

EXPOSURE DRAFT OF PROPOSED ISRE 2410 (REVISED), REVIEW OF INTERIM FINANCIAL INFORMATION PERFORMED BY THE INDEPENDENT AUDITOR OF THE ENTITY'S ANNUAL FINANCIAL STATEMENTS

Response Form

Guide for Respondents

Comments are requested by **September 3, 2026**. *Note that requests for extensions of time cannot be accommodated due to the timeline for finalization of this proposed revised standard.*

This form is for providing comments on the Exposure Draft of proposed International Standard on Review Engagements™ (ISRE) 2410, *Review of Interim Financial Information Performed by the Independent Auditor of the Entity's Annual Financial Statements* (ED-2410), in response to the questions set out in the Explanatory Memorandum (EM) to ED-2410. It also allows for respondent details, demographics and other comments to be provided. Use of this form will facilitate the IAASB's analysis of the responses.

You may respond to all questions or only those questions for which you have specific comments.

To assist our consideration and analysis of your comments, please:

- For each question, start by indicating your overall response using the drop-down menu under each question. Include any detailed comments below that, as indicated.
- When providing comments, respond directly to the questions and:
 - Provide the rationale for your answers. If you disagree with the proposals in ED-2410, please provide specific reasons for your disagreement and include specific suggestions for changes (including specific wording) that may be needed to the requirements, application material or appendices. If you agree with the proposals, it will be helpful for the IAASB to be made aware of this view as support for the IAASB's proposals cannot always be inferred when not stated.
 - Be specific about the sections, headings or paragraphs in ED-2410 to which your responses relate.
 - Refrain from inserting tables or text boxes in your responses.

It is not necessary to include a cover letter containing a summary of your key issues. The response form provides the opportunity to include any other views you wish to place on the public record, should you choose to do so. All responses will be considered a matter of public record and will ultimately be posted on the IAASB website.

Use the **"Submit Comment"** button on [the web page for proposed ISRE 2410 \(Revised\)](#) to upload the completed form.

Responses to IAASB's Request for Comments in the EM for ED-2410, Review of Interim Financial Information Performed by the Independent Auditor of the Entity's Annual Financial Statements

PART A: Respondent Details and Demographic information

Your organization's name (or your name if you are making a submission in your personal capacity)	Auditing and Assurance Standards Board (AUASB)
Name(s) of person(s) responsible for this submission (or leave blank if the same as above)	Auditing and Assurance Standards Board (AUASB)
Name(s) of contact(s) for this submission (or leave blank if the same as above)	Doug Niven - Chair and CEO
E-mail address(es) of contact(s)	dniven@auasb.gov.au
Geographical profile that best represents your situation (i.e., the geographical perspective from which are you providing feedback on ED-2410). Select the most appropriate option.	<u>Asia Pacific</u>
	If "Other", please clarify
The stakeholder group to which you belong (i.e., the perspective from which are you providing feedback on ED-2410). Select the most appropriate option.	<u>Jurisdictional or other standard setter</u>
	If "Other", please specify
Should you choose to do so, you may include information about your organization (or yourself, as applicable).	

Should you choose to do so, you may provide overall views or additional background to your submission. **Please note that this is optional.** The IAASB's preference is that you incorporate all your views in your comments to the questions (also, Question 16 in Part B allows for raising any other matters in relation to ED-2410).

Information, if any, not already included in responding to the questions in Part B:

Click or tap here to enter text.

PART B: Responses to Questions in the EM for ED-2410

For each question, please start with your overall response by selecting one of the items in the drop-down list under the question. Provide your detailed comments, if any, below as indicated.

Overall Impact

1. Do you agree that ED-2410 is **responsive to the public interest**, considering the qualitative standard-setting characteristics and the standard-setting actions in the project proposal?
(See Section I-A and the Appendix in the EM)

Overall response: Agree (with no further comments)

Detailed comments (if any):

Click or tap here to enter text.

2. Do you agree that ED-2410 strikes **an appropriate balance** between the work effort required to express a limited assurance conclusion on the interim review engagement, and more robust requirements in the public interest in certain areas (e.g., going concern, fraud and non-compliance with laws and regulations)? You are invited to include as part of your response insights on **the implications or effects** of implementing the proposed standard.

