs A125, A131, A151, 158                                                            | <p><i>Application Material</i></p> <ul style="list-style-type: none"> <li>The changes reflect that the auditor’s understanding of the entity influences the auditor’s design and performance of further audit procedures but does not provide the basis for design and performance of such procedures (i.e., paragraph 6 of Proposed ISA 330 (Revised) required the auditor to design and perform further audit procedures that</li> </ul>                                                                                                                                                                                                                                                                                                                                            |

<sup>16</sup> See Section 8: “Definitions in the ISAs” of the [CUSP Drafting Principles and Guidelines](#).

| D. Conforming and Consequential Amendments (Ref: Agenda Item 2–E) |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                     |
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| Reference                                                         | Explanation of Significant Changes                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                  |
|                                                                   | <p>are based on the assessed ROMM). In addition, there the text of these paragraphs is inconsistent with paragraph A181 of ISA 315 (Revised 2019) which describes that the auditor’s understanding of the entity <i>may assist</i> in the design of substantive procedures.</p> <ul style="list-style-type: none"> <li>In addition, the change in paragraph A151 (first bullet) that includes removing the reference to “in determining the nature, timing and extent” aims to reflect the changes proposed to the requirement in paragraph 26.</li> </ul>                                                          |
| Paragraph A166                                                    | <p><i>Application Material</i></p> <ul style="list-style-type: none"> <li>In bullet three, the term “information produced by the entity,” which is no longer a concept addressed by requirements or application material in Proposed ISA 500 (Revised), was replaced with “information generated internally from the entity’s information system.”</li> <li>In bullet five, the reference to substantive procedures was removed to align with concepts and terminology addressed by Proposed ISA 330 (Revised).</li> </ul>                                                                                          |
| Paragraph A170                                                    | <p><i>Application Material</i></p> <ul style="list-style-type: none"> <li>The term “information produced by the entity,” which is no longer a concept addressed by requirements or application material in Proposed ISA 500 (Revised), was replaced with “information generated internally from the entity’s information system.”</li> </ul>                                                                                                                                                                                                                                                                        |
| Paragraph A179                                                    | <p><i>Application Material</i></p> <ul style="list-style-type: none"> <li>The change clarifies that controls address inherent risks (i.e., identified ROMM at the assertion level), as described in paragraph A186 of ISA 315 (Revised 2019). In doing, the project team leveraged paragraph A228 of ISA 315 (Revised 2019) which refers to controls addressing inherent risk. The change reaffirms understanding of the rationale behind the requirement in paragraph 9A of Proposed ISA 330 (Revised) that established conditions in which the auditor may test controls alone to address the risk(s).</li> </ul> |
| Paragraph A180                                                    | <p><i>Application Material</i></p> <ul style="list-style-type: none"> <li>The change aims to acknowledge and raise awareness about the implications of emerging technologies on the</li> </ul>                                                                                                                                                                                                                                                                                                                                                                                                                      |

| D. Conforming and Consequential Amendments (Ref: Agenda Item 2–E) |                                                                                                                                                                                                                                                                                                                                                                     |
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| Reference                                                         | Explanation of Significant Changes                                                                                                                                                                                                                                                                                                                                  |
|                                                                   | consistency of the operation of controls.                                                                                                                                                                                                                                                                                                                           |
| Paragraph A204A                                                   | <p><i>Application Material</i></p> <ul style="list-style-type: none"> <li>The example was replaced in view of concerns that the circumstance of a “single loan from a bank” may not be widely representative of a scenario where the auditor would not determine a COTABD to be a significant COTABD.</li> </ul>                                                    |
| Paragraph A229                                                    | <p><i>Application Material</i></p> <ul style="list-style-type: none"> <li>Changes of a conforming nature to reflect revisions to paragraph 10 of Proposed ISA 330 (Revised).</li> </ul>                                                                                                                                                                             |
| Paragraph A230C                                                   | <p><i>Application Material</i></p> <ul style="list-style-type: none"> <li>The paragraph has been reworded. Doing so, aims to provide more useful guidance to address the relationship among the “stand-back” requirements in paragraphs 35–36, and to indicate that both evaluations may be performed concurrently.</li> </ul>                                      |
| Paragraphs A232A–A232B                                            | <p><i>Application Material</i></p> <ul style="list-style-type: none"> <li>Paragraph A232A was removed and the reference to ISA 320<sup>17</sup> was integrated into paragraph A232B to simplify the guidance.</li> </ul>                                                                                                                                            |
| Paragraph A233B                                                   | <p><i>Application Material</i></p> <ul style="list-style-type: none"> <li>The paragraph was clarified to focus on the inherent risk factors, rather than user needs, as potential trigger for redetermining a material COTABD as a significant COTABD. This is because user needs would have already been taken into account in determining materiality.</li> </ul> |
| Paragraph A224                                                    | <p><i>Application Material</i></p> <ul style="list-style-type: none"> <li>Changes of conforming nature to reflect revisions to paragraphs 9-10A of Proposed ISA 500 (Revised).</li> </ul>                                                                                                                                                                           |

