

ISRE 2410¹ – Issues Paper

Objective of the IAASB Discussion

The objective of this session in September 2025 is to obtain the Board's views and direction on matters of focus and key principles for selected topics relating to interim review engagements, including the selected drafting for the new sections of proposed ISRE 2410 (Revised) presented in **Agenda Item 6-A**.

Background

1. At the June 2025 IAASB meeting, the Board considered proposed drafting for the introduction, objectives, definitions, and certain general requirements of proposed ISRE 2410 (Revised). The Board also considered proposed enhancements to the form, structure and presentation of the interim review report to enhance the understandability and usefulness of the report for intended users. The Board was generally supportive of the proposed drafting and the recommendations of the project team.²
2. Since the June 2025 meeting, the project team (see **Appendix 1**) has focused on drafting proposals to address specific issues from the approved [project proposal](#) (see **Appendix 2** for an extract of the issues and proposed actions). This paper sets out the rationale for the project team's recommendations on the following topics (see **Sections A to H** below):
 - (a) Engagement-level quality management (project proposal, action 2.1(a));
 - (b) Acceptance and continuance of the interim review engagement (project proposal, action 4.3(a));
 - (c) Materiality in a review of interim financial information (project proposal, action 4.1);
 - (d) The auditor's understanding of the entity and its environment (project proposal, action 2.1(b)(i));
 - (e) First-time interim review engagements (project proposal, action 4.2);
 - (f) Going concern considerations in an interim review engagement (project proposal, actions 2.1(b)(iii) and 3.2);
 - (g) Other information (project proposal, action 2.1(b)(v)); and
 - (h) Initial thoughts on special considerations relating to groups (project proposal, action 2.1(c)) (no drafting proposals presented).

Drafting proposals for **Sections A to E** are included in **Agenda Item 6-A**. Drafting proposals for **Sections F and G** are included in this agenda item.

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

² While further work is ongoing to respond to Board feedback, further revisions to sections previously presented have not been included in agenda materials for this meeting. The drafting for those sections is shaded grey in **Agenda Item 6-A**.

Approach Taken to Developing the Drafting Proposals

3. The drafting proposals set out in **Agenda Item 6-A** reflect the project team's initial views on requirements that are necessary to achieve the objectives of an interim review engagement, along with supporting application material. They have been developed in coordination with the Project Board Members (**Appendix 1**) and other IAASB working groups as appropriate.
4. The project team leveraged the following information sources, in addition to extant ISRE 2410, in developing the proposals:
 - (a) The equivalent requirements and application material in ISRE 2400 (Revised)³, taking into consideration that review engagements under ISRE 2410 and ISRE 2400 (Revised) are performed for different reasons, by practitioners with different levels of knowledge of the entity.
 - (b) Requirements and application material in other IAASB standards that address limited assurance engagements, taking into consideration the effect of differences in subject matter
 - (c) ISRE 2410 equivalent standards in various jurisdictions, along with relevant input from Jurisdictional Standard Setters (JSS).
5. In addition, the project team has sought to strike an appropriate balance between requirements and application material. This has included considering whether the requirements in proposed ISRE 2410 (Revised) should:
 - (a) Remain high-level, setting out the overarching principles in core requirements, based on a presumption that the auditor performing an interim review engagement has an understanding of International Standards on Auditing (ISA) and other standards issued by the IAASB, or
 - (b) Be more detailed, based on ISRE 2400 (Revised) and the other sources noted in paragraph 4 above, recognizing that an interim review engagement is not an audit, but an assurance engagement on historical financial information that is different from an engagement under ISRE 2400 (Revised).
6. Given the IAASB's prior decision that ISRE 2410 is a standalone standard⁴ that applies to a separate engagement from an audit, **Agenda Item 6-A** reflects the latter approach. Overarching requirements are drafted to be principles-based, with a focus on the intended outcome from applying the requirement, supplemented, as appropriate, with additional requirements intended to support consistent implementation by auditors. The Board will be asked for its views on this approach, including references to the ISAs, when discussing the requirements described in **Sections A and B** below.
7. In this context, the project team has also considered whether to introduce references to the ISAs within the revised standard, and if so, to what extent, where, and why, to do so. In general, the project team has avoided cross-references to support clarity for users of the standard. The project team also considered whether a single paragraph referring to the ISAs such as the following might be appropriate, based on paragraph A22 of ISAE 3000 (Revised)⁵:

³ ISRE 2400 (Revised), *Engagements to Review Historical Financial Statements*

⁴ See minutes from the IAASB's [June 2025](#) quarterly meeting.

⁵ International Standard on Assurance Engagement (ISAE) 3000 (Revised), *Assurance Engagements Other Than Audits or Reviews of Historical Financial Information*

The ISAs have been written for audits of historical financial information and do not apply to other assurance engagements. They may, however, provide guidance in relation to the engagement process generally for auditors undertaking an interim review engagement in accordance with this proposed ISRE.

