

## ISAE 3000—Staff Adaptation of Requirements from ISAs 210, 300, 315 and 330

1. The table below shows a categorization of possible subject matters with examples of each. The purpose of the categorization is to help think through how ISA requirements might apply. It may also be useful later in the project to test revised ISAE 3000 against. It is not necessarily complete, and the categories are not necessarily mutually exclusive. Also, in some cases, the examples are the subject matter information, in other cases they are the subject matter or merely an indication of the type of question that information could assist with, whichever is more meaningful in the circumstances.

Information about:		Historical Information	Future Oriented Information
<b>Financial</b>	<b>Performance</b>	<ul style="list-style-type: none"> <li>• <i>Income Statement</i></li> </ul>	<ul style="list-style-type: none"> <li>• <i>Forecast/projected cash flow</i></li> </ul>
	<b>Position</b>	<ul style="list-style-type: none"> <li>• <i>Balance Sheet</i></li> </ul>	<ul style="list-style-type: none"> <li>• <i>Forecast/projected financial position</i></li> </ul>
<b>Non-financial</b>	<b>Performance</b>	<ul style="list-style-type: none"> <li>• <i>A statement of an entity's GHG emissions</i></li> <li>• <i>KPIs</i></li> </ul>	<ul style="list-style-type: none"> <li>• <i>Expected emissions for the coming year</i></li> </ul>
	<b>Condition</b>	<ul style="list-style-type: none"> <li>• <i>The description of a system</i></li> <li>• <i>Physical characteristics, the size of leased property</i></li> </ul>	<ul style="list-style-type: none"> <li>• <i>Prediction of next week's weather</i></li> </ul>
<b>System/ process</b>	<b>Design</b>	<ul style="list-style-type: none"> <li>• <i>Effectiveness of the design of controls at a service organization</i></li> </ul>	<ul style="list-style-type: none"> <li>• <i>Effectiveness of the design of proposed controls for a new production process</i></li> </ul>
	<b>Operation/performance</b>	<ul style="list-style-type: none"> <li>• <i>Actual effectiveness of procedures for hiring and training staff</i></li> </ul>	<ul style="list-style-type: none"> <li>• <i>Whether a risk management system will manage risks as they arise</i></li> </ul>
<b>Aspects of behavior</b>	<b>Compliance</b>	<ul style="list-style-type: none"> <li>• <i>An entity's compliance with loan covenants (or specific legal or regulatory requirements)</i></li> </ul>	<ul style="list-style-type: none"> <li>• <i>Whether an entity will continue to comply with loan covenants</i></li> </ul>
	<b>Human behavior</b>	<ul style="list-style-type: none"> <li>• <i>Evaluation of audit committee effectiveness</i></li> <li>• <i>Ability to drive a car</i></li> </ul>	<ul style="list-style-type: none"> <li>• <i>Whether a jury will find a defendant guilty or not</i></li> </ul>
	<b>Other</b>	<ul style="list-style-type: none"> <li>• <i>The fitness for purpose of a software package</i></li> </ul>	<ul style="list-style-type: none"> <li>• <i>An entity's creditworthiness</i></li> </ul>

2. In order to consider whether the requirements of the ISAs could meaningfully be adapted to assurance engagements on subject matters other than financial statements, staff has commenced an analysis of those requirements against key categories from the above table on which assurance is likely to be sought.
3. **THIS ANALYSIS IS VERY PRELIMINARY, IT HAS NOT BEEN REVIEWED BY THE TASK FORCE, AND IS NOT EXPECTED TO BE CONSIDERED BY THE IAASB IN DETAIL EITHER. IT IS PRESENTED ONLY TO ILLUSTRATE POSSIBLE DIFFERENCES IF THE DETAILED REQUIREMENTS OF THE ISAs WERE TO BE ADAPTED FOR DIFFERENT SUBJECT MATTERS.**
4. In preparing this analysis, the requirements from ISAs 210, 300, 315 and 330 have been pasted into the following tables. Those requirements have then been “genericized” without mark-up by making the following substitutions:
  - auditor → assurance professional
  - auditor’s report → assurance professional’s report
  - opinion → conclusion
  - audit procedure → assurance engagement procedure
  - audit work → assurance engagement work
  - audit evidence → assurance engagement evidence
  - audit documentation → assurance engagement documentation
  - audit file → assurance engagement file
  - audit risk → assurance engagement risk
  - the audit/financial statement audit/audit engagement → the assurance engagement (or similar as appropriate)
  - financial reporting framework/standards → criteria
  - financial statements → subject matter information
  - class of transactions, account balance or disclosure → element of the subject matter information
  - management → the responsible party

5. Changes shown in mark-up format are mostly to remove financial statement audit-specific content, i.e., content that is unlikely to apply to any, or many, other engagements besides financial statement audits.
6. To make the analysis reasonably simple so it serves the purpose of highlighting obvious differences as a starting point for discussion, special cases that would only serve to confuse at this stage have been ignored, including the application of requirements to:
  - future-oriented (and real-time, for that matter)
  - direct reporting engagements (it has also been assumed that the responsible party is the engaging party).
7. As noted above, this analysis is illustrative only. Different interpretations could yield different results. For example, while the analysis suggest that controls are unlikely to be relevant when measuring the size of a leased property, if the entity performed many such measurements, controls may well be an important part of the engagement to assure those measurements.
8. The analysis suggests that the most prevalent differences will relate to whether the financial statement audit approach methodology to (a) controls, and (b) considerations at the assertion level, are applicable.

ISA 210 - AGREEING THE TERMS OF ASSURANCE ENGAGEMENTS	GHG emissions	The size of a leased property	Effective design of controls	Effective operation of controls	Compliance with loan covenants
<b>Preconditions for an Assurance Engagement</b>					
6. In order to establish whether the preconditions for an assurance engagement are present, the assurance professional shall:					
(a) Determine whether the criteria to be applied in the preparation of the subject matter information are <del>acceptable</del> <u>suitable and available to intended users</u> ; and (Ref: Para. A2-A10)	✓	✓	✓	✓	✓
(b) Obtain the agreement of the responsible party that it acknowledges and understands its responsibility: (Ref: Para A11-A14, A20)					
(i) For the preparation of the subject matter information in accordance with the applicable criteria, including where relevant the <del>the</del> <u>fair presentation of the subject matter information</u> ; (Ref: Para. A15)	✓	✓	✓	✓	✓
(ii) For such internal control as the responsible party determines is necessary to enable the preparation of subject matter information that is free from material misstatement, whether due to fraud or error; and (Ref: Para. A16-A19)	✓	Tenuous Control is not likely to be relevant to a straight measurement	Tenuous Control over design is not likely to be relevant	Tenuous Control over controls effectiveness, although it could be equated to monitoring controls, is not a good fit	✓
(iii) To provide the assurance professional with:					
• Access to all information of which the responsible party is aware that is relevant to the preparation of the subject matter information such as records, documentation and other matters;	✓	✓	✓	✓	✓
• Additional information that the assurance professional may request from the responsible party for the purpose of the assurance engagement; and	✓	✓	✓	✓	✓

