

ISRE 2410¹ – Issues Paper

Objective of the IAASB Discussion

The objective of the session in December 2025 is to obtain the IAASB's input on the first complete draft of proposed ISRE 2410 (Revised), *Review of Interim Financial Information Performed by the Independent Auditor of the Entity*, including:

- Significant changes to the selected drafting previously discussed with the Board in June and September 2025; and
- The remaining paragraphs of the proposed revised standard, which reflect previous directions of the Board on issues discussed and, as applicable, address actions in the project proposal.

Materials Presented

This issues paper includes the following appendices:

- **Appendix 1** – Project Team Activities
- **Appendix 2** – Approach to Walkthrough of Proposed ISRE 2410 (Revised)

The paper is intended be read in conjunction with the following agenda items:

- **Agenda Item 6-A.1** –Proposed ISRE 2410 (Revised) – Requirements (marked as noted)
- **Agenda Item 6-A.2** –Proposed ISRE 2410 (Revised) – Application Material (marked as noted)
- **Agenda Item 6-B** – Explanation of Significant Changes

Approach to the Board Discussion

The project team will walk through **Agenda Items 6-A.1** and **6-A.2**, seeking comments on the requirements and related application material in the order set out **Appendix 2** of this paper.

The overarching direction requested from the IAASB in this meeting is input and direction on matters of principle relating to the draft requirements and application material presented in **Agenda Item 6-A.1** and **Agenda Item 6-A.2**.

The project team will seek specific input from the Board on certain of the matters discussed in **Part A** of this paper during the walkthrough of the related sections. These matters are identified in this paper in tan boxes with the heading “Specific Matter for the IAASB’s Consideration.”

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

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. At the [September 2025](#) IAASB meeting, the Board discussed project team recommendations to address key issues including:
 - (a) Selected sections of proposed ISRE 2410 (Revised), including those relating to engagement-level quality management, acceptance and continuance, and understanding the entity and its environment;
 - (b) The nature and extent of the auditor's work effort relating to going concern in an interim review engagement, and the possible inclusion of explicit statements on going concern in the auditor's interim review report; and
 - (c) Considerations relating to group interim review engagements.
3. Since the September meeting, the project team (see **Appendix 1**) has developed a full draft of proposed ISRE 2410 (Revised), incorporating the Board's directions in previous meetings and offline comments received, and addressing all remaining actions in the [approved project proposal](#).

Discussion with the Stakeholder Advisory Council (SAC)

4. In October 2025, the project team engaged with the SAC² to obtain insights to inform the Board's decision-making on matters of strategic importance to the project (see [SAC meeting highlights](#)), including to more fully understand or assess user needs and expectations relating to interim review engagements. In developing the draft proposed ISRE 2410 (Revised), the project team paid particular attention to the following matters highlighted by SAC members:
 - (a) How to balance the scope of an interim review engagement, including addressing matters of significance to users (such as going concern), with the need for timeliness of the interim financial information for intended users; and
 - (b) How to ensure that proposed requirements remain sufficiently clear to support consistent interpretation and application.

² The SAC's objective and scope of activities, membership and composition, and operating procedures are set out in its [Terms of Reference](#). The SAC provides input and recommendations to the IAASB by serving as a forum for the IAASB to engage with a diverse range of their external stakeholders, thereby drawing on additional expertise and experience for standard-setting projects. As explained in the [Public Interest Framework - Due Process and Operating Procedures](#), paragraph A8, a reason to consult with the SAC includes seeking to more fully understand or assess user needs and expectations.

Coordination with the International Ethics Standards Board for Accountants (IESBA) and IAASB Project Teams

5. Coordination with the IESBA remains ongoing. One area of focus relates to relevant ethical considerations that apply when the interim review engagement performed under ISRE 2410 (Revised) is the review of the interim financial information of a group. As discussed with the Board in September, the project team is seeking to address interim reviews for groups in proposed ISRE 2410 (Revised) in a more robust manner than the extant standard. In addition, the project team is proposing not to include group-related definitions in the proposed revised standard, and instead refer by analogy to the terms in the Glossary for group audit engagements (see paragraph 15B of **Agenda Item 6-A.1**). Accordingly, coordination is ongoing to prevent interoperability challenges that may arise between the International Code of Ethics for Professional Accountants (including International Independence Standards) and proposed ISRE 2410 (Revised).

Structure of this Paper

6. **Part A** of this paper sets out explanations of the project team's considerations for certain of the drafting proposals in **Agenda Items 6-A.1** and **6-A.2**.³
7. **Part B** explains how matters *other than drafting revisions* that were brought forward from prior meetings have been addressed, or the project team's plan to continue to address them ahead of March 2026.
8. **Part C** sets out the project team's initial views on matters that may be included in the Explanatory Memorandum to accompany the exposure draft of proposed ISRE 2410 (Revised). A more comprehensive list of matters will be presented to the Board in March 2026.