A. Engagement-Level Quality Management

The Issue and Proposed Action

8. The project proposal includes an action to consider, taking account of recent enhancements to IAASB standards, whether new requirements or application material are necessary to address the relationship between ISRE 2410 and the quality management standards, including quality management at the engagement level.⁶

Recommendations and Rationale

9. As presented in paragraph 24 and related application material in **Agenda Item 6-A**, the project team proposes to address this action by introducing an overarching requirement for the engagement partner to take overall responsibility for quality management at the engagement level, and to introduce some specific requirements related to performing the engagement in accordance with the firm's quality management policies or procedures, drawn from the requirements in ISRE 2400 (Revised).
10. The project team noted that extant ISRE 2410 has only a single requirement for the auditor to implement quality control procedures applicable to the individual engagement.⁷ The project team is of the view that more robust requirements for engagement quality management are consistent with the approach in ISRE 2400 (Revised)⁸ (including requirements resulting from the conforming amendments arising from the quality management standards)⁹ and also reflects that:
 - (a) ISQM 1¹⁰ establishes a consistent quality framework for audit and review engagements undertaken by a firm, and therefore, firm-level quality management principles applicable to an audit apply equally to an interim review engagement;
 - (b) An auditor that performs an interim review engagement under ISRE 2410 is familiar with the requirements of ISA 220 (Revised)¹¹, which apply when the auditor performs the audit of the entity's annual financial statements; and
 - (c) Notwithstanding (b), proposed ISRE 2410 (Revised) is a standalone standard and therefore requires sufficiently detailed requirements to support consistency of interpretation and application.

⁶ See Appendix 1, action 2.1(a)

⁷ ISRE 2410, paragraph 5.

⁸ ISRE 2400 (Revised), paragraphs 25(a) and 25(d).

⁹ Refer to the [project page](#) including the approved papers from the IAASB's [October 2021](#) meeting.

¹⁰ International Standard on Quality Management (ISQM) 1, *Quality Management for Firms that Perform Audits or Reviews of Financial Statements, or Other Assurance or Related Services Engagements*.

¹¹ International Standards on Auditing (ISA) 220 (Revised), *Quality Management for an Audit of Financial Statements*.

11. The project team also is of the view that the proposed application material as presented in **Agenda Item 6-A** further explains the application of the relevant principles in a manner proportional to the purpose and scope of an interim review engagement. In developing the proposed drafting, the project team discussed that the application material should acknowledge that the firm's policies or procedures for the acceptance and continuance of audit client relationships and audit engagements may also address interim review engagements (see paragraph A27) and the fact that, while audit and interim reviews may be addressed together in the terms of engagement with the client, they are nonetheless separate engagements (see further discussion in **Section B** below, and paragraph A44 of **Agenda Item 6-A**).

Matters for Board Consideration

1. The Board is asked for its views about:
 - (a) Whether the proposed requirements for engagement quality management (see paragraph 24 and the related application material in **Agenda Item 6-A**) are appropriate in the context of an interim review engagement, and support consistent interpretation and application of the proposed standard; and
 - (b) The balance between requirements and application material, and the most appropriate approach for references to the ISAs or other IAASB standards in proposed ISRE 2410 (Revised), as discussed in paragraphs 5-7 above.

B. Acceptance and Continuance of the Interim Review Engagement

The Issue and Proposed Action

12. The project proposal includes an action to explore clarifications or enhancements to requirements or application material regarding the work effort relating to acceptance and continuance for interim review engagements.¹²

Recommendations and Rationale

13. The project team proposes to address this action by clarifying and enhancing the requirements relating to acceptance and continuance, taking into account the specific circumstances of an interim review engagement (see paragraphs 25-36 and related application material of **Agenda Item 6-A**). Extant ISRE 2410 has only a single requirement for the auditor and the client to agree on the terms of the engagement.¹³
14. In determining the appropriate level of detail for the proposed requirements and application material, the project team considered the fact that ISRE 2400 (Revised) applies to review engagements performed by practitioners that are not the auditor of the entity's annual financial statements. That standard therefore contains fairly detailed requirements for acceptance and continuance of client relationships and review engagements, including with respect to the preconditions for accepting a review engagement.

¹² See Appendix 1, action 4.3(a).

¹³ ISRE 2410, paragraph 10.

15. On the other hand, interim review engagements are performed by the auditor of an entity's annual financial statements, so acceptance and continuance considerations relevant to interim review engagements ordinarily include those necessary for accepting or continuing a relationship with an entity that is an audit client, and for engagements performed in connection with the audit client relationship.
16. However, although acceptance and continuance decisions may often be made concurrently, in practice, audits and interim review engagements may be performed for different reasons, including in accordance with different laws or regulations. Thus, while acceptance and continuance procedures for interim review engagements may often mirror those set out in ISA 210¹⁴ for the audit engagement, the project team is of the view that it is necessary for the IAASB standards to treat each engagement separately.
17. Accordingly, the project team has developed the proposed drafting in **Agenda Item 6-A** based on the requirements and application material from ISRE 2400 (Revised), modified as appropriate to reflect the circumstances of an interim review engagement.

Matters for Board Consideration

2. The Board is asked for its views about whether the requirements for acceptance and continuance of the interim review engagement (see paragraphs 25–36 and the related application material in **Agenda Item 6-A**) are appropriate in the context of an interim review engagement, and support consistent interpretation and application of the proposed standard. In addition, the Board is asked to consider whether the level of detail in the requirements and application material is appropriate (see paragraphs 5-7 above).

C. Materiality in a Review of Interim Financial Information

The Issue and Proposed Action

18. The project proposal includes an action to clarify or strengthen, as appropriate, requirements and application material relating to materiality that may support the auditor's determination of materiality in the specific circumstances of interim review engagements.¹⁵

Recommendations and Rationale

19. Extant ISRE 2410 does not contain explicit requirements relating to materiality.¹⁶ The project team proposes to introduce a requirement and related application material (see paragraphs 38 and 39 of **Agenda Item 6-A**) for the auditor to determine materiality for purposes of the interim review engagement, and to revise materiality if necessary during the course of the interim review. These proposals are based on relevant requirements and application material in ISRE 2400 (Revised), which address the concept of materiality and its application in planning and performing a review of financial statements. In developing the proposals, the project team also considered enhancements

¹⁴ ISA 210, *Agreeing the Terms of Audit Engagements*

¹⁵ See Appendix 1, action 4.1.