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<b>ISA 210 - AGREEING THE TERMS OF ASSURANCE ENGAGEMENTS</b>	<b>GHG emissions</b>	<b>The size of a leased property</b>	<b>Effective design of controls</b>	<b>Effective operation of controls</b>	<b>Compliance with loan covenants</b>
<ul style="list-style-type: none"> <li>Unrestricted access to persons within the entity from whom the assurance professional determines it necessary to obtain assurance engagement evidence.</li> </ul>	✓	✓	✓	✓	✓
<i>Limitation on Scope Prior to Assurance Engagement Acceptance</i>					
<p>7. If the responsible party <del>or those charged with governance</del> impose a limitation on the scope of the assurance professional’s work in the terms of a proposed assurance engagement such that the assurance professional believes the limitation will result in the assurance professional disclaiming a conclusion on the subject matter information, the assurance professional shall not accept such a limited engagement as an assurance engagement, unless required by law or regulation to do so.</p>	✓	✓	✓	✓	✓
<i>Other Factors Affecting Assurance Engagement Acceptance</i>					
<p>8. If the preconditions for an assurance engagement are not present, the assurance professional shall discuss the matter with the responsible party. Unless required by law or regulation to do so, the assurance professional shall not accept the proposed assurance engagement:</p> <p>(a) If the assurance professional has determined that the criteria to be applied in the preparation of the subject matter information are unacceptable, except as provided in paragraph 19; or</p> <p>(b) If the agreement referred to in paragraph 6(b) has not been obtained.</p>	✓	✓	✓	✓	✓
<b>Agreement on Assurance Engagement Terms</b>					
<p>9. The assurance professional shall agree the terms of the assurance engagement with the responsible party <del>or those charged with governance, as appropriate</del>. (Ref: Para. A21)</p>	✓	✓	✓	✓	✓
<p>10. Subject to paragraph 11, the agreed terms of the assurance engagement shall be recorded in an assurance engagement letter or other suitable form of written agreement and shall include:</p>	✓	✓	✓	✓	✓

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ISA 210 - AGREEING THE TERMS OF ASSURANCE ENGAGEMENTS	GHG emissions	The size of a leased property	Effective design of controls	Effective operation of controls	Compliance with loan covenants
(Ref: Para. A22-A25) (a) The objective and scope of the assurance engagement of the subject matter information; (b) The responsibilities of the assurance professional; (c) The responsibilities of the responsible party; (d) Identification of the applicable criteria for the preparation of the subject matter information; and (e) Reference to the expected form and content of any reports to be issued by the assurance professional and a statement that there may be circumstances in which a report may differ from its expected form and content.					
11. If law or regulation prescribes in sufficient detail the terms of the assurance engagement referred to in paragraph 10, the assurance professional need not record them in a written agreement, except for the fact that such law or regulation applies and that the responsible party acknowledges and understands its responsibilities as set out in paragraph 6(b). (Ref: Para. A22, A26-A27)	✓	✓	✓	✓	✓
12. If law or regulation prescribes responsibilities of the responsible party similar to those described in paragraph 6(b), the assurance professional may determine that the law or regulation includes responsibilities that, in the assurance professional’s judgment, are equivalent in effect to those set out in that paragraph. For such responsibilities that are equivalent, the assurance professional may use the wording of the law or regulation to describe them in the written agreement. For those responsibilities that are not prescribed by law or regulation such that their effect is equivalent, the written agreement shall use the description in paragraph 6(b). (Ref: Para. A26)	✓	✓	✓	✓	✓

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ISA 210 - AGREEING THE TERMS OF ASSURANCE ENGAGEMENTS	GHG emissions	The size of a leased property	Effective design of controls	Effective operation of controls	Compliance with loan covenants
<p><b>Recurring Assurance Engagements</b></p> <p>13. On recurring assurance engagements, the assurance professional shall assess whether circumstances require the terms of the assurance engagement to be revised and whether there is a need to remind the entity of the existing terms of the assurance engagement. (Ref: Para. A28)</p>	✓	✓	✓	✓	✓
<p><b>Acceptance of a Change in the Terms of the Assurance Engagement</b></p>					
<p>14. The assurance professional shall not agree to a change in the terms of the assurance engagement where there is no reasonable justification for doing so. (Ref: Para. A29-A31)</p>	✓	✓	✓	✓	✓
<p>15. If, prior to completing the assurance engagement, the assurance professional is requested to change the assurance engagement to an engagement that conveys a lower level of assurance, the assurance professional shall determine whether there is reasonable justification for doing so. (Ref: Para. A32-A33)</p>	✓	✓	✓	✓	✓
<p>16. If the terms of the assurance engagement are changed, the assurance professional and the responsible party shall agree on and record the new terms of the engagement in an engagement letter or other suitable form of written agreement.</p>	✓	✓	✓	✓	✓
<p>17. If the assurance professional is unable to agree to a change of the terms of the assurance engagement and is not permitted by the responsible party to continue the original assurance engagement, the assurance professional shall:</p> <p>(a) Withdraw from the assurance engagement where possible under applicable law or regulation; and</p> <p>(b) Determine whether there is any obligation, either contractual or otherwise, to report the circumstances to other parties, such as those charged with governance, owners or regulators.</p>	✓	✓	✓	✓	✓

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ISA 210 - AGREEING THE TERMS OF ASSURANCE ENGAGEMENTS	GHG emissions	The size of a leased property	Effective design of controls	Effective operation of controls	Compliance with loan covenants
<b>Additional Considerations in Engagement Acceptance</b>					
<i>Criteria Supplemented by Law or Regulation</i>					
18. If criteria established by an authorized or recognized standards setting organization are supplemented by law or regulation, the assurance professional shall determine whether there are any conflicts between the criteria and the additional requirements. If such conflicts exist, the assurance professional shall discuss with the responsible party the nature of the additional requirements and shall agree whether: <ul style="list-style-type: none"> <li>(a) The additional requirements can be met through additional disclosures in the subject matter information; or</li> <li>(b) The description of the applicable criteria in the subject matter information can be amended accordingly.</li> </ul> If neither of the above actions is possible, the assurance professional shall determine whether it will be necessary to modify the assurance professional’s conclusion. <del>in accordance with ISA 705<sup>1</sup></del> (Ref: Para. A34)	✓	✓	✓	✓	✓
<i>Criteria Prescribed by Law or Regulation—Other Matters Affecting Acceptance</i>					
19. If the assurance professional has determined that the criteria prescribed by law or regulation would <u>not be unacceptable-suitable</u> but for the fact that <del>it is</del> <u>they are</u> prescribed by law or regulation, the assurance professional shall accept the assurance engagement only if the following conditions are present: (Ref: Para. A35) <ul style="list-style-type: none"> <li>(a) The responsible party agrees to provide additional disclosures in the subject matter information required to avoid the subject matter information being misleading; and</li> <li>(b) It is recognized in the terms of the assurance engagement that:</li> </ul>	✓	✓	✓	✓	✓

<sup>1</sup> ISA 705, “Modifications to the Opinion in the Independent Auditor’s Report.”

