

April 24, 2023

International Accounting and Auditing Standards Board
529 5th Avenue
New York, New York 10017

RE: IIA Comments Regarding Proposed International Standards on Auditing 500

Dear Chair Seidenstein and Members:

The Institute of Internal Auditors welcomes the opportunity to comment on the Proposed International Standard on Auditing 500 (Revised), Audit Evidence, and Proposed Conforming and Consequential Amendments to Other ISAs. As the President and CEO of The IIA, I am proud to represent a global association of 232,000+ members located in 170 countries around the world. The IIA is the internal audit profession's leader in setting standards, certification, education, research, and technical guidance throughout the world.

We agree that relevance and reliability is to be evaluated based on the intended purpose of audit procedures and information sources should be considered and challenged in this evaluation. In addition, we support the modernized approach addressing the use of technology in the performance of audit procedures. Finally, commentary provided addressing the use of professional skepticism in the assessment of audit evidence sufficiency aligns with best practices in the internal audit function as well.

Regarding ISA 610 – Using the Work of Internal Auditors, we would recommend referencing adherence to the IIA's International Professional Practices Framework as a litmus test in determining sufficiency of source in the evaluation of audit evidence. Objectivity and independence are core standards in the IPPF, as is quality control. Standards and guidance provided within the IPPF enable the "systematic and disciplined approach" which ISA 610 requires.

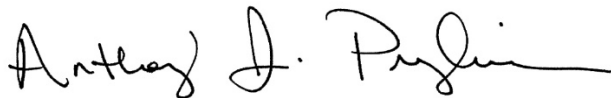
While ISA 610 references requirements for using internal auditors for direct assistance, we would also like to mention how internal auditors could be utilized effectively for indirect assistance. This might include communication of institutional knowledge and analysis of risks and controls that could assist auditors in learning more about the organization as they plan their audit activities. Utilization of internal audit during inquiry phases can more efficiently advance organizational knowledge.

In addition, at times, the work conducted by internal auditors may directly align with testing to be executed by external auditors. If adherence to the IPPF has been substantiated, utilization of this work should be considered to supplant, support, and/or complement any additional testing to be executed by external auditors. While some level of review and re-performance may be required by the external auditors to develop comfort in the internal audit testing executed, overall efficiencies can still be gained through the limitation of duplicative work.



The IIA thanks the IAASB for the opportunity to provide our input and welcomes further discussion. If The IIA can be of any further assistance, please don't hesitate to contact Kat Seeuws, IIA Vice President for Standards and Guidance, Katleen.Seeuws@theiia.org. Thank you for your consideration.

Sincerely,



Anthony J. Pugliese, CIA, CPA, CGMA, CITP
President and Chief Executive Officer
The Institute of Internal Auditors, Global Headquarters