¹⁶ Extant ISRE 2410, paragraph 15 (bullet point four)

to requirements in jurisdictional equivalent standards that address materiality in the context of an interim review engagement.

20. The project team believes it is appropriate to require the auditor to determine materiality for the interim financial information *as a whole*, consistent with the requirement of ISRE 2400 (Revised). Such a requirement is intended to both:
- (a) Assist auditors with identifying (i) areas of the interim financial information where material misstatements are likely to occur; and (ii) areas of the interim financial information that are material; and
 - (b) Provide essential context for evaluating the results of procedures performed, including the assessment of identified misstatements.
21. Additionally, through outreach activities performed in developing the project proposal, views from auditors indicated that materiality is presently determined for engagements performed under extant ISRE 2410, given the extant requirement¹⁷ to evaluate the materiality of uncorrected misstatements. The project team is of the view that clear requirements and application material to address materiality in the context of interim review engagements therefore supports achieving the project objective of establishing a global baseline for consistent performance of interim review engagements.

Matter for Board Consideration

3. The Board is asked to provide its views about whether the proposed requirements related to materiality (see paragraphs 38 and 39 and the related application material in **Agenda Item 6-A**) are appropriate in the context of an interim review engagement, and support consistent interpretation and application of the proposed standard.

D. The Auditor's Understanding of the Entity and its Environment

The Issue and Proposed Action

22. The project proposal includes an action to consider, in light of recent enhancements to IAASB standards, whether new requirements or application material are necessary in proposed ISRE 2410 (Revised) to address the auditor's responsibilities relating to understanding the entity and its environment, the applicable financial reporting framework and the entity's system of internal control, to provide a basis for designing the review procedures to be performed.¹⁸

Recommendations and Rationale

23. Extant ISRE 2410 includes two requirements (black letter paragraphs) on this topic; one related to obtaining the understanding and the other to address the circumstances in which a recently appointed auditor has not yet performed an audit of the entity's financial statements.¹⁹ The overarching principle behind the requirements is that achieving the objective of an interim review engagement requires an understanding of the entity and its environment, including its internal control, as it relates to the

¹⁷ Extant ISRE 2410, paragraph 30. Note that revised requirements related to the evaluation of misstatements will be included in drafting proposals at a later meeting.

¹⁸ See Appendix 1, action 2.1(b)(i).

¹⁹ Extant ISRE 2410, paragraphs 12 and 17.

preparation of both annual and interim financial information, in order to appropriately design and perform the interim review procedures.

24. The project team proposes to replace paragraphs 12 and 17 of extant ISRE 2410 with a single requirement (see paragraph 40 and the related application material in **Agenda Item 6-A**) that sets out the core principle that applies irrespective of whether the auditor has previously audited the entity's annual financial statements (i.e., a continuing auditor) or is newly appointed (i.e., the interim review is a first-time engagement). The requirement clearly establishes the need for the auditor to obtain an understanding of the entity and its environment, the applicable financial reporting framework, and the entity's system of internal control as it relates to both the annual and interim financial information.
25. The application material notes that the auditor uses professional judgment to determine the extent of the understanding, and that obtaining a sufficient understanding is a continual dynamic process of gathering, updating and analyzing information throughout the engagement (see paragraphs A55-A56 of **Agenda Item 6-A**). The application material also describes that an auditor who has performed the audit of the entity's annual financial statements for one or more annual periods would have acquired an understanding of the entity and its environment, the applicable financial reporting framework and the entity's system of internal control as it relates to the preparation of the annual financial statements, and therefore updates this understanding in connection with performing the interim review engagement (see paragraph A58 of **Agenda Item 6-A**).
26. To support distinguishing the work effort required in an interim review engagement from that of the audit, application material has been proposed (see paragraph A59 of **Agenda Item 6-A**) to explicitly state that proposed ISRE 2410 (Revised) does not require the auditor to identify and assess the risks of material misstatement as is required when performing an audit engagement in accordance with the ISAs. However, it highlights that insights gained from performing risk assessment procedures and other audit work performed in the most recent audit, may inform the auditor's understanding of the entity, and therefore support the identification of areas of the interim financial information where material misstatements are likely to arise.
27. Special considerations relating to first-time interim review engagements, are proposed to be placed in application material (see paragraph A60 of **Agenda Item 6-A**). The proposed application material indicates that the nature and extent of the procedures needed to obtain the understanding for a first-time interim review engagement are a matter of professional judgment, and further describes considerations for determining the procedures to obtain the understanding, including communicating with the predecessor auditor and, unless prohibited by law or regulation, making arrangements to review the predecessor auditor's documentation from the prior annual audit and any interim reviews conducted in the current year.²⁰

Terminology Used in the Proposed Requirement

28. The proposed requirement in paragraph 40 of **Agenda Item 6-A** moves away from the phrase 'types of potential material misstatement' in extant ISRE 2410²¹ and instead aligns the wording with that in

²⁰ Extant ISRE 2410, paragraph 18.

²¹ Extant ISRE 2410, paragraph 12(a).