Overall response: Agree, with comments below

Detailed comments (if any):

Practitioner stakeholder feedback indicated that the proposals are generally consistent with current practice, except for the extent of the going concern reporting in the interim review report when no events or conditions have been identified. Stakeholders overall do not expect it to result in significant changes to procedures.

Professional Skepticism and Professional Judgment

3. Does ED-2410 appropriately address the foundational concepts of professional skepticism and professional judgment, and the importance of applying these concepts throughout the interim review engagement? If not, what more might be needed in this regard?
(See Section I-B, paragraph 22(a) in the EM)

Overall response: Yes (with no further comments)

Detailed comments (if any):

Click or tap here to enter text.

Fundamental Principles of an Interim Review Engagement

4. Does the Introduction section of ED-2410 provide a clear description of the nature and purpose of an interim review engagement, and how it differs from an audit of financial statements, to provide foundational context for the work effort needed to achieve the objective of the engagement?

(See Section I-B in the EM)

Overall response: Yes (with no further comments)

Detailed comments (if any):

Click or tap here to enter text.

5. Is ED-2410 sufficiently clear that while the auditor performs primarily inquiries and analytical procedures, *all procedures* performed for the purpose of achieving the overall objective of the interim review engagement are “review procedures”? If not, what suggestions do you have to make this clearer?

(See Section I-F, paras. 44-47 in the EM)

Overall response: Yes, with comments below

Detailed comments (if any):

The ED 2410 defines “review procedures” as primarily inquiries and analytical procedure. However this terminology is not used consistently throughout ED 2410. We recommend that ED 2410 consistently apply this term. For example, refer to paragraphs 7, 18, 19, 63, A20-21 & A25.

Approaching an Interim Review Engagement in Accordance with ED-2410

6. Is it sufficiently clear that, for recurring engagements, the auditor leverages the knowledge and understanding obtained from previous annual audits and interim review engagements for the entity? If not, what suggestions do you have to make this clearer?

(See Section I-B and Section I-F, paragraphs 44-52 in the EM)

Overall response: Yes (with no further comments)

Detailed comments (if any):

Click or tap here to enter text.

7. Do you agree with the considerations that apply when the review of interim financial information is the first engagement performed for the audit client? If not, what suggestions do you have for additional considerations related to first-time interim review engagements?

(See Section I-F, paras. 48-52 in the EM)

Overall response: **Agree (with no further comments)**

Detailed comments (if any):

Materiality

8. Do you agree with the requirement for the auditor to determine materiality for the interim review engagement, and the related application material that describes the relevant principles that apply? If not, what would you suggest?

(See Section I-F, paragraphs 41-43 in the EM)

Overall response: **Agree (with no further comments)**

Detailed comments (if any):

Group Interim Review Engagements

9. Overall, do you agree that ED-2410 is capable of being applied for the review of interim financial information of groups? If not, please explain your reasons, and provide suggestions for additional requirements or application material that might be needed.

(See Section I-F, paragraphs 37-40 in the EM)

Overall response: **Agree (with no further comments)**

Detailed comments (if any):

Click or tap here to enter text.

10. Are the requirements in ED-2410 that address specific considerations related to group interim review engagements appropriate? If not, please explain your reasons, and provide suggestions for additional requirements or application material that might be needed.

(See Section I-F, paragraphs 37-40 in the EM)

Overall response: **Yes (with no further comments)**

Detailed comments (if any):

Fraud and Non-Compliance with Laws and Regulations (NOCLAR)

11. Do you agree that the work effort requirements related to fraud and NOCLAR are appropriate and proportionate to the circumstances of an interim review engagement, recognizing that the engagement is performed by the auditor of the entity's annual financial statements and has responsibilities related to fraud and NOCLAR in the context of that engagement? If not, please explain your reasons, and provide suggestions for the auditor's approach to fraud and NOCLAR in an interim review engagement.

(See Section I-F, paras. 54-56 in the EM)

Overall response: **Agree, with comments below**

Detailed comments (if any):

We agree that the proposed work effort requirements related to fraud and NOCLAR are appropriate and proportionate to the nature of an interim review engagement.

Paragraph 45 of the proposed ISRE 2410 states: The auditor shall inquire of management and others within the entity as appropriate, about: (f) The results of management's assessment of the risk that the interim financial information may be materially misstated as a result of fraud. We suggest that the paragraph should require the auditor to request management's assessment of the effect(s) on the financial report where there is an indication of fraud or non-compliance with laws and regulations. This is a requirement of the Australian equivalent of ISRE 2410.

