

# Audit Evidence and Risk Response

**IAASB Meeting**  
**September 18, 2024**  
**Agenda Item 6**

# Audit Evidence and Risk Response

## Project Team



Ana  
Espinal-  
Rae

Megan  
Leicht

Hankenson  
Jane  
Talatala

Jasper van  
den Hout

## Focus Group



Julie  
Corden

Vishal  
Doshi

Sachiko  
Kai

Edo  
Kienhuis

Warren  
Maroun

# Objective of Sessions

**Sessions**  
**(11:00 – 12:30 and**  
**13:30 – 15:00)**

- Obtain the Board's input on
  - The draft project proposal on audit evidence and risk response, presented in **Agenda Item 6-A**
  - The issues identified relating to risk response, presented in **Agenda Item 6-B**.

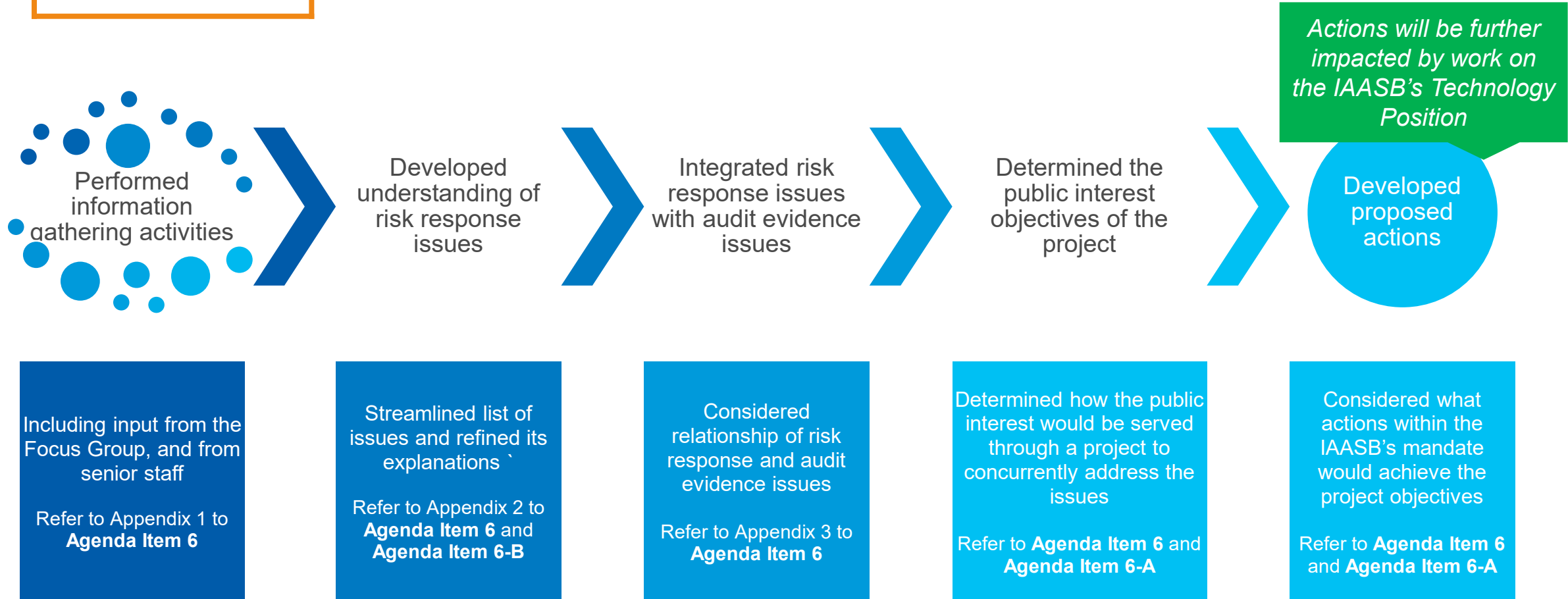
# Information Gathering Activities Since March 2024

**Targeted Outreach**

**Desktop-Based  
Activities**

**Consultation and Other  
Activities**

# Developing the Project Proposal



# Interaction with Work on Technology Position



Ongoing staff-level coordination between project team and Technology Position staff team

Project team involvement in Preliminary Gap Analysis (**Agenda Item 5**)



Participation of project team in Q3 Technology Consultation Group meeting

## Key Insight from the Preliminary Gap Analysis Regarding the Ordering of Current and Future Projects

“Any project that is endorsed by the Board to enhance quality management, for example, to augment the principles in ISQM 1 pertaining to technological resources, would not need to happen before technology-related enhancements are explored for the in-scope ISAs, including ISA 500 and ISA 330”

# ‘Gap Analysis’ and the Project Proposal

**Agenda Item 5** (Table A) identifies opportunities to clarify certain questions and enhance the ISAs for matters **relevant to obtaining and evaluating audit evidence, and the performance of further audit procedures**, under the following themes:

Theme 1: Foundational  
questions on the  
objective of an audit

Theme 3: Determining  
whether to use  
technology in an  
engagement

Theme 4: Using  
technology in an  
engagement

Theme 6: Addressing  
entities' use of  
technology

Actions in the project proposal aim to address these gaps

# Matter for IAASB Consideration

1. The Board is asked for their views on the proposed **Subject, Introduction and Project Objectives** that Support the Public Interest, as included in the project proposal (see **Agenda Item 6-A**, Sections I, II and III)

# Matter for IAASB Consideration

2. The Board is asked for their views on whether the issues identified relating to risk response (see **Agenda Item 6-B**) are complete and appropriately reflect issues to be explored in revising ISA 330 and ISA 520

# Matters for IAASB Consideration

3. The Board is asked for their views on whether the **issues** identified are complete and appropriately reflect the issues to be addressed by this project
4. The Board is asked for their views on whether the **proposed actions** are sufficient and appropriate to address the issues identified and achieve the project objectives

<b>Objective A: Professional Judgement and Skepticism</b>	<b>Issues 1–4</b>
<b>Objective B (i): Auditor's Work on Internal Controls</b>	<b>Issues 5–8</b>
<b>Objective B (ii): Auditor's use of Technology</b>	<b>Issues 9–16</b>

# Matters for IAASB Consideration

5. The Board is asked for their views on the project timeline (see **Agenda Item 6-A**, Section V)
6. The Board is asked whether there are any other matters within the project proposal that should be considered in its finalization, including any matters not already specifically addressed

# Way Forward

## Q4 Activities

Address key matters raised by Board, with further input from Focus Group

Align Project Proposal with work on Technology Position

Continue information gathering activities on specific topics, as needed

Collaborate with the IAAER on their research study

Coordinate with the IESBA and others



**Expected Approval of Project Proposal: December 2024**



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