ISRE 2400 (Revised)²² and in the International Framework for Assurance Engagements.²³ This revised language:

- (a) Supports that the auditor is required to identify *areas* in the interim financial information *where* material misstatements are likely to arise;
 - (b) Focuses the auditor's attention on those 'areas' where in the auditors' judgment, it is *likely* that a material misstatement may exist; and
 - (c) Reflects that 'areas' may have a wider meaning than 'classes of transactions, account balances and disclosures' in an audit engagement under the ISAs. For example, it may relate to individual line items in the interim financial information, together with any disclosures, or to groups of such items, or sections of the interim financial information. This provides flexibility based on the presentation of the interim financial information in accordance with the applicable financial reporting framework (e.g., a complete set of interim financial statements or condensed interim financial information).
29. Additionally, the project team proposes to use the term 'areas' in the proposed requirement related to designing and performing procedures (see paragraph 41 of **Agenda Item 6-A**), rather than the term 'items' as in the corresponding requirement of ISRE 2400 (Revised). This is intended to enhance the linkage between the requirement to obtain an understanding of the entity and its environment, and the requirement to design and perform interim review procedures based on that understanding. Accordingly, the order of parts (a) and (b) of the proposed requirement is reversed compared to the corresponding requirement in paragraph 47 of ISRE 2400 (Revised).
30. The project team considered whether it may be necessary to define or describe 'areas' in proposed ISRE 2410 (Revised) but concluded that a definition is unnecessary as the term is intended to have a plain English meaning.

Matter for Board Consideration

4. The Board is asked for its views about whether:
- (a) The requirement related to obtaining an understanding of the entity and its environment (see paragraph 40 and the related application material in **Agenda Item 6-A**) is appropriate in the context of an interim review engagement, and supports consistent interpretation and application of the proposed standard; and
 - (b) The construct of the overall requirement for designing and performing procedures (see paragraph 41 of **Agenda Item 6-A**) is appropriate in the context of an interim review engagement and is consistent with the requirement for obtaining an understanding in paragraph 40 of **Agenda Item 6-A**.

²² ISRE 2400 (Revised), paragraph 45.

²³ *International Framework for Assurance Engagements* (Assurance Framework), paragraph 80.

E. First-Time Interim Review Engagements

The Issue and Proposed Action

31. The project proposal includes an action to explore enhancements to clarify any special considerations related to interim review engagements when the auditor is newly appointed and has not performed an audit of the entity's annual financial statements.²⁴

Recommendations

32. As discussed in **Section D** above, the project team is of the view that, because the underlying principles do not change depending on whether the engagement is a first-time or continuing interim review engagement, any special considerations relevant to first-time interim review engagements should be introduced through targeted application material.
33. The project team also acknowledges that there may be other specific topics in addition to those addressed in **Sections B** and **D** that may need to be addressed or clarified for first-time interim review engagements, such as opening balances or comparative information presented in interim financial information.²⁵

Matters for Board Consideration

5. The Board is asked for its views about:
- (a) The proposed approach to address through targeted application material the special considerations related to obtaining an understanding of the entity and its environment for first-time interim review engagements; and
 - (b) Other areas, such as those noted in paragraph 33 above, that the project team should consider with respect to first-time interim review engagements.

F. Going Concern

The Issue and Proposed Action

34. The project proposal includes an action to explore enhancements to clarify:
- (a) The auditor's responsibility relating to going concern in an interim review engagement; and
 - (b) Communication of going concern-related matters in the auditor's interim review report.²⁶

Relevant Requirement in Extant ISRE 2410

35. Extant ISRE 2410 includes a requirement (paragraph 27) for the auditor to inquire about whether management has changed its assessment of the entity's ability to continue as a going concern. If, as a result of this inquiry or other review procedures, the auditor becomes aware of events or conditions

²⁴ See Appendix 1, action 4.2.

²⁵ While ISA 510, *Initial Audit Engagements—Opening Balances*, and ISA 710, *Comparative Information—Corresponding Figures and Comparative Financial Statements* address these topics in the context of an audit engagement, ISRE 2400 (Revised) does not include specific requirements related to these situations.

²⁶ See Appendix 1, actions 2.1(b)(iii) and 3.2

that may cast significant doubt on the entity's ability to continue as a going concern, the auditor is required to inquire about management's plans and to consider the adequacy of any disclosures about such matters in the interim financial information.

Analysis and Recommendations

36. Given the fundamental nature of the going concern assumption to the preparation of financial information, both annual and interim, the auditor's work effort relating to going concern is a matter of public interest in the context of any assurance engagement on historical financial information. To highlight the importance of going concern considerations in interim review engagements, some JSS have introduced new requirements that increase the robustness of the auditor's work effort relating to going concern, or have introduced requirements relating to reporting on going concern in the auditor's interim review report.²⁷
37. In this context, the project team has:
- (a) Agreed that more robust requirements related to going concern for interim review engagements are in the public interest.
 - (b) Acknowledged the importance of the proportionality of requirements for an interim review in view of the fact that the interim review is a limited assurance engagement and is subject to inherent constraints on time and cost compared with an audit; and
 - (c) Considered that, where the going concern assumption is fundamental to the preparation of the interim financial information, such requirements should apply whether or not the applicable financial reporting framework explicitly requires management to make or update their assessment of the entity's ability to continue as a going concern for the purpose of preparing interim financial information.
38. In forming their views on going concern, the project team has also initiated a dialogue with the Chair and the Staff Lead of the Going Concern Task Force, to obtain input and perspectives from the development of ISA 570 (Revised 2024).²⁸ The project team will continue to coordinate with the Going Concern project team as it develops the requirements and application material in proposed ISRE 2410 (Revised), taking into account the directional input from the Board at this meeting.

Underlying Principles for Introducing Requirements

39. The objective of the auditor in an interim review engagement²⁹ is to obtain limited assurance about whether the interim financial information as a whole is free from material misstatement. The auditor achieves that objective by performing procedures – principally inquiries and analytical procedures – to obtain sufficient appropriate evidence to provide a basis for expressing a limited assurance conclusion. The auditor's limited assurance conclusion is stated in a negative form: *whether anything has come to the auditor's attention to cause the auditor to believe the interim financial information is not prepared in all material respects, in accordance with the applicable financial reporting framework.*

²⁷ For example, ISRE (UK) 2410, *Review of Interim Financial information performed by the Independent Auditor of the Entity*

²⁸ ISA 570 (Revised 2024), *Going Concern*

²⁹ See minutes from the IAASB's [June 2025 meeting](#), related to **Agenda Item 7-A**, paragraph 13(a).