Going Concern

Questions 12 and 13 below address both the auditor's work effort related to going concern in an interim review engagement and transparency about going concern in the interim review report.

12. Do you agree that the work effort requirements related to going concern are appropriate and proportionate to the circumstances of an interim review engagement, recognizing that the engagement is performed by the auditor of the entity's annual financial statements and has responsibilities related to going concern in the context of that engagement? If not, please explain your reasons and provide suggestions for how ED-2410 should address the auditor's responsibilities related to going concern in an interim review engagement.

(See Section I-F, paras. 57-61 in the EM)

Overall response: **Agree, with comments below**

Detailed comments (if any):

We agree with the proposed work effort relating to going concern and consider the requirements to be appropriate and proportionate to the nature of an interim review engagement.

Paragraph A107 should include guidance to support paragraph 58 where management has not prepared a going concern assessment.

13. Do you agree with the proposals to introduce a new separate section relating to going concern in the auditor's interim review report? If not, please explain your reasons and provide suggestions for how ED-2410 should address transparency about going concern in the interim review report.

(See Section I-H, paragraphs 74-79 in the EM)

Overall response: Agree, with comments below

Detailed comments (if any):

While we support the IAASB's objective to enhance transparency and consistency in reporting with respect to the auditor's responsibilities and work related to going concern, practitioner stakeholders have raised concerns about the reporting where no events or conditions have been identified.

Stakeholders generally support enhanced transparency in this area particularly, where the auditor has previously reported a material uncertainty related to going concern (MURGC) or where events and conditions have changed since the previous reporting period.

In particular:

- (a) Do you agree with the proposed required statements, appropriately worded for a limited assurance engagement, relating to the going concern basis of accounting and whether a material uncertainty exists? If not, please explain your reasons and provide suggestions for how such statements should be worded in the interim review report.

Overall response: Disagree, with comments below

Detailed comments (if any):

Overall stakeholders and AUASB Board members weren't supportive of including a going concern paragraph in the auditor's review report when no events or conditions have been identified for the interim review period or in the immediately preceding annual audit report. Users may not read the paragraph carefully and assume the auditor is providing an audit level of assurance. Inclusion of the paragraph may also dilute user focus when there is an issue with going concern. It was not considered necessary to align with the reporting required at year end under the revised ISA 570.

- (b) Do you agree that the circumstances addressed in the requirements in paragraphs 108-111 of ED-2410 capture the most frequently encountered scenarios in practice? If not, please

explain your reasons and provide suggestions for any other scenarios that should be addressed in ED-2410.

Overall response: **Agree (with no further comments)**

Detailed comments (if any):

Click or tap here to enter text.

- (c) Do you agree with the requirement in paragraph 111 of ED-2410 to include a reference in the interim review report to disclosure(s) of a going concern matter, other than a material uncertainty (for example, a “close call”) only when the matter is, in the auditor’s professional judgment, of such importance that it is fundamental to users’ understanding of the interim financial information, and to do so in a manner akin to an emphasis of matter paragraph? If not, please explain your reasons and provide suggestions for how such matters should be addressed in ED-2410.

Overall response: **Agree (with no further comments)**

Detailed comments (if any):

Click or tap here to enter text.

The Auditor’s Interim Review Report

General

14. Do you agree with the proposed new structure of the auditor’s interim review report? In particular, consider whether the new structure may be clearer for intended users of the report since it is consistent with the structure of the auditor’s report on the financial statements. If not, please explain your reasons, including any suggestions for how the interim review report can be made clearer for intended users.

(See Section I-H, paragraphs 65-68 in the EM)

Overall response: **Agree (with no further comments)**

Detailed comments (if any):

The Auditor's Interim Review Conclusion

15. Do you foresee any practical consequences from the approach in ED-2410 that the auditor's interim review conclusion would differ, depending on whether the applicable financial reporting framework is a fair presentation framework or a compliance framework, as defined in paragraph 13(b) of ED-2410? Please be as specific as possible in describing any potential issues and suggestions for how the IAASB may address them.

(See Section I-H, paragraphs 69-73 in the EM)

Overall response: **No (with no further comments)**

Detailed comments (if any):

Other Matters

16. Are there any other matters you would like to raise in relation to ED-2410? If so, please clearly indicate the specific paragraph numbers of any requirements, application material, or Appendix, to which your comments relate. If you provide views on other matters, please use subheadings in your response to clearly identify and distinguish different matters.