<sup>17</sup> ISA 320, *Materiality in Planning and Performing an Audit*

| D. Conforming and Consequential Amendments (Ref: Agenda Item 2–E)                       |                                                                                                                                                                                                                                                                                                                                    |
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| Reference                                                                               | Explanation of Significant Changes                                                                                                                                                                                                                                                                                                 |
| Appendix 5                                                                              | <p><i>Appendices</i></p> <ul style="list-style-type: none"> <li>The term “information produced by the entity,” which is no longer a concept addressed by requirements or application material in Proposed ISA 500 (Revised), was replaced with “information generated internally from the entity’s information system.”</li> </ul> |
| <i>ISA 402, Audit Considerations Relating to an Entity Using a Service Organization</i> |                                                                                                                                                                                                                                                                                                                                    |
| Paragraph A29                                                                           | <p><i>Application Material</i></p> <ul style="list-style-type: none"> <li>Changes of conforming nature to reflect revisions to paragraph 8 of Proposed ISA 330 (Revised).</li> </ul>                                                                                                                                               |
| <i>ISA 540 (Revised), Auditing Accounting Estimates and Related Disclosures</i>         |                                                                                                                                                                                                                                                                                                                                    |
| Paragraphs 7                                                                            | <p><i>Introduction</i></p> <ul style="list-style-type: none"> <li>Changes of conforming nature to reflect revisions to paragraphs 6–7 of Proposed ISA 330 (Revised).</li> </ul>                                                                                                                                                    |
| Paragraph 18                                                                            | <p><i>Requirements and Application Material</i></p> <ul style="list-style-type: none"> <li>The changes to the requirement in paragraph 18, and related application material in paragraph A84, are of conforming nature to reflect revisions to paragraphs 6–7 of Proposed ISA 330 (Revised).</li> </ul>                            |
| Paragraph 19                                                                            | <p><i>Requirements</i></p> <ul style="list-style-type: none"> <li>Changes of conforming nature to reflect revisions to paragraph 8 of Proposed ISA 330 (Revised).</li> </ul>                                                                                                                                                       |
| Paragraph 25                                                                            | <p><i>Requirements</i></p> <ul style="list-style-type: none"> <li>A cross reference was included to link to the overarching requirements in Proposed ISA 500 (Revised) to evaluate information as relevant and reliable.</li> </ul>                                                                                                |

| D. Conforming and Consequential Amendments (Ref: Agenda Item 2–E)                                                                |                                                                                                                                                                                                                                                                           |
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| Reference                                                                                                                        | Explanation of Significant Changes                                                                                                                                                                                                                                        |
| Paragraph 39                                                                                                                     | <p><i>Requirements</i></p> <ul style="list-style-type: none"> <li>Changes of conforming nature to reflect revisions to paragraph 28(b) of Proposed ISA 330 (Revised).</li> </ul>                                                                                          |
| Paragraph A107                                                                                                                   | <p><i>Application Material</i></p> <ul style="list-style-type: none"> <li>Changes of conforming nature to reflect revisions to paragraph 9A of Proposed ISA 500 (Revised).</li> </ul>                                                                                     |
| Paragraph A127                                                                                                                   | <p><i>Application Material</i></p> <ul style="list-style-type: none"> <li>The last bullet was extended to include a reference to the attribute of credibility of information, given that such attribute may be of significance in the circumstances described.</li> </ul> |
| Paragraph A150                                                                                                                   | <p><i>Application Material</i></p> <ul style="list-style-type: none"> <li>Changes of conforming nature to reflect revisions to paragraphs 6–7 of Proposed ISA 330 (Revised).</li> </ul>                                                                                   |
| <i>ISA 505, Related Parties</i>                                                                                                  |                                                                                                                                                                                                                                                                           |
| Paragraph A34                                                                                                                    | <ul style="list-style-type: none"> <li>Changes of conforming nature to reflect revisions to paragraph 8 of Proposed ISA 330 (Revised).</li> </ul>                                                                                                                         |
| <i>ISA 570 (Revised 2024), Going Concern</i>                                                                                     |                                                                                                                                                                                                                                                                           |
| Paragraph A44                                                                                                                    | <p><i>Application Material</i></p> <ul style="list-style-type: none"> <li>Changes of conforming nature to reflect revisions to paragraph 9A of Proposed ISA 500 (Revised).</li> </ul>                                                                                     |
| <i>ISA 600 (Revised), Special Considerations—Audits of Group Financial Statements (Including the Work of Component Auditors)</i> |                                                                                                                                                                                                                                                                           |
| Paragraph A137                                                                                                                   | <p><i>Application Material</i></p> <ul style="list-style-type: none"> <li>Changes of conforming nature to reflect revisions to paragraph 8 of Proposed ISA 330 (Revised).</li> </ul>                                                                                      |

| D. Conforming and Consequential Amendments (Ref: Agenda Item 2–E)                  |                                                                                                                                                                                                                                           |
|------------------------------------------------------------------------------------|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| Reference                                                                          | Explanation of Significant Changes                                                                                                                                                                                                        |
| <i>ISA 700 (Revised), Forming an Opinion and Reporting on Financial Statements</i> |                                                                                                                                                                                                                                           |
| Paragraph A0A                                                                      | <p><i>Application Material</i></p> <ul style="list-style-type: none"> <li>The sentence preceding the factors was reworded to include a “may” which is the appropriate drafting convention for application material paragraphs.</li> </ul> |