40. This is important context when considering the work effort relating to going concern in an interim review engagement. The required work effort, and the sufficiency and appropriateness of the evidence obtained from performing procedures relating to going concern in an interim review engagement, is not intended to enable the auditor to conclude with a reasonable level of assurance that management's use of the going concern assumption is appropriate, or that required disclosures about going concern are adequate.
41. The project team is of the view that the intended outcome of the auditor's work effort relating to going concern, in the context of obtaining evidence to support a limited assurance conclusion on the interim financial information as a whole, is whether anything has come to the auditor's attention that affects:
- (a) The auditor's judgments about the appropriateness of management's use of the going concern basis of preparation, including whether a material uncertainty exists; and the adequacy of the disclosures in the interim financial information, in accordance with the requirements of the financial reporting framework; and
 - (b) Any required statements about going concern in the auditor's interim review report (see paragraphs 44 to 48, below).

Proposed Requirements: Engagement Performance

42. Against this context, the project team proposes that the expected work effort of an auditor related to going concern in an interim review engagement should be reflected in requirements that address the following:³⁰
- (a) **Performing inquiries** of management to obtain an understanding of management's assessment of the entity's ability to continue as a going concern and the basis of preparation adopted in preparing the interim financial information. In addition, inquiring whether there have been changes in management's assessment since the date of their assessment for the last annual financial statements (and, if applicable, the most recent interim financial information), and the basis for those changes. This also includes inquiries about the period covered by management's assessment, and, if applicable, whether it is consistent with the requirements of the financial reporting framework.

The objective of such inquiries is to obtain evidence about:

- (i) Whether management has identified new events or conditions that, individually or collectively, may cast significant doubt on the entity's ability to continue as a going concern ('events or conditions') and
 - (ii) The current status of previously identified and disclosed events or conditions, irrespective of whether they resulted in a material uncertainty related to going concern disclosure, including whether and if so, how, they have resolved.
- (b) **Considering the consistency of the responses** to such inquiries with the evidence obtained from other review procedures, and with the evidence obtained in performing the most recent annual financial statement audit.

³⁰ These requirements would be adapted to accommodate circumstances in which the financial reporting framework does not explicitly require management to make an assessment of the entity's ability to continue as a going concern, where the going concern assumption is nonetheless fundamental principle underpinning the preparation of the interim financial information.

- (c) **Performing additional procedures** related to management's assessment if, in the course of performing the interim review engagement, the auditor becomes aware of:
 - (i) New events or conditions, irrespective of whether management has concluded that a material uncertainty exists.
 - (ii) Changes in previously identified events or conditions; or
 - (iii) Any indications that the interim financial information may be misleading in view of management's assessment about going concern.
 - (d) **Evaluating** whether the evidence obtained provides a basis for the auditor's judgments, and any required statements in the auditor's interim review report, about:
 - (i) The appropriateness of management's use of the going concern assumption, including whether a material uncertainty exists; and
 - (ii) The adequacy of management's disclosures about going concern, given the requirements of the applicable financial reporting framework for the interim financial information, including any disclosures relating to any material uncertainty that may exist.
 - (e) Any additional procedures that may be necessary to support the auditor's judgments about going concern matters.
43. In developing its views about requirements related to going concern for interim review engagements, the project team considered the relevant requirements and application material in extant ISRE 2410, ISRE 2400 (Revised), and in recently revised jurisdictional interim review standards. In the latter, the project team noted the introduction of new requirements, including, for example, a requirement for the auditor to determine that the method selected, and the assumptions, and data used by management in making the assessment, are reasonable.

Proposed Requirements: Communicating about Going Concern in the Auditor's Interim Review Report

44. ISA 570 (Revised 2024) requires the auditor to include explicit statements in the auditor's report on the entity's annual financial statements about whether:
- (a) Management's use of the going concern basis of accounting in the preparation of the financial statements is appropriate; and
 - (b) A material uncertainty exists related to events or conditions that may cast significant doubt on the entity's ability to continue as a going concern.
45. The project team considered whether to propose an equivalent requirement in the context of the interim review engagement, but noted that there is a risk that equivalent statements in an interim review report may unintentionally suggest a greater work effort having been performed on going concern than is necessary to achieve the auditor's objectives in an interim review engagement. This could therefore increase the challenges previously noted about users' understanding of the nature and scope of an interim review engagement.
46. However, the need for transparency that drove the IAASB's decisions in approving ISA 570 (Revised 2024) is equally relevant for interim review engagements. Because interim financial information is intended to provide an update on the latest complete set of annual financial statements, it would not be unreasonable for intended users of the entity's interim financial information to expect an update

in the interim review report about going concern matters raised in the auditor's report on the annual financial statements.

47. On that basis, the project team recommends that the auditor's interim review report also include clear and appropriately worded statements about going concern. In developing a proposal for the form that such a statement may take, the project team has considered revisions in jurisdictional interim review standards,³¹ as well as the language used in ISA 570 (Revised 2024), noting the need to adapt such language to the circumstances of an interim review engagement.
48. The project team has developed illustrative wording for the following circumstances:
- (a) Management's assessment is that the use of the going concern basis of accounting is appropriate; and
 - (b) Management has not identified a material uncertainty that requires disclosure in accordance with the applicable financial reporting framework;
49. In such circumstances, in the context of the auditor's review of the interim financial information as a whole, and in forming the auditor's review conclusion thereon, the baseline statements proposed to be introduced in the auditor's interim review report may be phrased in line with the following construct:

[...] Nothing has come to our attention that causes us to believe that:

- (i) Management's use of the going concern basis of accounting in the preparation of the interim financial information is not appropriate; and
- (ii) Management has identified a material uncertainty related to going concern that has not been adequately disclosed in the interim financial information.