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ISA 210 - AGREEING THE TERMS OF ASSURANCE ENGAGEMENTS	GHG emissions	The size of a leased property	Effective design of controls	Effective operation of controls	Compliance with loan covenants
<p>(i) The assurance professional's report <del>on the financial statements</del> will incorporate an Emphasis of Matter paragraph, drawing users' attention to the additional disclosures, <del>in accordance with ISA 706,</del><sup>2</sup> and</p> <p>(ii) Unless the assurance professional is required by law or regulation to express the assurance professional's conclusion on the subject matter information by using the phrases present fairly, in all material respects, or give a true and fair view in accordance with the applicable criteria, the assurance professional's conclusion on the subject matter information will not include such phrases.</p>					
<p>20. If the conditions outlined in paragraph 19 are not present and the assurance professional is required by law or regulation to undertake the assurance engagement, the assurance professional shall:</p> <p>(a) Evaluate the effect of the misleading nature of the subject matter information on the assurance professional's report; and</p> <p>(b) Include appropriate reference to this matter in the terms of the assurance engagement.</p>	✓	✓	✓	✓	✓
<p><i>Assurance professional's Report Prescribed by Law or Regulation</i></p>					
<p>21. In some cases, law or regulation of the relevant jurisdiction prescribes the layout or wording of the assurance professional's report <del>in a form or in terms that are significantly different from the requirements of ISAs</del>. In these circumstances, the assurance professional shall evaluate:</p> <p>(a) Whether users might misunderstand the assurance obtained from the assurance engagement <del>of the financial statements</del></p>	✓	✓	✓	✓	✓

<sup>2</sup> ISA 706, "Emphasis of Matter Paragraphs and Other Matter Paragraphs in the Independent Auditor's Report."

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<b>ISA 210 - AGREEING THE TERMS OF ASSURANCE ENGAGEMENTS</b>	<b>GHG emissions</b>	<b>The size of a leased property</b>	<b>Effective design of controls</b>	<b>Effective operation of controls</b>	<b>Compliance with loan covenants</b>
<p>and, if so,</p> <p>(b) Whether additional explanation in the assurance professional’s report can mitigate possible misunderstanding.<sup>3</sup></p> <p>If the assurance professional concludes that additional explanation in the assurance professional’s report cannot mitigate possible misunderstanding, the assurance professional shall not accept the assurance engagement, unless required by law or regulation to do so. An assurance engagement conducted in accordance with such law or regulation does not comply with ISAEs. Accordingly, the assurance professional shall not include any reference within the assurance professional’s report to the assurance engagement having been conducted in accordance with ISAEs.<sup>4</sup> (Ref: Para. A36-A37)</p>					

<sup>3</sup> ~~ISA 706.~~

<sup>4</sup> ~~See also ISA 700, “Forming an Opinion and Reporting on Financial Statements,” paragraph 43.~~

ISA 300 – PLANNING AN ASSURANCE ENGAGEMENT	GHG emissions	The size of a leased property	Effective design of controls	Effective operation of controls	Compliance with loan covenants
<p><b>Involvement of Key Engagement Team Members</b></p> <p>5. The engagement partner and other key members of the engagement team shall be involved in planning the assurance engagement, including planning and participating in the discussion among engagement team members. (Ref: Para. A4)</p>	✓	✓	✓	✓	✓
<p><b>Preliminary Engagement Activities</b></p> <p>6. The assurance professional shall undertake the following activities at the beginning of the current assurance engagement: (Ref: Para. A5-A7)</p> <p>(a) Performing assurance engagement procedures required by <u>paragraphs x-x of this ISAE-220</u> regarding the continuance of the client relationship and the specific assurance engagement;<sup>5</sup></p> <p>(b) Evaluating compliance with relevant ethical requirements, including independence, in accordance with <u>paragraphs x-x of this ISAE-220</u>;<sup>6</sup> and</p> <p>(c) Establishing an understanding of the terms of the engagement, as required by <u>paragraphs x-x of this ISAE-210</u>.<sup>7</sup></p>	✓	✓	✓	✓	✓
<p><b>Planning Activities</b></p>					
<p>7. The assurance professional shall establish an overall <del>audit</del> <u>assurance engagement</u> strategy that sets the scope, timing and direction of the assurance engagement, and that guides the development of the assurance engagement plan.</p>	✓	✓	✓	✓	✓
<p>8. In establishing the overall <del>audit</del> <u>assurance engagement</u> strategy, the assurance professional shall: (Ref: Para. A8-A11)</p>	✓	✓	✓	✓	✓

<sup>5</sup> ISA 220, “Quality Control for an Audit of Financial Statements,” paragraphs 12-13.

<sup>6</sup> ISA 220, paragraphs 9-11.

<sup>7</sup> ISA 210, “Agreeing the Terms of Audit Engagements,” paragraphs 9-13.

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ISA 300 – PLANNING AN ASSURANCE ENGAGEMENT	GHG emissions	The size of a leased property	Effective design of controls	Effective operation of controls	Compliance with loan covenants
(a) Identify the characteristics of the engagement that define its scope; (b) Ascertain the reporting objectives of the engagement to plan the timing of the assurance engagement and the nature of the communications required; (c) Consider the factors that, in the assurance professional’s professional judgment, are significant in directing the engagement team’s efforts; (d) Consider the results of preliminary engagement activities and, where applicable, whether knowledge gained on other engagements performed by the engagement partner for the entity <u>or audits of the entity’s financial statement performed by the firm</u> is relevant; and (e) Ascertain the nature, timing and extent of resources necessary to perform the engagement.					
9. The assurance professional shall develop an <del>audit</del> - <u>assurance engagement plan</u> that shall include a description of: (Ref: Para. A12) (a) The nature, timing and extent of planned risk assessment procedures, as determined under <u>paragraphs x-x of this ISAE 315.</u> <sup>8</sup> (b) The nature, timing and extent of planned further assurance engagement procedures <del>at the assertion level</del> , as determined under <u>paragraphs x-x of this ISAE 330.</u> <sup>9</sup> (c) Other planned assurance engagement procedures that are required to be carried out so that the engagement complies with ISAEs.	✓	✓	✓	✓	✓
10. The assurance professional shall update and change the overall <del>audit</del> <u>assurance engagement strategy</u> and the assurance	✓	✓	✓	✓	✓

<sup>8</sup> ISA 315, “Identifying and Assessing the Risks of Material Misstatement through Understanding the Entity and Its Environment.”

