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## Description of content of ISSAI 1500

### *Audit Evidence*

Reading this description is not a substitute for reading the ISA or ISSAI itself.

ISSAI 1500 is comprised of International Standard on Auditing (ISA) 500 – Audit Evidence, and a corresponding Practice Note. The ISA and the Practice Note are read together.

### *Authority*

Public Sector auditors using the ISAs or ISSAIs as the authoritative standard shall comply with all ISAs or ISSAIs relevant to the audit. An ISA or ISSAI is relevant to the audit when the ISA or ISSAI is in effect and the circumstances addressed by the ISA or ISSAI exist. The auditor shall not represent compliance with ISAs or ISSAIs in the auditor's report unless the auditor has complied with the requirements of all ISAs or ISSAIs relevant to the audit.

### *Description of the ISA*

ISA 500 explains what constitutes audit evidence in an audit of financial statements, and deals with the auditor's responsibility to design and perform audit procedures to obtain sufficient appropriate audit evidence to be able to draw reasonable conclusions on which to base the auditor's opinion. ISA 500 is applicable to all the audit evidence obtained during the course of the audit. Other ISAs deal with specific aspects of the audit (for example ISA 315<sup>1</sup>), the audit evidence to be obtained in relation to a particular topic (for example ISA 570<sup>2</sup>), specific procedures to obtain audit evidence (for example ISA 520<sup>3</sup>), and the evaluation of whether sufficient appropriate audit evidence has been obtained (for example ISA 200<sup>4</sup> and ISA 330<sup>5</sup>).

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<sup>1</sup> ISA 500, Identifying and Assessing the Risks of Material Misstatement through Understanding the Entity and Its Environment.

<sup>2</sup> ISA 570, Going Concern.

<sup>3</sup> ISA 520, Analytical Procedures.

<sup>4</sup> ISA 200, Overall Objectives of the Independent Auditor and the Conduct of an Audit in Accordance with International Standards on Auditing.

<sup>5</sup> ISA 330, The Auditor's Responses to Assessed Risks.

*Objective of the auditor in terms of the ISA*

The objective of the auditor is to design and perform audit procedures in such a way as to enable the auditor to obtain sufficient appropriate audit evidence to be able to draw reasonable conclusions on which to base the auditor's opinion.

Among other matters, the requirements in this ISA deal with:

- a. The relevance and reliability of the information to be used as audit evidence.
- b. The situation where information to be used as audit evidence has been prepared using the work of a management's expert.
- c. The situation where information has been produced by the entity.
- d. Selecting items for testing.
- e. Inconsistency in, or doubts over reliability of audit evidence.

*Description of the Practice Note*

The Practice Notes provides supplementary guidance for auditors applying ISA 500 when conducting financial audits of public sector entities.

*Content of the Practice Note*

The Practice Note provides additional guidance for public sector auditors related to:

- a. Public sector considerations related to sufficient appropriate audit evidence.