50. Subject to the Board's directions on the concepts and proposals presented in this section (**Section F**), the project team will finalize proposals for revised requirements relating to performing procedures and reporting on going concern in an interim review engagement, including addressing circumstances in which the auditor's conclusion or report is modified. In doing so, the project team will also introduce proposals for the positioning of such statements in the interim review report. Additionally, the project team will propose application material to support the clarity of requirements.

Matters for Board Consideration

6. The Board is asked for:
- (a) Its views about the appropriate work effort for the auditor related to going concern in the context of an interim review engagement, based on the project team's analysis and recommendations as described in paragraphs 36-43 above; and
 - (b) Directional input on including statements related to going concern in the interim review report, including views on the illustrative wording in paragraph 49 above.

³¹ Refer, for example, to the United Kingdom's ISRE (UK) 2410, paragraph 54-1 and revisions to the illustrative reports.

G. Other Information

The Issue and Proposed Action

51. The project proposal includes an action to explore enhancements to clarify the auditor's responsibility and work related to other information issued by the entity in an interim review engagement.³²

Recommendations and Rationale

52. Extant ISRE 2410 includes two paragraphs³³ relating to the auditor's responsibility for "accompanying information" that require the auditor to:
- (a) Read the other information that accompanies the interim financial information to consider whether it is materially inconsistent with the interim financial information; and
 - (b) If a matter comes to the auditor's attention that causes the auditor to believe that the other information appears to include a material misstatement of fact, discuss the matter with management.
53. The grey letter wording in these paragraphs addresses actions for the auditor if a material inconsistency is identified, if an amendment is needed to the interim financial information or the other information, and if an amendment is deemed necessary and management refuses to make the amendment. It also addresses considerations for the auditor if a "material misstatement of fact" comes to the auditor's attention while reading the other information.
54. Having regard to the issue described in the project proposal, the project team has considered whether the requirements in proposed ISRE 2410 (Revised) should:
- (a) Remain at a high level similar to that in extant ISRE 2410 and ISAE 3000 (Revised); or
 - (b) Introduce additional detail, similar to the approach taken in developing ISSA 5000.³⁴ This may include specific requirements and related application material for obtaining the other information, reading and considering the other information, and responding when a material inconsistency appears to exist or the other information appears to be materially misstated.
55. Taking into account the nature of an interim review engagement and concerns about proportionality, the project team is of the view that requirements in proposed ISRE 2410 (Revised) should remain at a higher level, with application material as appropriate to support their application. Based on the directional input from the Board about the level of requirements for other information in the context of an interim review engagement, the project team will draft such requirements and application material for discussion at the December 2025 meeting.
56. The project team also explored whether a separate definition of "other information" may be needed to support the clarity of the requirements and their consistent interpretation and application in the context of interim review engagements. The project team noted the challenges of developing a definition based on the definition in ISA 720 (Revised),³⁵ which is based on the concept of an "annual

³² See Appendix 1, actions 2.1(b)(v)

³³ ISRE 2410, paragraphs 36 and 37

³⁴ See: International Standard on Sustainability Assurance (ISSA) 5000, *General Requirements for Sustainability Assurance Engagements* paragraphs 171-177.

³⁵ ISA 720 (Revised), *The Auditor's Responsibilities Relating to Other Information*

report.” However, the project team was of the view that the definition in ISAE 3000 (Revised) may be a useful starting point, and therefore presents the following for illustrative purposes:

Other information – Information that is included, whether by law, regulation, or custom, in a document containing the interim financial information and the auditor’s interim review report thereon.

57. The project team recognizes that a definition such as this has its own challenges, for example, what a “document” is in this context. It would also likely be necessary to provide application material to explain, or provide examples of, information included by law, regulation or custom.
58. In addition, the project team noted that the term “material misstatement of fact” in extant ISRE 2410 is used in ISAE 3000 (Revised) and other assurance standards, but is no longer a term used in ISA 720 (Revised). However, it nonetheless is important to recognize the auditor’s ethical obligation not to be knowingly associated with information that the auditor believes contains a materially false or misleading statement.

Matters for Board Consideration

7. The Board is asked for its views on:
- (a) The approach in proposed ISRE 2410 (Revised) to the requirements for other information in the context of an interim review engagement; and
 - (b) Whether the project team should pursue a definition of other information, in the context of interim review engagements.

H. Initial Considerations Relating to Groups

The Issue and Proposed Action

59. The project proposal includes an action to explore possible requirements or application material to address special considerations that address special considerations that apply for interim review engagements related to group interim financial information.³⁶

Background

60. Entities that are required under law or regulation to prepare interim financial information often are larger or more complex entities, including groups that are required to prepare consolidated interim financial information. Extant ISRE 2410 includes the following references to groups or interim financial information of components:
- (a) Paragraph 16: “The auditor determines the nature of the review procedures, if any, to be performed for components and, where applicable, communicates these matters to other auditors involved in the review. Factors to be considered include the materiality of, and risk of misstatement in, the interim financial information of components, and the auditor’s understanding of the extent to which internal control over the preparation of such information is centralized or decentralized.”

³⁶ See Appendix 1, actions 2.1(c)

- (b) Paragraph 21 (third bullet): “The auditor ordinarily performs the following procedures: [...] Communicating, where appropriate, with other auditors who are performing a review of the interim financial information of the reporting entity’s significant components. [...]”

61. The project team noted that certain jurisdictional equivalent standards, for example, the UK,³⁷ have enhanced application material that applies in group contexts.