Part A: Proposed ISRE 2410 (Revised)

Direction Requested from the IAASB

1. The Board is asked for its views on proposed ISRE 2410 (Revised) as presented in **Agenda Items 6-A.1** and **6-A.2**
9. In developing the proposed drafting for the sections of proposed ISRE 2410 (Revised) that have not previously been discussed by the Board, the project team considered:
 - (a) The requirements (black letter) and grey letter material in extant ISRE 2410, including how it compared to the form and structure of requirements on the equivalent topics in ISRE 2400⁴ (Revised). The project team also considered how certain matters were addressed in other

³ Revisions to paragraphs 1 to 41, and related application material in paragraphs A1 to A60, are explained in **Agenda Item 6-B** as the IAASB has previously discussed such matters.

⁴ ISRE 2400 (Revised), *Engagements to Review Historical Financial Statements*.

IAASB assurance standards (e.g., ISAE 3000 (Revised)⁵ and ISSA 5000⁶).

- (b) Relevant aspects of the International Standards on Auditing (ISAs), in a manner proportionate to the circumstances of an interim review engagement. This included an ongoing consideration of the fact that the interim review is performed by the auditor of the entity's annual financial statements, and therefore the ISAs may be a source of information that the auditor considers regarding certain aspects of an interim review engagement for the entity. However, the project team also noted the Board's direction in September to generally avoid direct references to the ISAs in proposed ISRE 2410 (Revised).
 - (c) Enhancements that may be necessary to the requirements and principles embedded in extant requirements, based on consideration of enhancements to other IAASB standards since the issue of ISRE 2410, and to equivalent standards issued by jurisdictional standard-setters.
10. The matters explained in Part A of this paper relate to the following paragraphs of **Agenda Item 6-A.1** and **Agenda Item 6-A.2**.

Requirements	Agenda Item 6-A.1	Paras. 42 – 114
Application Material	Agenda Item 6-A.2	Paras. A61 – A161

A.1 Planning and Performing the Engagement

Designing and Performing Inquiry, Analytical and Other Review Procedures

11. As indicated in the [September 2025](#) agenda papers, the project team has developed application material to paragraph 41, based on extant ISRE 2410 and ISRE 2400 (Revised), to support differentiating an interim review engagement from an audit.
12. Paragraphs 42 to 44 of **Agenda Item 6-A** set out specific requirements for the inquiry, analytical procedures and other review procedures to be designed and performed in accordance with paragraph 41. In developing the list of required procedures in paragraph 42, the project team considered the procedures in extant ISRE 2410, those in ISRE 2400 (Revised), and in equivalent jurisdictional standards. These procedures support the auditor's work in obtaining sufficient appropriate evidence in the engagement in other ways, for example:
- (a) Inquiring about changes in litigation or claims may provide the auditor with indications that inquiries of other parties may be necessary, thereby affecting the design of certain inquiries.
 - (b) Inquiries about the application of new accounting principles may bring to the auditor's attention a new complex area where material misstatements are likely to arise.
13. In introducing paragraph 43, and as indicated in the [September 2025](#) meeting papers, the project team considered the possible effect of the work of the Audit Evidence and Risk Response project

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

⁶ International Standard on Sustainability Assurance (ISSA) 5000, *General Requirements for Sustainability Assurance Engagements*.

relating to the definition of analytical procedures, and the framework of evaluation of audit evidence of proposed ISA 500 (Revised).⁷ The project team ascertained that:

- (a) Changes to the definition of analytical procedures being explored in that project were to be ring-fenced to apply only to analytical procedures performed under the ISAs, and therefore would not affect ISRE 2410; and
- (b) The framework proposed ISA 500 (Revised) for *evaluating* the relevance and reliability of information intended to be used as *audit* evidence has not resulted in equivalent revisions being proposed to the Assurance Framework overall. Therefore, in the context of an interim review engagement, the project team considered that retaining the work effort of ‘*considering the adequacy*’ of information, akin to the work effort in ISRE 2400 (Revised), remained appropriate.

Procedures to Address Specific Circumstances (Ref: Paras. 45-57)

Fraud and Non-Compliance with Laws and Regulations (NOCLAR) (Ref. Paras. 48-51)

- 14. Since ISRE 2410 was issued, ISA 240 (Revised)⁸ and ISA 250 (Revised)⁹ have been issued, clarifying the auditor’s responsibilities and enhancing the work effort necessary in responding to identified or suspected fraud, and identified or suspected NOCLAR. While extant ISRE 2410 includes requirements for the auditor to perform inquiries relating to fraud and NOCLAR, it does not include requirements for the auditor to respond to identified or suspected fraud or NOCLAR.
- 15. The project team is of the view that, given the significance of such matters to users of an entity’s interim financial information, it is appropriate to require the auditor to perform certain actions in the event of identifying or suspecting fraud or NOCLAR in an audit client during an interim review engagement, in a manner proportionate to the circumstances of an interim review engagement. Paragraph 50 of **Agenda Item 6-A.1** introduces the requirement to respond to such instances through inquiries, modelled on the requirements introduced in ISSA 5000 for this purpose.