<sup>9</sup> ISA 330, “The Auditor’s Responses to Assessed Risks.”

ISAE 3000 – Staff Adaptation of Requirements from ISAs 210, 300, 315 and 330  
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<b>ISA 300 – PLANNING AN ASSURANCE ENGAGEMENT</b>	<b>GHG emissions</b>	<b>The size of a leased property</b>	<b>Effective design of controls</b>	<b>Effective operation of controls</b>	<b>Compliance with loan covenants</b>
engagement plan as necessary during the course of the assurance engagement. (Ref: Para. A13)					
11. The assurance professional shall plan the nature, timing and extent of direction and supervision of engagement team members and the review of their work. (Ref: Para. A14-A15)	✓	✓	✓	✓	✓
<b>Documentation</b>					
12. The assurance professional shall include in the assurance engagement documentation: <sup>10</sup> (Ref: Para. A16-A19) (a) The overall <del>audit</del> <u>assurance engagement</u> strategy; (b) The assurance engagement plan; and (c) Any significant changes made during the assurance engagement to the overall <del>audit</del> <u>assurance engagement</u> strategy or the assurance engagement plan, and the reasons for such changes. (d)	✓	✓	✓	✓	✓
Additional Considerations in Initial Assurance Engagements 13. The assurance professional shall undertake the following activities prior to starting an initial <del>audit</del> <u>assurance engagement</u> : (Ref: Para. A20) (a) Performing assurance engagement procedures required by <u>paragraphs x-x of this ISAE-220</u> regarding the acceptance of the client relationship and the specific assurance engagement, <sup>11</sup> and (b) Communicating with the predecessor assurance professional, where there has been a change of assurance professionals, in compliance with relevant ethical requirements.	✓	✓	✓	✓	✓

<sup>10</sup> ~~ISA 230, “Audit Documentation,” paragraphs 8-11, and paragraph A6.~~

<sup>11</sup> ~~ISA 220, paragraphs 12-13.~~

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ISA 315 – IDENTIFYING AND ASSESSING THE RISKS OF MATERIAL MISSTATEMENT THROUGH UNDERSTANDING THE ENTITY AND ITS ENVIRONMENT	GHG emissions	The size of a leased property	Effective design of controls	Effective operation of controls	Compliance with loan covenants
<b>Risk Assessment Procedures and Related Activities</b>					
5. The assurance professional shall perform risk assessment procedures to provide a basis for the identification and assessment of risks of material misstatement at the <del>financial statement</del> <u>subject matter information</u> and assertion levels. Risk assessment procedures by themselves, however, do not provide sufficient appropriate assurance engagement evidence on which to base the assurance conclusion. (Ref: Para. A1-A5)	✓	Tenuous Assertion level probably not relevant in a straight measurement	Tenuous Assertion level not relevant (although could be equated to the control objective level perhaps)	Tenuous Assertion level not relevant (although could be equated to the control objective level perhaps)	Tenuous Assertion level not relevant (although could be equated to elements of the covenant)
6. The risk assessment procedures shall include the following: (a) Inquiries of the responsible party, and of others within the entity who in the assurance professional’s judgment may have information that is likely to assist in identifying risks of material misstatement <del>due to fraud or error</del> . (Ref: Para. A6) (b) Analytical procedures. (Ref: Para. A7-A10) (c) Observation and inspection. (Ref: Para. A11).	✓	✓	No Analytical procedures, and perhaps observation and inspection not relevant	No Analytical procedures, and perhaps observation and inspection not relevant	Tenuous Analytical procedures and perhaps observation and inspection not relevant
7. The assurance professional shall consider whether information obtained from the assurance professional’s client acceptance or continuance process is relevant to identifying risks of material misstatement.	✓	✓	✓	✓	✓
8. If the engagement partner has performed other engagements for the entity, the engagement partner shall consider whether information obtained is relevant to identifying risks of material misstatement.	✓	✓	✓	✓	✓
9. Where the assurance professional intends to use information obtained from the assurance professional’s previous experience with the entity and from assurance engagement procedures performed in previous engagements, the assurance professional shall determine whether changes have occurred since the previous engagements that may affect its relevance to the current engagement. (Ref: Para. A12-A13)	✓	✓	✓	✓	✓

ISA 315 – IDENTIFYING AND ASSESSING THE RISKS OF MATERIAL MISSTATEMENT THROUGH UNDERSTANDING THE ENTITY AND ITS ENVIRONMENT	GHG emissions	The size of a leased property	Effective design of controls	Effective operation of controls	Compliance with loan covenants
10. The engagement partner and other key engagement team members shall discuss the susceptibility of the subject matter information to material misstatement, and the application of the applicable criteria to the entity’s facts and circumstances. The engagement partner shall determine which matters are to be communicated to engagement team members not involved in the discussion. (Ref: Para. A14-A16)	✓	✓	✓	✓	✓
<b>The Required Understanding of the Entity and Its Environment, Including the Entity’s Internal Control</b>					
<i>The Entity and Its Environment</i> 11. The assurance professional shall obtain an understanding of <u>relevant aspects of the entity and its environment</u> , following:	✓	✓	✓	✓	✓
<p>(a) <del>Relevant industry, regulatory, and other external factors including the applicable financial reporting framework. (Ref: Para. A17-A22)</del></p> <p>(b) <del>The nature of the entity, including:</del></p> <ul style="list-style-type: none"> <li><del>(i) its operations;</del></li> <li><del>(ii) its ownership and governance structures;</del></li> <li><del>(iii) the types of investments that the entity is making and plans to make, including investments in special purpose entities; and</del></li> <li><del>(iv) the way that the entity is structured and how it is financed to enable the practitioner to understand the classes of transactions, account balances, and disclosures to be expected in the subject matter information. (Ref: Para. A23-A27)</del></li> </ul> <p>(c) <del>The entity’s selection and application of accounting policies, including the reasons for changes thereto. The practitioner shall evaluate whether the entity’s accounting policies are appropriate for its business and consistent with the applicable financial reporting framework and accounting policies used in the relevant industry. (Ref: Para. A28)</del></p>					