Possible Approach to Groups in Proposed ISRE 2410 (Revised)

62. The project team has considered the possible approach to addressing groups in proposed ISRE 2410 (Revised), and is seeking the Board’s input and direction. Preliminarily, the project team is of the view that the concepts and principles in proposed ISRE 2410 (Revised) would apply to all engagements, including group interim review engagements. The project team also recognizes the need for proportionality. In that regard, ISA 600 (Revised) may provide useful guidance but caution is needed to avoid including a number of detailed requirements in proposed ISRE 2410 (Revised).

Project Team Views on Special Considerations for Groups

63. The project team is of the view that special considerations related to groups may be addressed in proposed ISRE 2410 (Revised) by considering whether to introduce:

- (a) A requirement to determine whether to obtain information from, or otherwise involve component auditors. This may also be achieved through application material to the requirements relating to engagement quality management (see paragraph 24(b) of **Agenda Item 6-A**).
- (b) Specific application material related to group interim review engagements, including:
 - (i) **Understanding the entity in the context of a group:** Understanding the group structure, the component information to be included in the group interim financial information, and the information system relevant to the preparation of annual and interim financial information;
 - (ii) **The consolidation process:** Clarifying the extent of work to be performed on agreeing or reconciling the interim financial information for the group to underlying records (similar to paragraph 25 of extant ISRE 2410).
 - (iii) **Communication requirements:** Clarifying the appropriate nature and extent of communication among the engagement team members, including component auditors, including that it occur at appropriate times throughout the engagement.
- (c) Definitions of any relevant terms, such as group, group interim financial information, or group interim review engagement.

64. Based on the input and direction from the Board at this meeting, the project team will develop proposed requirements and application material relating to special considerations for groups for discussion in December 2025.

³⁷ ISRE (UK) 2410, paragraphs 21 (new bullet points), and 25-1 (

Matters for Board Consideration

8. The Board is asked for its views on the appropriate way to address special considerations for group interim review engagements in proposed ISRE 2410 (Revised), including with respect to the matters set out in paragraph 63 above or other matters that the project team should consider.

Way Forward

65. Following the September 2025 IAASB meeting, the project team will discuss and incorporate the Board's feedback and directions, and continue progressing the drafting of proposed ISRE 2410 (Revised). In coordination with other IAASB working groups as necessary, the project team will further discuss and develop recommendations to address the remaining issues and proposed actions in the project proposal, with the aim of presenting a first full draft of proposed ISRE 2410 (Revised) at the December 2025 IAASB meeting.
66. In addition, the project team will further liaise with the International Accounting Standards Board (IASB) to seek to resolve the matter raised in [Agenda Item 7](#) of the IAASB's June 2025 meeting. The project team will also have the opportunity to seek the input of the Stakeholder Advisory Council in October 2025, to obtain a deeper understanding of how different stakeholder groups perceive that interim review engagements performed in accordance with ISRE 2410 affect the information needs of users.

Project Team and Project Board Members

1. This project is being performed in conjunction with Staff of the Australian Auditing and Assurance Standards Board (AUASB) and the New Zealand External Reporting Board (XRB)..

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

5. During the third quarter of 2025, the project team:
 - Met virtually six times for collaboration between IAASB staff and staff from the AUASB and XRB;
 - Engaged virtually three times with both project board members for directional guidance
 - Engaged virtually one-on-one with technical advisors with expertise on limited assurance engagements;
 - Engaged in coordination activities with the Going Concern Taskforce Chair and Staff Lead;
 - Participated in outreach with the [External Reporting Advisory Panel](#); and
 - Participated in a virtual meetings with staff from the IASB, to discuss the financial reporting framework of International Accounting Standard³⁴, *Interim Financial Reporting*.

Appendix 2

ISRE 2410—Issues and Proposed Actions

[This Appendix includes an extract from the project proposal approved at the June 2025 IAASB meeting, setting out the specific issues and challenges identified from the information-gathering activities, which the IAASB is proposing to address through actions to revise ISRE 2410, in order to achieve its stated project objectives that supports the public interest [see [project proposal](#), **Section V, paragraph 13**]

The actions shaded in tan have been addressed in the papers noted in reference in square brackets. Actions 1.1 to 1.3 are overarching actions that continue to be reflected in drafting proposals on an ongoing basis. Actions that have not been shaded will be addressed as appropriate through the proposed drafting included in the first full draft of proposed ISRE 2410 (Revised) that will be discussed by the Board in December 2025.

#	Issue	Proposed Actions
Project Objective Establish a global baseline for the consistent performance of interim review engagements.		
<i>The qualitative standard-setting characteristics of most relevance when determining proposed actions to address the project objective are scope and proportionality, coherence, comprehensiveness and ability to be consistently applied and globally operable.</i>		
1	There is a need to revise ISRE 2410 to clarify the principles and concepts relevant to the interim review engagement. The relationship between the core principles and concepts in ISRE 2410 and those in other IAASB standards that address limited assurance engagements, including the extent to which it is appropriate that the principles of ISRE 2410 and ISRE 2400 (Revised) align, is not always clear.	1.1 Redraft ISRE 2410 in the “Clarity format.” ¹ 1.2. Revise ISRE 2410 as necessary so that principles and concepts: (a) Align with concepts and terms used in the International Framework for Assurance Engagements, ³⁸ and (b) Draw on relevant concepts and principles of ISRE 2400 (Revised), and as appropriate, other IAASB standards. [Agenda Item 7 of June 2025 IAASB meeting]

³⁸ For example, the International Framework for Assurance Engagements describes a limited assurance engagement as one in which the practitioner reduces engagement risk to a “level that is acceptable in the circumstances but where that risk is greater than for a reasonable assurance engagement.” In comparison, ISRE 2410 describes the aim of an interim review engagement as being to reduce to a “moderate level” the risk of expressing an inappropriate conclusion.

