

Meeting: IAASB Consultative Advisory Group (CAG)
Meeting Location: New York, United States of America
Meeting Dates: March 10–11, 2020

Agenda Item

Audit Evidence – Report Back

Objective of Agenda Item

1. The objective of this agenda item is to report back on the CAG representatives' comments on Audit Evidence made at the September 2019 meeting.

Project Status

2. As explained in more detail in the [Audit Evidence Workstream Plan](#), the Audit Evidence Working Group (AEWG) is performing information gathering and research activities on the topic of 'Audit Evidence,' as contemplated by ISA 500.¹ The overall results of the information-gathering and research activities are planned to be provided to the Board at the June 2020 IAASB meeting, together with the AEWG's recommendations for possible further actions, such as guidance or standard setting, if it is identified that further action is necessary.

Feedback

3. Extracts from the draft September 2019 IAASB CAG meeting minutes, as well as an indication of how the IAASB has responded to the Representatives' comments, are included in the table below.

Representatives' Comments	IAASB/Working Group Response
DEVELOPMENT OF AUDIT EVIDENCE WORKSTREAM PLAN	
Mr. Dalkin noted the recent exposure draft on audit evidence issued by the Auditing Standards Board (ASB) of the American Institute of Certified Public Accountants (AICPA), and asked Ms. Zietsman about whether a similar initiative is being undertaken by the PCAOB. Ms. Zietsman noted the PCAOB's current research project on data and technology and that the PCAOB's audit evidence standard is largely similar to the IAASB standard and the extant AICPA standard. She added that the PCAOB intends to monitor the feedback to the ASB's exposure draft, although highlighted the challenges of making targeted	Mr. Dohrer agreed with the specific concern of Ms. Zietsman about the need for unnecessary differences between standards in general and added that although the AICPA proposed standard is a modernization of the standards to enhance their relevance in today's business environment, the proposed AICPA audit evidence standard remains consistent and converged with the requirements of the IAASB audit evidence standard.

¹ ISA 500, *Audit Evidence*

changes to standards to address audit evidence, given the possible ripple effects of changes across the suite of standards. Ms. Zietsman also emphasized the need for coordination across various standard setters to minimize unnecessary differences, particularly relating to foundational aspects such as audit evidence, because differences in foundational aspects could have a negative effect in how firms implement the standards.	
Mr. Thompson noted concern with determining the accuracy and completeness of information in accordance with extant ISA 500 ² in circumstances when the auditor is dealing with large amounts of data, particularly external data. Mr. Thompson suggested that this issue be included in the <i>Technology Workstream Plan</i> as a topic where immediate guidance may be required.	Mr. Dohrer acknowledged the concern raised, however reiterated that the issue of accuracy and completeness of information is relevant to all sources of information, whether manual or electronic and that extant ISA 500 only currently addresses information produced by the entity. Mr. Dohrer noted that issues associated with sources of information is included in the Audit Evidence Workstream Plan .

² ISA 500, *Audit Evidence*

Appendix A

Project Details and History

Working Group: Audit Evidence

Link to IAASB Project Page: [Project Page](#)

Working Group Members

- Bob Dohrer, IAASB Member and Working Group Chair
- Susan Jones, IAASB Technical Advisor
- Kai-Uwe Marten, IAASB Member
- Jamie Shannon, IAASB Technical Advisor
- Eric Turner, IAASB Member

Summary of discussions

	IAASB CAG Meeting	IAASB Meeting
Preliminary discussions, information gathering and the development of Audit Evidence Workstream Plan	March 2019 June 2019 September 2019	June 2019 September 2019

IAASB CAG Discussions: Detailed References

Preliminary discussions, information gathering and the development of Audit Evidence Workstream Plan	<u>March 2019</u> See IAASB CAG meeting material (Agenda Item D): https://www.iaasb.org/cag/meetings/iaasb-cag-meeting-new-york-ny-1 <u>September 2019</u> See IAASB CAG meeting material (Agenda Item E – Presentation): https://www.iaasb.org/cag/meetings/iaasb-cag-meeting-new-york-ny-2
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