ISA 315 – IDENTIFYING AND ASSESSING THE RISKS OF MATERIAL MISSTATEMENT THROUGH UNDERSTANDING THE ENTITY AND ITS ENVIRONMENT	GHG emissions	The size of a leased property	Effective design of controls	Effective operation of controls	Compliance with loan covenants
<p><del>(d) The entity’s objectives and strategies, and those related business risks that may result in risks of material misstatement. (Ref: Para. A29-A35)</del></p> <p><del>(e) The measurement and review of the entity’s financial performance. (Ref: Para. A36-A41)</del></p>					
<p><i>The Entity’s Internal Control</i></p> <p>12. The assurance professional shall obtain an understanding of internal control relevant to the engagement. Although most controls relevant to the engagement are likely to relate to <u>the subject matter financial reporting</u>, not all controls that relate to <u>the subject matter financial reporting</u> are relevant to the engagement. It is a matter of the assurance professional’s professional judgment whether a control, individually or in combination with others, is relevant to the engagement. (Ref: Para. A42-A65)</p>	✓	Tenuous Control is unlikely to be relevant to straight measurement	Tenuous Control over design is not likely to be relevant	No Control over control effectiveness, although it could be equated to monitoring controls, is not a good fit	✓
<p>Nature and Extent of the Understanding of Relevant Controls</p> <p>13. When obtaining an understanding of controls that are relevant to the <u>audit assurance engagement</u>, the assurance professional shall evaluate the design of those controls and determine whether they have been implemented, by performing assurance engagement procedures in addition to inquiry of the entity’s personnel. (Ref: Para. A66-A68)</p>	✓	Tenuous ditto	No Ditto	No Ditto	✓
<p>Components of Internal Control</p>					
<p><del>Control environment</del></p> <p><del>14. The assurance professional shall obtain an understanding of the control environment. As part of obtaining this understanding, the assurance professional shall evaluate whether:</del></p> <p><del>(a) Management, with the oversight of those charged with governance, has created and maintained a culture of honesty and ethical behavior; and</del></p> <p><del>(b) The strengths in the control environment elements collectively provide an appropriate foundation for the other components of internal control, and whether those other</del></p>					

ISA 315 – IDENTIFYING AND ASSESSING THE RISKS OF MATERIAL MISSTATEMENT THROUGH UNDERSTANDING THE ENTITY AND ITS ENVIRONMENT	GHG emissions	The size of a leased property	Effective design of controls	Effective operation of controls	Compliance with loan covenants
<p>components are not undermined by deficiencies in the control environment. (Ref: Para. A69-A78)</p> <p>The entity's risk assessment process</p> <p>15. The assurance professional shall obtain an understanding of whether the entity has a process for:</p> <ul style="list-style-type: none"> <li>(a) Identifying business risks relevant to financial reporting objectives;</li> <li>(b) Estimating the significance of the risks;</li> <li>(c) Assessing the likelihood of their occurrence; and</li> <li>(d) Deciding about actions to address those risks. (Ref: Para. A79)</li> </ul> <p>16. If the entity has established such a process (referred to hereafter as the "entity's risk assessment process"), the assurance professional shall obtain an understanding of it, and the results thereof. If the assurance professional identifies risks of material misstatement that management failed to identify, the assurance professional shall evaluate whether there was an underlying risk of a kind that the assurance professional expects would have been identified by the entity's risk assessment process. If there is such a risk, the assurance professional shall obtain an understanding of why that process failed to identify it, and evaluate whether the process is appropriate to its circumstances or determine if there is a significant deficiency in internal control with regard to the entity's risk assessment process.</p> <p>17. If the entity has not established such a process or has an ad hoc process, the assurance professional shall discuss with management whether business risks relevant to financial reporting objectives have been identified and how they have been addressed. The assurance professional shall evaluate whether the absence of a documented risk assessment process is appropriate in the circumstances, or determine whether it represents a significant deficiency in internal control. (Ref: Para. A80)</p> <p>The information system, including the related business processes,</p>					

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<p><del>relevant to financial reporting, and communication</del></p> <p><del>18. The assurance professional shall obtain an understanding of the information system, including the related business processes, relevant to financial reporting, including the following areas:</del></p> <ul style="list-style-type: none"> <li><del>(a) The classes of transactions in the entity’s operations that are significant to the subject matter information;</del></li> <li><del>(b) The procedures, within both information technology (IT) and manual systems, by which those transactions are initiated, recorded, processed, corrected as necessary, transferred to the general ledger and reported in the subject matter information;</del></li> <li><del>(c) The related accounting records, supporting information and specific accounts in the subject matter information that are used to initiate, record, process and report transactions; this includes the correction of incorrect information and how information is transferred to the general ledger. The records may be in either manual or electronic form;</del></li> <li><del>(d) How the information system captures events and conditions, other than transactions, that are significant to the subject matter information;</del></li> <li><del>(e) The financial reporting process used to prepare the entity’s subject matter information, including significant accounting estimates and disclosures; and</del></li> <li><del>(f) Controls surrounding journal entries, including non standard journal entries used to record non recurring, unusual transactions or adjustments. (Ref: Para. A81 A85)</del></li> </ul> <p><del>19. The assurance professional shall obtain an understanding of how the entity communicates financial reporting roles and responsibilities and significant matters relating to financial reporting, including:</del></p> <ul style="list-style-type: none"> <li><del>(a) Communications between management and those charged with governance; and</del></li> <li><del>(b) External communications, such as those with regulatory</del></li> </ul>					

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<p>authorities. (Ref: Para. A86-A87)                      Control activities relevant to the engagement</p>					
<p>20. The assurance professional shall obtain an understanding of <u>the components of internal control, being:</u>                      (a) <u>The control environment;</u>                      (b) <u>The entity’s risk the responsible party process;</u>                      (c) <u>The information system, including the related business processes, relevant to the subject matter, and communication of roles, responsibilities and significant matters with respect to the subject matter;</u>                      (d) <u>eControl activities relevant to the engagement, being those the assurance professional judges it necessary to understand in order to assess the risks of material misstatement at the assertion level and design further assurance engagement procedures responsive to assessed risks. An assurance engagement does not require an understanding of all the control activities related to each significant element of the subject matter in the subject matter information or to every assertion relevant to them. (Ref: Para. A88-A94)</u>                      (e) <u>Monitoring controls.</u></p>	✓	<p>Tenuous control ditto                      And assertions re (d) – see next box</p>	<p>No control ditto And assertions re (d) – see next box</p>	<p>No control ditto And assertions re (d) – see next box</p>	✓ except for assertions re (d) – see next box
<p><del>21. In understanding the entity’s control activities, the assurance professional shall obtain an understanding of how the entity has responded to risks arising from IT. (Ref: Para. A95-A97)</del>                      Monitoring of controls                      22. The assurance professional shall obtain an understanding of the major activities that the entity uses to monitor internal control over financial reporting, including those related to those control activities relevant to the engagement, and how the entity initiates remedial actions to</p>					

