



# AUASB Board Meeting Summary Paper

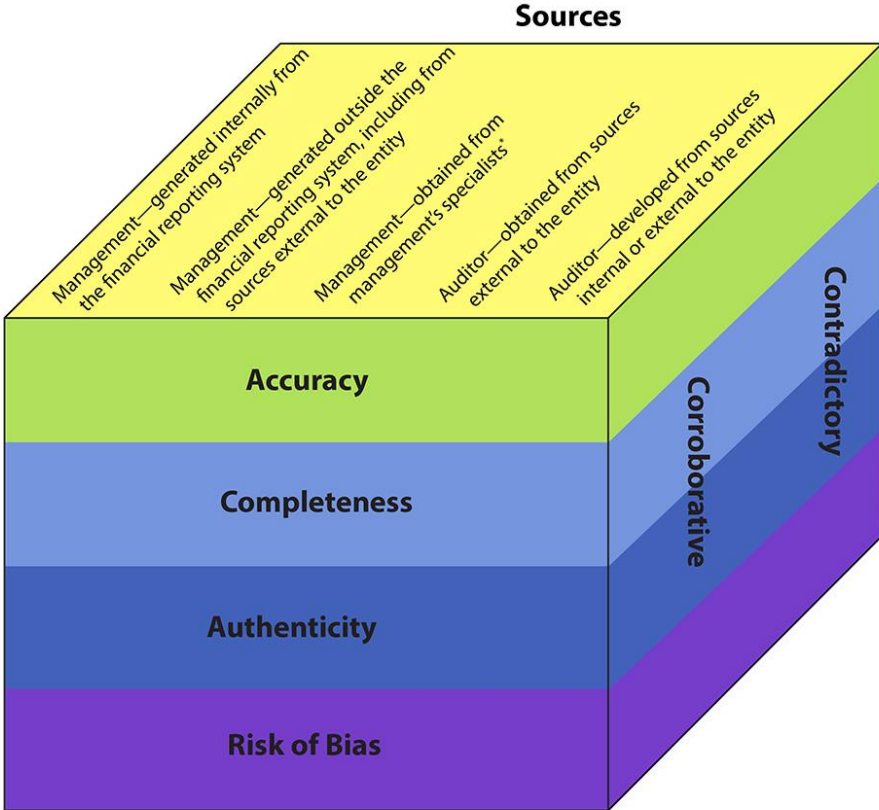
**AGENDA ITEM NO.**        **7.4.0**  
**Meeting Date:**            6 March 2019  
**Subject:**                    Audit Evidence  
**Date Prepared:**            28 February 2019  
**Prepared By:**              Tim Austin

Action Required

For Information Purposes Only

IAASB Project Objective	AUASB SMEs
<p>1. The objective of this project is to inform the newly formed Audit Evidence Working Group (AEWG) through exploring issues related to audit evidence and identifying the key issues to be addressed by the AEWG. This project is in the information gathering stage and <b>may</b> result in standard-setting activities.</p>	<p>Tim/TBD</p>
<b>AUASB Key Points</b>	
<p><b>Background</b></p> <p>2. The AUASB last received an update on the Audit Evidence project at the June 2018 AUASB Meeting. There were no actions from the paper presented in June 2018. The purpose of the June paper was to inform the IAASB/AUASB on the progress the AICPA Auditing Standards Board (ASB) had made in their audit evidence revisions project.</p> <p>3. The IAASB’s Audit Evidence project is in the information gathering stage. Based on the proposed strategy, the project will be assessed in March 2020 to determine whether standard-setting activities may be required or further research is needed.</p> <p>IAASB Considerations</p> <p>4. The increasing need to improve how the ISAs address the growing range of information sources is driving the need to consider revising ISA 500. There have been significant changes in technology since ISA 500 was last revised especially developments in the use of technology to perform audits.</p> <p>5. IAASB Agenda Item 8 covers a number of key areas that the AEWG will consider:</p> <p>(a) How does information obtained through emerging audit techniques fit within the audit evidence model?</p> <p>(b) How does ISA 500 deal with new information sources?</p>	

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IAASB Project Objective	AUASB SMEs
<p>(c) Are the requirements and application material dealing with the selection of items for testing still relevant in the context of the modern audit environment?</p> <p>(d) Is the objective of ISA 500 still appropriate?</p> <p>What is the AICPA ASB working on?</p> <p>6. The ASB are proposing issuing an exposure draft of the revision to their audit evidence standard in May 2019 with anticipated finalisation of the standard in January 2020. A key change in the ASB standard is a revision to the audit evidence model as seen in the figure below.</p> <p>7.</p>	 <p>8. Figure extracted from <a href="#">AICPA Audit Evidence Presentation</a>.</p>
<b>IAASB timeline and impact on AUASB activities/Next steps</b>	
<p>9. As the project is at the information gathering stage, there are no immediate actions for the AUASB. The direction given to the AEWG at March 2019 IAASB Meeting will inform what the AUASB’s activities/next steps will be.</p>	

**Material Presented**

Agenda Paper 7.6.0

BMSP – IESBA Code Amendments

**Action Required**

No.	Action Item	Responsibility	Due Date
1.	Paper is for information only.	AUASB	N/A

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