Going Concern (Ref: Paras. 53-56)

- 16. At the [September 2025](#) IAASB meeting, the Board expressed broad support for the project team’s views on the work effort expected of an auditor in relation to going concern in an interim review engagement. The Board also discussed including explicit statements related to going concern in the auditor’s interim review report (see paragraphs 32-37 below).
- 17. Based on the Board’s direction, the project team has proposed requirements and related application material setting out the necessary work effort relating to going concern in an interim review engagement. The requirements generally follow the principles explained in paragraph 42 of the September 2025 issues paper ([Agenda Item 6](#)), taking into account the requirements in ISRE 2400

⁷ Proposed ISA 500 (Revised), *Audit Evidence* refers to the proposed revision of ISA 500, *Audit Evidence*, under consideration by the IAASB. Refer to **Agenda Item 5** of this meeting.

⁸ ISA 240 (Revised), *The Auditor’s Responsibilities Relating to Fraud in an Audit of Financial Statements* (See paras.55-57)

⁹ ISA 250 (Revised), *Consideration of Laws and Regulations in an Audit of Financial Statements*. (See paras. 19-22)

(Revised), relevant factors from ISA 570 (Revised 2024),¹⁰ and aspects of revisions made to jurisdictional interim review standards on this topic. As a result, the project team is of the view that the proposals reflect more robust requirements relating to going concern for an interim review engagement, which is in the public interest, and will help to support more consistent application, while remaining proportionate to the circumstances of an interim review engagement.

Specific Matter for IAASB Consideration

The Board is asked to consider whether the proposed work effort requirements are appropriate in the context of an interim review engagement, as a limited assurance engagement focused primarily on inquires and analytical procedures.

Additional Procedures: The ‘Deep Dive’ Concept (Ref: Para. 60)

18. Paragraph 29 of extant ISRE 2410 requires the auditor to make additional inquiries or perform other procedures to enable the auditor to express a conclusion in the review report (i.e., a ‘deep dive’) when a matter comes to the auditor’s attention that leads the auditor to question whether a material adjustment should be made for the interim financial information to be prepared, in all material respects, in accordance with the applicable financial reporting framework. This “deep-dive” requirement in extant ISRE 2410 has been retained in paragraph 60, redrafted in a manner consistent with ISRE 2400 (Revised), ISAE 3000 (Revised) and ISSA 5000. In these circumstances, the auditor needs to obtain further evidence to provide a basis for either an unmodified assurance conclusion, or a qualified or adverse conclusion on the interim financial information. Such a requirement also provides auditors with implicit criteria that may be useful when applying the later requirement to evaluate the sufficiency and appropriateness of evidence obtained (see paragraph 29 below).

A.2 Written Representations (Ref.: Paras. 63-70)

19. Extant ISRE 2410 includes a black letter requirement (paragraph 34) to obtain specific written representations from management, and an illustrative management representation letter as an appendix, which contains additional representations the auditor may obtain (as noted in the grey letter paragraph 35 of the extant standard). The project team considered the written representations required by ISRE 2400 (Revised) and the written representations required by ISA 580¹¹ and other subject-matter specific ISAs.
20. The project team is of the view that the proposed representations are appropriate for an interim review engagement. The required representations are consistent with those in extant ISRE 2410 and ISRE 2400 (Revised) and also with certain additional representations included in jurisdictional standards.

A.3 Accumulation and Evaluation of Misstatements (Ref.: Paras. 71-74)

21. Extant ISRE 2410 requires the auditor to evaluate, individually and in the aggregate, whether uncorrected misstatements that have come to the auditor’s attention are material to the interim financial information. In order to support the consistency of work effort that is deemed necessary to

¹⁰ ISA 570 (Revised 2024), *Going Concern*

¹¹ ISA 580, *Written Representations*

be able to perform that evaluation, the project team has also included requirements for the auditor to accumulate identified misstatements, other than those that are clearly trivial (see paragraph 71) and related to communicating and correcting identified misstatements (paragraphs 72-73). These additional requirements are consistent with those in other IAASB standards.

A.4 Other Information (Ref. Paras. 71-73)

22. At the September 2025 IAASB meeting, the Board supported the project team's proposed approach for high-level requirements relating to the auditor's responsibilities for other information in an interim review engagement,¹² and to pursue a definition or a description of 'other information' in the context of ISRE 2410.
23. Based on that directional input, the project team has:
 - (a) Introduced a definition of "other information" (see paragraph 15(e1) that leverages the definition in ISAE 3000 (Revised); and
 - (b) Included two high-level requirements, retaining the requirement in extant ISRE 2410 for the auditor to read the other information to consider whether it is materially inconsistent with the interim financial information, and adding a conditional requirement to discuss with management or those charged with governance, as appropriate, a material inconsistency identified when reading the other information.