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<p>deficiencies in its controls. (Ref: Para. A98-A100)</p> <p><del>23. If the entity has an internal audit function,<sup>12</sup> the assurance professional shall obtain an understanding of the following in order to determine whether the internal audit function is likely to be relevant to the engagement:</del></p> <p><del>(a) The nature of the internal audit function’s responsibilities and how the internal audit function fits in the entity’s organizational structure; and</del></p> <p><del>(b) The activities performed, or to be performed, by the internal audit function. (Ref: Para. A101-A103)</del></p> <p><del>24. The assurance professional shall obtain an understanding of the sources of the information used in the entity’s monitoring activities, and the basis upon which management considers the information to be sufficiently reliable for the purpose. (Ref: Para. A104)</del></p>					
<p>Identifying and Assessing the Risks of Material Misstatement</p> <p>25. The assurance professional shall identify and assess the risks of material misstatement at:</p> <p>(a) <del>the financial statement subject matter information level; and</del> (Ref: Para. A105-A108)</p> <p>(b) <del>the assertion level for classes of transactions, account balances, and disclosures elements of the subject matter</del> (Ref: Para. A109-A113)</p> <p>to provide a basis for designing and performing further assurance engagement procedures.</p>	✓	Tenuous Assertion level probably not relevant in a straight measurement	Tenuous Assertion level not relevant (although could be equated to the control objective level perhaps)	Tenuous Assertion level not relevant (although could be equated to the control objective level perhaps)	Tenuous Assertion level not relevant (although could be equated to elements of the covenant)
<p>26. For this purpose, the assurance professional shall:</p> <p>(a) Identify risks throughout the process of obtaining an understanding of the entity and its environment, including</p>	✓		No But the thought process could,	No But the thought process could,	No (b) & (c) re assertion level is

<sup>12</sup> The term “internal audit function” is defined in ISA 610, “Using the Work of Internal Assurance professionals,” paragraph 7(a), as: “An appraisal activity established or provided as a service to the entity. Its functions include, amongst other things, examining, evaluating and monitoring the adequacy and effectiveness of internal control.”

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<p>relevant controls that relate to the risks, and by considering the elements of the subject matter; (Ref: Para. A114-A115)</p> <p>(b) Assess the identified risks, and evaluate whether they relate more pervasively to the subject matter information as a whole and potentially affect many assertions;</p> <p>(c) Relate the identified risks to what can go wrong at the assertion level, taking account of relevant controls that the assurance professional intends to test; and (Ref: Para. A116-A118)</p> <p>(d) Consider the likelihood of misstatement, including the possibility of multiple misstatements, and whether the potential misstatement <del>could be</del> <u>is</u> of a magnitude that could result in a material misstatement.</p>			and probably should be adapted specifically for such engagements	and probably should be adapted specifically for such engagements	not relevant (although could be equated to elements of the covenant); but the rest is
<i>Risks That Require Special Audit Consideration</i>					
<p><del>27. As part of the risk assessment as described in paragraph 25, the assurance professional shall determine whether any of the risks identified are, in the assurance professional's judgment, a significant risk. In exercising this judgment, the assurance professional shall exclude the effects of identified controls related to the risk.</del></p>					
<p><del>28. In exercising judgment as to which risks are significant risks, the assurance professional shall consider at least the following:</del></p> <p>(a) <del>Whether the risk is a risk of fraud;</del></p> <p>(b) <del>Whether the risk is related to recent significant economic, accounting or other developments and, therefore, requires specific attention;</del></p> <p>(c) <del>The complexity of transactions;</del></p> <p>(d) <del>Whether the risk involves significant transactions with related parties;</del></p> <p>(e) <del>The degree of subjectivity in the measurement of financial information related to the risk, especially those measurements</del></p>					

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<p>involving a wide range of measurement uncertainty; and                      (f) Whether the risk involves significant transactions that are outside the normal course of business for the entity, or that otherwise appear to be unusual. (Ref: Para. A119 A123)</p>					
<p><del>29. If the assurance professional has determined that a significant risk exists, the assurance professional shall obtain an understanding of the entity's controls, including control activities, relevant to that risk. (Ref: Para. A124 A126)</del></p>					
<p><i>Risks for Which Substantive procedures Alone Do Not Provide Sufficient Appropriate Assurance engagement evidence</i>                      30. In respect of some risks, the assurance professional may judge that it is not possible or practicable to obtain sufficient appropriate assurance engagement evidence only from substantive procedures. Such risks may relate to the inaccurate or incomplete recording of routine and significant elements of the subject matter, the characteristics of which often permit highly automated processing with little or no manual intervention. In such cases, the entity's controls over such risks are relevant to the engagement and the assurance professional shall obtain an understanding of them. (Ref: Para. A127-A129)</p>	✓	No Control ditto, plus too micro	No Control ditto	N control ditto	✓

<b>ISA 315 – IDENTIFYING AND ASSESSING THE RISKS OF MATERIAL MISSTATEMENT THROUGH UNDERSTANDING THE ENTITY AND ITS ENVIRONMENT</b>	<b>GHG emissions</b>	<b>The size of a leased property</b>	<b>Effective design of controls</b>	<b>Effective operation of controls</b>	<b>Compliance with loan covenants</b>
<i>Revision of Risk Assessment</i> 31. The assurance professional’s assessment of the risks of material misstatement at the assertion level may change during the course of the assurance engagement as additional assurance engagement evidence is obtained. In circumstances where the assurance professional obtains assurance engagement evidence from performing further assurance engagement procedures, or if new information is obtained, either of which is inconsistent with the assurance engagement evidence on which the assurance professional originally based the assessment, the assurance professional shall revise the assessment and modify the further planned assurance engagement procedures accordingly. (Ref: Para. A130)	✓	Tenuous Assertions ditto	Tenuous Assertions ditto	Tenuous Assertions ditto	Tenuous Assertions ditto
<b>Documentation</b>					
32. The assurance professional shall include in the assurance documentation: <sup>13</sup>					
(a) The discussion among the engagement team where required by paragraph 10, and the significant decisions reached;	✓	✓	✓	✓	✓
(b) Key elements of the understanding obtained regarding <del>each of the aspects of the entity and its environment specified in paragraph 11 and of each of the internal control components specified in paragraphs 14-24</del> ; the sources of information from which the understanding was obtained; and the risk assessment procedures performed;	✓	✓	✓	✓	✓
(c) The identified and assessed risks of material misstatement at the subject matter information level and at the assertion level as required by paragraph 25, <del>and</del>	✓	Tenuous Assertions ditto	Tenuous Assertions ditto	Tenuous Assertions ditto	Tenuous Assertions ditto
(d) <del>The risks identified, and related controls about which the practitioner has obtained an understanding, as a result of the requirements in paragraphs 27-30. (Ref: Para. A131-A134)</del>					

<sup>13</sup> ISA 230, “Engagement documentation,” paragraphs 8-11, and paragraph A6.

