

ISRE 2410 – Cover Note

Objective of the IAASB Discussion

The objective of the IAASB discussion is to approve the project proposal for the revision of ISRE 2410,¹ as set out in **Agenda Items 2-A** and **2-B**.

Request for Board Comments in Advance of Meeting

Board members are requested to communicate significant comments on the **draft project proposal** to the project team by **Thursday, June 12, 2025**. Please provide comments on the clean version of the project proposal in **Agenda Item 2-A**. This is to assist the project team to provide a final turnaround of the draft project proposal for Board approval on **June 17**. All significant matters should still be raised and discussed on public record during the Board plenary session on **June 16**.

Background

1. In March 2025, the Board discussed issues identified from information-gathering activities relating to ISRE 2410. The Board agreed that the issues identified provided a sufficient basis on which to develop a draft project proposal. Further, the Board had the opportunity to provide input into a draft project proposal for the revision of ISRE 2410.
2. Since the March 2025 IAASB meeting, the project team (see **Appendix 1**) has revised the draft project proposal, taking into account the Board's feedback, and circulated the revised draft proposal to senior staff of the International Ethics Standards Board for Accountants (IESBA), as required under the IAASB's revised Due Process and Public Interest Framework (PIF) Operating Procedures, to identify matters requiring coordination between the Boards.
3. The Board's discussion at the March 2025 meeting indicated that no substantive changes were necessary to the project proposal. However, the Board recommended certain clarifications, and certain areas to streamline. The revised draft project proposal is presented as **Agenda Item 2-A**, with changes marked in **Agenda Item 2-B**. Significant changes are explained in this cover note.

Updates to the Draft Project Proposal

4. The significant changes made to the draft project proposal are as follows.

Section	Description of Change
Section III	<ul style="list-style-type: none"> Refined the project objective in paragraph 7 so that it clearly describes the desired outcome of the project that will serve the public interest: establishing a consistent global baseline for interim review engagements. The proposed actions identified in section V of the project proposal describe <i>how</i> this objective is intended to be achieved.

¹ International Standard for Review Engagements (ISRE) 2410, *Review of Interim Financial Information Performed by the Independent Auditor of the Entity*.

Section	Description of Change
	<ul style="list-style-type: none"> Added clarifying language in paragraphs 8(a) and 9(b) to emphasize that an interim review engagement is a type of limited assurance engagement. Added context to the notion of proportionality in paragraph 9(b), by explaining that the extent to which any requirements in the ISAs may be relevant in revising ISRE 2410 will be balanced against the nature and purpose of engagements to review interim financial information.
Section V	Clarified and streamlined the identified issues and related proposed actions as follows:
Issue #1	<ul style="list-style-type: none"> Revised the proposed actions to focus on the drafting of the standard in the “Clarity format,” and on clarifying the relationship between an engagement under ISRE 2410 and other IAASB standards.
Issue #2	<ul style="list-style-type: none"> Reorganized and streamlined the list of topics that have been the subject of recent revisions to other IAASB standards, which will be considered in revising ISRE 2410, and framed the proposed actions in the context of clarifying the auditor’s responsibilities in respect of those topics, as suggested by the Board. Added a reference to considering the auditor’s responsibilities relating to ‘other information’ in an ISRE 2410 engagement.
Issue #3	Streamlined for clarity, including revising proposed action 3.3 to focus at a higher level on exploring ways to promote user understanding of interim review engagements.
Issue #4	<ul style="list-style-type: none"> Combined the previously separate issues relating to materiality and first-time engagements into a single issue, related to practical challenges with consistently interpreting and applying specific aspects of ISRE 2410. Added a proposed action to explore enhancements to ISRE 2410 to clarify the auditor’s responsibilities in first-time interim review engagements when an audit of the financial statements has not yet been performed by the auditor of the entity.
Section VI	Updated the project timeline to align with changes to the IAASB’s forward plan.

Matters for IAASB Consideration

1. The Board is asked for its views on the significant changes to the draft project proposal (**Agenda Item 2-A**), explained in paragraph 4 above. This matter will be addressed on **Monday, June 16**.
2. The Board is asked to approve the draft project proposal to revise ISRE 2410. This matter will be addressed on **Tuesday, June 17**.

Appendix 1

Project Team - Assignments and Activities

1. The Strategy and Work Plan for 2024-2027 identified this project as a candidate project to be worked on with assistance from Jurisdictional Standards Setters (JSS). Staff of the Australian and New Zealand JSS are taking the lead on this project, with the oversight and support of IAASB staff, and the involvement of IAASB project board members.

Project Team

2. IAASB staff:
 - Ana Espinal-Rae
 - Dan Montgomery
3. Staff of the Australian Auditing and Assurance Standards Board (AUASB) and the New Zealand External Reporting Board (XRB):
 - Rene Herman (AUASB)
 - Johanna Foyster (AUASB)
 - Misha Pieters (XRB)
 - Sharon Walker (XRB)

Project Board Members

4. The IAASB Project Board Members are:
 - Robert Koethner
 - Wendy Stevens

Activities in the Period

During the second quarter of 2025, the project team met with project board members twice (once virtually, once in person), and had ongoing communication points with them.

Other Outreach Activities

The project team obtained direct input from the IAASB-JSS Liaison Group at their annual meeting held in New York on May 8 and 9.