#	Issue	Proposed Actions
		<p>1.3 Explore ways to clarify the relationship between interim review engagements under ISRE 2410 and other IAASB standards.</p>
2	<p>ISRE 2410 should be modernized to meet the expectations of intended users about the auditor’s responsibilities for the review of interim financial information.</p> <p>Since the issuance of ISRE 2410 in 2005, various IAASB standards (including ISRE 2400 (Revised) as well as some ISAs) have been revised, with enhancements that, in part, were intended to respond to evolving expectations of intended users of financial information that has been subject to assurance.</p> <p>Certain of these enhancements may only be applicable to reviews of interim financial information in a manner that is proportionate to the purpose of an interim review engagement, and to users’ needs from such engagements. Nonetheless, current practice by auditors, and interim review standards in some jurisdictions, have evolved to address these areas.</p> <p>The IAASB has not previously specifically explored the effect of these enhancements in the context of ISRE 2410.</p>	<p>2.1 Determine the extent to which recent enhancements to IAASB standards need to be addressed, in a proportionate manner, in proposed revised ISRE 2410, given the circumstances of an interim review engagement, and the requirements of the applicable financial reporting framework for interim financial information.</p> <p>This may include considering whether new requirements or application material are necessary to address the following:</p> <p>(a) The relationship between ISRE 2410 and the quality management standards, including quality management at the engagement level. [see Section A of issues paper]</p> <p>(b) The auditor’s responsibilities relating to:</p> <p>(i) Understanding the entity and its environment, the applicable financial reporting framework and the entity’s system of internal control [see Section D of issues paper]</p> <p>(ii) Accounting estimates</p> <p>(iii) Going concern,³⁹ including related to management’s assessment of going concern in the interim financial information [see Section F of issues paper]</p> <p>(iv) Fraud and non-compliance with laws and regulations (NOCLAR)</p> <p>(v) Other information.</p>

³⁹ Reflecting the importance of this topic, some JSS (for example, the UK) have amended their local version of ISRE 2410 to clarify or enhance the auditor’s responsibility for, and communication of, going concern-related matters in the interim review engagement, while others (for example Australia and New Zealand) expressed their agreement on the need for a global revision on this matter.

#	Issue	Proposed Actions
		<p>[see Section G of issues paper]</p> <p>(c) Special considerations that apply for interim review engagements related to group interim financial information.</p> <p>[see Section H of issues paper]</p>
3	<p>The clarity of reporting and communication requirements in ISRE 2410, including the clarity for intended users about the nature and scope of an interim review engagement, have been challenged.</p> <p>It is in the public interest that users of interim financial information, and interim review reports are clear about:</p> <ul style="list-style-type: none"> • The purpose of such engagements; • The distinction between the level of assurance that is obtained in an interim review engagement (limited assurance), and that obtained in an audit of annual financial statements (reasonable assurance); and • How the nature, timing, and extent of procedures performed in an interim review engagement differ from an audit of annual financial statements. <p>Diversity in reporting practices among practitioners across jurisdictions, based on localized revisions to performance, reporting and communication requirements, appears to contribute to this lack of clarity.</p>	<p>3.1 Explore enhancements to the form, structure and presentation of the auditor's review report to enhance the understandability and usefulness of the report to users.</p> <p>[Agenda Item 7 of June 2025 IAASB meeting]</p> <p>3.2 Consider whether and, if so, how certain matters are to be included in the auditor's review report, including going concern-related matters.⁴⁰</p> <p>[see Section F of issues paper]</p> <p>3.3 Explore other ways to promote user understanding of interim review engagements, such as through non-authoritative guidance or implementation support materials.</p>
4	<p>There are continued practical challenges with consistently</p>	<p>Materiality</p> <p>4.1 Clarify or strengthen, as appropriate, requirements and application material relating</p>

⁴⁰ For example, some JSS (Australia, Japan, New Zealand, United Kingdom) have made local modifications to their versions of ISRE 2410, requiring a material uncertainty related to going concern that is adequately disclosed in the interim financial information to be reported under the heading "Material Uncertainty Related to Going Concern," consistent with ISA 570 (Revised), instead of reporting this as an "Emphasis of Matter," as currently required under extant ISRE 2410.

#	Issue	Proposed Actions
	<p>interpreting and applying specific aspects of ISRE 2410.</p> <p>These include challenges with the application of the concept of materiality to interim review engagements and matters arising in first-time engagements. These indicate a possible lack of clarity in the standard.</p>	<p>to materiality that may support the auditor's determination of materiality in the specific circumstances of interim review engagements.</p> <p>[see Section C of issues paper]</p> <p>First-time engagements</p> <p>4.2 Explore enhancements to clarify any special considerations related to interim review engagements when the auditor is newly appointed and has not performed an audit of the entity's annual financial statements.</p> <p>[see Section D of issues paper]</p> <p>Other matters</p> <p>4.3 Explore clarifications or enhancements to requirements or application material relating to:</p> <p>(a) The work effort relating to acceptance and continuance for the interim review engagements.</p> <p>[see Section B of issues paper]</p> <p>(b) The extent to which foundational matters such as professional judgment and professional skepticism may need to be addressed.</p> <p>(c) The auditor's responsibilities relating to related party relationships and transactions; and comparative information in a review of interim financial information.</p> <p>(d) The procedures performed for the interim review engagement versus procedures the auditor may elect to perform concurrently for purposes of the audit of the financial statements.</p> <p>4.4 Explore areas for which public sector considerations may be needed.</p>