<b>ISA 330 - THE ASSURANCE PROFESSIONAL'S RESPONSES TO ASSESSED RISKS</b>	<b>GHG emissions</b>	<b>The size of a leased property</b>	<b>Effective design of controls</b>	<b>Effective operation of controls</b>	<b>Compliance with loan covenants</b>
<b>Overall Responses</b> 5. The assurance professional shall design and implement overall responses to address the assessed risks of material misstatement at the financial statement level. (Ref: Para. A1-A3)	✓	Tenuous Assertions ditto	Tenuous Assertions ditto	Tenuous Assertions ditto	Tenuous Assertions ditto
<b>Assurance engagement procedures Responsive to the Assessed Risks of Material Misstatement at the Assertion Level</b>	✓	Tenuous Assertions ditto	Tenuous Assertions ditto	Tenuous Assertions ditto	Tenuous Assertions ditto
6. The assurance professional shall design and perform further assurance engagement procedures whose nature, timing, and extent are based on and are responsive to the assessed risks of material misstatement at the assertion level. (Ref: Para. A4-A8)	✓	Tenuous Assertions ditto	Tenuous Assertions ditto	Tenuous Assertions ditto	Tenuous Assertions ditto
7. In designing the further assurance engagement procedures to be performed, the assurance professional shall: <ul style="list-style-type: none"> <li>(a) Consider the reasons for the assessment given to the risk of material misstatement at the assertion level for each element of the subject matter, including: (Ref: Para. A9-A18)               <ul style="list-style-type: none"> <li>(i) The likelihood of material misstatement due to the particular characteristics of the relevant element of the subject matter (that is, the inherent risk); and</li> <li>(ii) Whether the risk assessment takes account of relevant controls (that is, the control risk), thereby requiring the assurance professional to obtain assurance engagement evidence to determine whether the controls are operating effectively (that is, the assurance professional intends to rely on the operating effectiveness of controls in determining the nature, timing and extent of substantive procedures); and</li> </ul> </li> <li>(b) Obtain more persuasive assurance engagement evidence the higher the assurance professional's assessment of risk. (Ref: Para. A19)</li> </ul>	✓	Tenuous Controls and Assertions ditto	No Controls and Assertions ditto	No Controls and Assertions ditto	✓ except for assertions

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ISA 330 - THE ASSURANCE PROFESSIONAL'S RESPONSES TO ASSESSED RISKS	GHG emissions	The size of a leased property	Effective design of controls	Effective operation of controls	Compliance with loan covenants
<i>Tests of Controls</i>					
8. The assurance professional shall design and perform tests of controls to obtain sufficient appropriate assurance engagement evidence as to the operating effectiveness of relevant controls if: (a) The assurance professional's assessment of risks of material misstatement at the assertion level includes an expectation that the controls are operating effectively (i.e., the assurance professional intends to rely on the operating effectiveness of controls in determining the nature, timing and extent of substantive procedures); or (b) Substantive procedures alone cannot provide sufficient appropriate assurance engagement evidence at the assertion level. (Ref: Para. A20-A24)	✓	Tenuous Controls and Assertions ditto	No Controls and Assertions ditto	No Controls and Assertions ditto	✓ except for assertions
9. In designing and performing tests of controls, the assurance professional shall obtain more persuasive assurance engagement evidence the greater the reliance the assurance professional places on the effectiveness of a control. (Ref: Para. A25)	✓	Tenuous Controls ditto	No Controls ditto	No Controls ditto	✓
Nature and Extent of Tests of Controls					
10. In designing and performing tests of controls, the assurance professional shall: (a) Perform other assurance engagement procedures in combination with inquiry to obtain assurance engagement evidence about the operating effectiveness of the controls, including: (i) How the controls were applied at relevant times during the period <del>under audit</del> <u>subject to the engagement</u> . (ii) The consistency with which they were applied. (iii) By whom or by what means they were applied. (b) Determine whether the controls to be tested depend upon other controls (indirect controls) and, if so, whether it is necessary to obtain assurance engagement evidence	✓	Tenuous Controls ditto	No Controls ditto	No Controls ditto	✓

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supporting the effective operation of those indirect controls. (Ref: Para. A30-31)					
Timing of Tests of Controls					
11. The assurance professional shall test controls for the particular time, or throughout the period, for which the assurance professional intends to rely on those controls, <del>subject to paragraphs 12 and 15 below</del> , in order to provide an appropriate basis for the assurance professional's intended reliance. (Ref: Para. A32)	✓	Tenuous Controls ditto	No Controls ditto	No Controls ditto	✓
<p>Using evidence obtained during an interim period</p> <p><del>12. If the assurance professional obtains evidence about the operating effectiveness of controls during an interim period, the assurance professional shall:</del></p> <p><del>(a) Obtain evidence about significant changes to those controls subsequent to the interim period; and</del></p> <p><del>(b) Determine the additional evidence to be obtained for the remaining period. (Ref: Para. A33-A34)</del></p> <p>Using evidence obtained in previous engagements</p> <p><del>13. In determining whether it is appropriate to use evidence about the operating effectiveness of controls obtained in previous engagements, and, if so, the length of the time period that may elapse before retesting a control, the assurance professional shall consider the following:</del></p> <p><del>(a) The effectiveness of other elements of internal control, including the control environment, the entity's monitoring of controls, and the entity's risk assessment process;</del></p> <p><del>(b) The risks arising from the characteristics of the control, including whether it is manual or automated;</del></p> <p><del>(c) The effectiveness of general IT controls;</del></p> <p><del>(d) The effectiveness of the control and its application by the entity, including the nature and extent of deviations in the application of the control noted in previous engagements, and</del></p>					