Overall response: **Yes, as further explained below**

Detailed comments (if any):

The Auditor's Interim Review Conclusion

The illustrative review reports in Australia in ASAE 2410 include the lead in words 'Based on our review, which is not an audit'. This wording is different to the extant ISRE 2410 and ED ISRE 2410 which use "Based on our review...."

Practitioner stakeholders and AUASB members generally agreed the Australian wording makes it clearer to the user that they are reading an interim review report that differs from an audit report. We suggest that this wording be revisited by the IAASB in their final deliberations of the standard.

Scope of ED 2410

ED ISRE 2410 paragraph 2 states that this ISRE is to be applied, adapted as necessary in the circumstances, when the auditor of the entity's annual financial statements undertakes an engagement to review other historical financial information of the entity.

Additional application could be included in the standard to clarify that some requirements may not be applicable in certain scenarios and give examples. For example, going concern might not be relevant for an engagement to review historical revenue under an agreement for the purposes of a royalty fee.

Departing from relevant requirements

Paragraph 18 of the proposed ISRE 2410 should be limited to instances where there are factors outside the control of the auditor. This wording is currently used by Australia in extant ASRE 2410.

Communication with management and those charged with governance and reporting to an appropriate authority

ED ISRE 2410 paragraph A103 and A104 only refer to instances of fraud or non-compliance with laws and regulations. We suggest that these paragraphs should also refer to suspected fraud and suspected non-compliance with laws and regulations.

Translations

17. Recognizing that many respondents may intend to translate the final standard for adoption in their own environments, have you identified any potential translation challenges or issues?
- If so, please describe the issue identified and clearly indicate the specific paragraph numbers of any requirements, application material, or specific illustrations or appendices to which your comments relate.

Overall response: No response

Detailed comments (if any):

Click or tap here to enter text.

Effective Date

18. The IAASB believes that an appropriate implementation period would be approximately 18 months after the expected date of approval of the proposed revised standard. Do you agree that this will provide a sufficient period to support effective implementation of the proposed standard? If not, what do you propose and why?

(See Section I-I, paragraphs 85-86 in the EM)

Overall response: Agree (with no further comments)

Detailed comments (if any):

Click or tap here to enter text.

Questions to Inform the International Ethics Standards Board for Accountants (IESBA)

The IESBA is seeking views from respondents related to the application of the IESBA Code. Respondents for whom these questions are relevant are encouraged answer these questions to inform the IESBA's consideration of the need for any future actions.

(See the Introduction, paragraphs 12-14, and Section I-C in the EM)

Group Interim Review Engagements

E.1. Recognizing that ED-2410 requires the auditor to comply with relevant ethical requirements, including those related to independence, when performing an interim review engagement:

- (a) Given the context set out in Section I-C, paragraph 28, in the EM and taking into account that Part 4A of the Code applies to both audit and review engagements unless otherwise stated, do you believe there is a need to clarify the application of Section 405 with respect to group review engagements, including group interim reviews? If so, please explain why. Also explain what clarifications would be useful and whether they should be made inside or outside the Code.

Overall response: No response

Detailed comments (if any):

Non-compliance or Suspected Non-compliance with Laws and Regulations

E.1. Recognizing that ED-2410 requires the auditor to comply with relevant ethical requirements, including those related to independence, when performing an interim review engagement:

- (b) Do you believe the application of the Code as described in Section I-C, paragraph 29, in the EM is clear when information concerning non-compliance or suspected non-compliance with laws and regulations comes to the auditor's attention when performing an interim review engagement? If not, please explain why. Also explain what clarifications would be useful and whether they should be made inside or outside the Code.

Overall response: No response

Detailed comments (if any):

Click or tap here to enter text.

This document was prepared by the Staff of the International Auditing and Assurance Standards Board (IAASB).

The objective of the IAASB is to serve the public interest by setting high-quality auditing, assurance, and other related services standards and by facilitating the convergence of international and national auditing and assurance standards, thereby enhancing the quality and consistency of practice throughout the world and strengthening public confidence in the global auditing and assurance profession.

The IAASB develops auditing and assurance standards and guidance under a shared standard-setting process involving the Public Interest Oversight Board, which oversees the activities of the IAASB, and the IAASB Stakeholder Advisory Council, which provides public interest input into the development of the standards and guidance.

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