



March 14, 2023

International Auditing and Assurance Standards Board  
Via webposting: [www.iaasb.org](http://www.iaasb.org)

Dear Sir/Madam:

**Re: Proposed International Standard on Auditing 500 (Revised), Audit Evidence, and Proposed Conforming and Consequential Amendments to Other ISAs**

We support the proposed standards as outlined in the exposure draft International Standards on Auditing 500 (Revised), Audit Evidence, and Proposed Conforming and Consequential Amendments to Other ISAs. The attachment sets out our responses to the specific questions listed in the exposure draft.

Yours truly,

A handwritten signature in black ink that reads "Tara Clemett".

Tara Clemett, CPA, CA, CISA  
Provincial Auditor

ai/dd  
Attachment

cc: Karen DeGiobbi, CPA, CA, Director, Auditing and Assurance Standards, Auditing and Assurance Standards Board

	<b>Question</b>	<b>Response</b>
1	Is the purpose and scope of ED-500 clear? In this regard:	Yes, the purpose and scope of ED-500 are clear.
(a)	Does ED-500 provide an appropriate principles-based reference framework for auditors when making judgments about audit evidence throughout the audit?	Yes, ED-500 provides an appropriate principles-based reference framework.
(b)	Are the relationships to, or linkages with, other ISAs clear and appropriate?	Yes, relationships to, or linkages with, other ISAs are clear and appropriate.
2	What are your views about whether the proposed revisions in ED-500, when considered collectively as explained in paragraph 10 above, will lead to enhanced auditor judgments when obtaining and evaluating audit evidence?	Yes, the changes are helpful and should lead to better auditor judgments when obtaining and evaluating audit evidence. Paragraph 10 highlights this on its own instead of a subpoint of a paragraph, which will lead to enhanced auditor judgments when obtaining and evaluating audit evidence. As well, the changes do address the key public interest issues identified by IAASB.
3	What are your views about whether ED-500 has an appropriate balance of requirements and application material (see paragraph 11 above)?	Yes, overall, there is an appropriate balance of requirements and application material. While there is more application material than requirements, the application material more fully explains how to apply the standard.
4	Do you agree that ED-500 is appropriately balanced with respect to technology by reinforcing a principles-based approach that is not prescriptive but accommodates the use of technology by the entity and the auditor, including the use of automated tools and techniques?	Yes, the revisions address the changing technological environment but are not overly prescriptive. Application material accommodates the use of technology and provides good examples (e.g., remote observation tools such as a drone in A4).
5	Do the requirements and application material in ED-500 appropriately reinforce the exercise of professional skepticism in obtaining and evaluating audit evidence?	Yes, the need for professional skepticism is highlighted throughout requirements and application material.
6	Do you support the revised definition of audit evidence? In particular, do you agree with the “input-output model” that information can become audit evidence only after audit procedures are applied to it?	Yes, we support the revised definition of audit evidence and agree that information is only audit evidence after audit procedures are applied to it. This is an important change.
7	Does the application material appropriately describe the interrelationship of the sufficiency, appropriateness and persuasiveness of audit evidence?	Yes, A6 to A9 appropriately describe the interrelationship and reference to other applicable ISAs.

	Question	Response
8	Will the requirements and application material in ED-500 support an appropriate evaluation of the relevance and reliability of information intended to be used as audit evidence?	Yes
9	Do you agree with the separate conditional requirement to obtain audit evidence about the accuracy and completeness of information when those attributes are applicable in the circumstances?	Yes, this is important; the separate conditional requirement highlights that fact.
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?	Yes, paragraph 13 makes an auditor pause and consider if audit evidence obtained is sufficient and appropriate.
11	Are there any other matters you would like to raise regarding ED-500? If so, please clearly indicate the requirement(s) or application material, or the theme or topic, to which your comment(s) relate.	No other matters
12	The IAASB is also seeking comments on the matters set out below:	
(a)	Translations—Recognizing that many respondents may intend to translate the final ISA for adoption in their own environments, the IAASB welcomes comment on potential translation issues respondents note in reviewing ED-500.	No translation issues noted.
(b)	Effective Date—Recognizing that ED-500 is a substantive revision, and given the need for national due process and translation, as applicable, the IAASB believes that an appropriate effective date for the standard would be for financial reporting periods beginning approximately 18 months after approval of a final ISA. Earlier application would be permitted and encouraged. The IAASB welcomes comments on whether this would provide a sufficient period to support effective implementation of the ISA.	The effective date of 18 months after the approval of a final ISA is sufficient.