**Audit Evidence**

| **Audit Evidence**  **(per PCAOB AS 15)** | **PCAOB Description**  **(per PCAOB AS 15)** | **Reliability** |
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| **Confirmation** | A confirmation response represents a particular form of audit evidence obtained by the auditor from a third party in accordance with PCAOB standards | **Stronger** |
| **Reperformance** | Reperformance involves the independent execution of procedures or controls that were originally performed by company personnel. |  |
| **Recalculation** | Recalculation consists of checking the mathematical accuracy of documents or records. Recalculation may be performed manually or electronically. |  |
| **Analytical Procedures** | Analytical procedures consist of evaluations of financial information made by a study of plausible relationships among both financial and nonfinancial data. Analytical procedures also encompass the investigation of significant differences from expected amounts. |  |
| **Inspection** | Inspection involves examining records or documents, whether internal or external, in paper form, electronic form, or other media, or physically examining an asset. Inspection of records and documents provides audit evidence of varying degrees of reliability, depending on their nature and source and, in the case of internal records and documents, on the effectiveness of the controls over their production. An example of inspection used as a test of controls is inspection of records for evidence of authorization. |  |
| **Observation** | Observation consists of looking at a process or procedure being performed by others, e.g., the auditor's observation of inventory counting by the company's personnel or the performance of control activities. Observation can provide audit evidence about the performance of a process or procedure, but the evidence is limited to the point in time at which the observation takes place and also is limited by the fact that the act of being observed may affect how the process or procedure is performed. |  |
| **Inquiry** | Inquiry consists of seeking information from knowledgeable persons in financial or nonfinancial roles within the company or outside the company. Inquiry may be performed throughout the audit in addition to other audit procedures. Inquiries may range from formal written inquiries to informal oral inquiries. Evaluating responses to inquiries is an integral part of the inquiry process.    ***Note****:   Inquiry of company personnel, by itself, does not provide sufficient audit evidence to reduce audit risk to an appropriately low level for a relevant assertion or to support a conclusion about the effectiveness of a control.* | **Weaker** |