

10. Do you agree with the new “stand back” requirement for the auditor to evaluate audit evidence obtained from the audit procedures performed as a basis for concluding in accordance with ISA 330 that sufficient appropriate audit evidence has been obtained?

Answer

I agreed with the new “stand back” requirement for the auditor to evaluate audit evidence obtained.

However, this requirement in ISA 500 will affect the same requirements prescribed in other ISAs such as ISA330 and ISA540, as well as other ISAs which do not have specific stand back requirements. Therefore, why stand back is important should be stated clear. ISA 315 stated why Obtaining Audit Evidence in an Unbiased Manner Is Important.

In carrying out the evaluation in accordance with ED 500.13(a), the depth of evaluation and degree of documentation might be different depending on the cases such as when auditors could not obtain audit evidence expected in the audit planning stage but obtained alternative audit evidence on the field, and when auditors could obtain audit evidence as scheduled. In the former case, auditor might have to exercise more professional judgment, evaluate audit evidence more skeptically and document more. In the latter case, simpler evaluation and documentation (just stating that the audit evidence meets our purpose) might be sufficient or specific documentation might not be necessary. To ensure scalability, it is recommended that the above explanation be added in 500. A85.

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