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<p><del>whether there have been personnel changes that significantly affect the application of the control;</del></p> <p><del>(e) Whether the lack of a change in a particular control poses a risk due to changing circumstances; and</del></p> <p><del>(f) The risks of material misstatement and the extent of reliance on the control. (Ref: Para. A35)</del></p> <p><del>14. If the assurance professional plans to use evidence from a previous engagement about the operating effectiveness of specific controls, the assurance professional shall establish the continuing relevance of that evidence by obtaining evidence about whether significant changes in those controls have occurred subsequent to the previous engagement. The assurance professional shall obtain this evidence by performing inquiry combined with observation or inspection, to confirm the understanding of those specific controls, and:</del></p> <p><del>(a) If there have been changes that affect the continuing relevance of the evidence from the previous engagement, the assurance professional shall test the controls in the current engagement. (Ref: Para. A36)</del></p> <p><del>(b) If there have not been such changes, the assurance professional shall test the controls at least once in every third engagement, and shall test some controls each engagement to avoid the possibility of testing all the controls on which the assurance professional intends to rely in a single engagement period with no testing of controls in the subsequent two engagement periods. (Ref: Para. A37-39)</del></p> <p><del>Controls over significant risks</del></p> <p><del>15. If the assurance professional plans to rely on controls over a risk the assurance professional has determined to be a significant risk, the assurance professional shall test those controls in the current period.</del></p>					
<p>Evaluating the Operating Effectiveness of Controls</p> <p>16. When evaluating the operating effectiveness of relevant controls,</p>	✓	Tenuous Controls ditto	No Controls ditto	No Controls ditto	✓

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the assurance professional shall evaluate whether misstatements that have been detected by Substantive procedures indicate that controls are not operating effectively. The absence of misstatements detected by substantive procedures, however, does not provide assurance engagement evidence that controls related to the assertion being tested are effective. (Ref: Para. A40)					
17. If deviations from controls upon which the assurance professional intends to rely are detected, the assurance professional shall make specific inquiries to understand these matters and their potential consequences, and shall determine whether: (a) The tests of controls that have been performed provide an appropriate basis for reliance on the controls; (b) Additional tests of controls are necessary; or (c) The potential risks of misstatement need to be addressed using substantive procedures. (Ref: Para. A41)	✓	Tenuous Controls ditto	No Controls ditto	No Controls ditto	✓
<i>Substantive Procedures</i>					
18. Irrespective of the assessed risks of material misstatement, the assurance professional shall design and perform substantive procedures for each material element of the subject matter, and disclosure. (Ref: Para. A42-A47)	✓	Tenuous Controls ditto	No Controls ditto	No Controls ditto	✓
19. <del>The assurance professional shall consider whether external confirmation procedures are to be performed as substantive evidence gathering procedures. (Ref: Para. A48-A51)</del>					
Substantive Procedures Related to the <del>Financial Statement</del> Closing Process 20. The assurance professional's substantive procedures shall include the following assurance engagement procedures related to the <del>financial statement</del> closing process: (a) Agreeing or reconciling the subject matter information with the underlying accounting records; and (b) Examining material <del>journal entries and other</del> adjustments	✓	No Not relevant to straight measurement	No Not relevant	No Not relevant	No Not relevant

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made during the course of preparing the subject matter information. (Ref: Para. A52)					
<b>Substantive Procedures Responsive to Significant Risks</b>					
21. <del>If the assurance professional has determined that an assessed risk of material misstatement at the assertion level is a significant risk, the assurance professional shall perform substantive procedures that are specifically responsive to that risk. When the approach to a significant risk consists only of substantive procedures, those procedures shall include tests of details. (Ref: Para. A53)</del>					
<b>Timing of Substantive Procedures</b>					
22. <del>If substantive procedures are performed at an interim date, the assurance professional shall cover the remaining period by performing:                      (a) <del>substantive procedures, combined with tests of controls for the intervening period; or</del>                      (b) <del>if the assurance professional determines that it is sufficient, further substantive procedures only</del>                      that provide a reasonable basis for extending the assurance conclusions from the interim date to the period end. (Ref: Para. A55 A57)</del>					
23. <del>If misstatements that the assurance professional did not expect when assessing the risks of material misstatement are detected at an interim date, the assurance professional shall evaluate whether the related assessment of risk and the planned nature, timing, or extent of substantive procedures covering the remaining period need to be modified. (Ref: Para. A58)</del>					
<b>Adequacy of Presentation and Disclosure</b>					
24. The assurance professional shall perform assurance engagement procedures to evaluate whether the overall presentation of the subject matter information, <del>including the related disclosures,</del> is in					

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<b>ISA 330 - THE ASSURANCE PROFESSIONAL'S RESPONSES TO ASSESSED RISKS</b>	<b>GHG emissions</b>	<b>The size of a leased property</b>	<b>Effective design of controls</b>	<b>Effective operation of controls</b>	<b>Compliance with loan covenants</b>
accordance with the applicable criteria. (Ref: Para. A59)					
<b>Evaluating the Sufficiency and Appropriateness of Assurance engagement evidence</b>					
25. Based on the assurance engagement procedures performed and the assurance engagement evidence obtained, the assurance professional shall evaluate before the conclusion of the assurance engagement whether the assessments of the risks of material misstatement at the assertion level remain appropriate. (Ref: Para. A60-A61)	✓	✓	✓	✓	✓
26. The assurance professional shall conclude whether sufficient appropriate assurance engagement evidence has been obtained. In forming a conclusion, the assurance professional shall consider all relevant assurance engagement evidence, regardless of whether it appears to corroborate or to contradict the assertions in the subject matter information. (Ref: Para. A62)	✓	✓	✓	✓	✓
27. If the assurance professional has not obtained sufficient appropriate assurance engagement evidence as to a material <u>element of the subject matter information-assertion</u> , the assurance professional shall attempt to obtain further assurance engagement evidence. If the assurance professional is unable to obtain sufficient appropriate assurance engagement evidence, the assurance professional shall express a qualified conclusion or disclaim a conclusion.	✓	✓	✓	✓	✓
<b>Documentation</b>					
28. The assurance professional shall include in the assurance documentation: <sup>1</sup> (Ref: Para. A63) (a) The overall responses to address the assessed risks of material misstatement at the subject matter information level, and the nature, timing, and extent of the further assurance engagement procedures performed;	✓	Tenuous Assertions ditto	Tenuous Assertions ditto	Tenuous Assertions ditto	Tenuous Assertions ditto

ISAE 3000 – Staff Adaptation of Requirements from ISAs 210, 300, 315 and 330  
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(b) The linkage of those assurance engagement procedures with the assessed risks <del>at the assertion level</del> ; and	✓	Tenuous Assertions ditto	Tenuous Assertions ditto	Tenuous Assertions ditto	Tenuous Assertions ditto
(c) The results of the assurance engagement procedures, including the conclusions where these are not otherwise clear.	✓	✓	✓	✓	✓
<p><del>29. If the practitioner plans to use evidence about the operating effectiveness of controls obtained in previous audits, the practitioner shall include in the assurance documentation the conclusions reached about relying on such controls that were tested in a previous audit.</del></p> <p><del>30. The practitioners' documentation shall demonstrate that the subject matter information agree or reconcile with the underlying accounting records.</del></p>					