A.5 Communication with Management and Those Charged with Governance (Ref: Paras 74-76)

24. Extant ISRE 2410 addresses the auditor's communication with management and those charged with governance in a single section (paragraphs 38-42). Those requirements include an overarching requirement to communicate matters of governance interest, communication of misstatements and what to do when management or those charged with governance do not respond appropriately, and communication about fraud and NOCLAR.
25. The project team compared the communication requirements in extant ISRE 2410 those in ISRE 2400 (Revised), and in certain subject-matter specific ISAs. The project team deemed it appropriate to retain an overarching communication requirement for significant matters that, in the auditor's professional judgment, merit the attention of management or those charged with governance, as appropriate (paragraph 78). In addition, given the significance of certain matters to those charged with governance, and giving due consideration to retaining requirements that are proportional to the circumstances of an interim review engagement, the project team has proposed:
 - (a) A specific requirement (paragraph 79) indicating that matters relating to fraud or suspected fraud, or identified or suspected NOCLAR (aligned with requirements in ISA 240 (Revised) and ISA 250 (Revised), respectively) are required to be communicated; and
 - (b) Application material (paragraph A116) to highlight certain matters as relevant for communicating specifically with those charged with governance.

¹² See Appendix 1, actions 2.1(b)(v)

A.6 Forming a Conclusion on the Interim Financial Information (Ref. Paras. 81-84)

26. The project team noted that extant ISRE 2410 does not contain the section on forming the assurance conclusion that is in ISRE 2400 (Revised). That section in ISRE 2400 (Revised) is patterned after the section on forming an opinion on the financial statements in ISA 700 (Revised).¹³ The project team further noted that ISRE 2400 (Revised) has a lengthy section on the form of the conclusion, which combines certain aspects of the form of opinion and certain reporting elements from ISA 700 (Revised) and ISA 705 (Revised).¹⁴ Extant ISRE 2410 does not have such a section.
27. In developing this section of proposed ISRE 2410 (Revised), the project team followed the approach used in ISSA 5000, and has proposed
- (a) A section on Forming a Conclusion on the Interim Financial Information, which includes requirements, based on ISRE 2400 (Revised) and aligned to the IAASB's recent deliberations on the intended purpose of 'stand-back requirements' in the IAASB's standards, for the auditor to evaluate whether sufficient appropriate evidence has been obtained from procedures performed (see paragraph 81) and to form a conclusion, based on that evidence, about whether the interim financial information is free from material misstatement (paragraphs 82-84).
 - (b) A separate section, Preparing the Auditor's Interim Review Report, which includes requirements related to the form of the conclusion (see the Expressing the Auditor's Interim Review Conclusion subsection, paragraphs 88-97 and further discussion in **part A.7** below.)
28. As a result, proposed paragraph 81 requires that the auditor stand-back prior to forming a conclusion, and evaluate whether the evidence obtained from the procedures performed is sufficient and appropriate to enable the auditor to form a limited assurance conclusion.¹⁵ If the auditor's evaluation, upon standing back, is that sufficient appropriate evidence has not been obtained related to an area of the interim financial information in which a material misstatement was likely to arise, or to a material area of the interim financial information, the auditor is required to attempt to obtain further evidence. If the auditor is unable to obtain sufficient appropriate evidence after attempting to obtain further evidence, the auditor will be required by paragraph 94 to express either a qualified conclusion, or disclaim a conclusion on the interim financial information.

Taking Overall Responsibility for Managing and Achieving Quality (Ref: Para. 87)

29. The project team has included this section in proposed ISRE 2410 (Revised) to be consistent with the engagement-level quality management requirements in ISA 220 (Revised)¹⁶ and the similar section included in ISSA 5000.

¹³ ISA 700 (Revised), *Forming an Opinion and Reporting on Financial Statements*

¹⁴ ISA 705 (Revised), *Modifications to the Opinion in the Independent Auditor's Report*

¹⁵ This requirement is analogous to that in ISA 330, *The Auditor's Responses to Assessed Risks*, paragraph 26. This paragraph has been proposed, in the context of work performed in the Audit Evidence and Risk Response project, to be incorporated within the requirement for the auditor to form a conclusion, in ISA 700 (Revised).

¹⁶ ISA 220 (Revised), *Quality Management for an Audit of Financial Statements*

A.7 Preparing the Interim Review Report (Ref: Paras. 86-97)

30. The project team based this section of the proposed revised standard on the approach taken in ISSA 5000, which reflects the approach in ISA 700 (Revised) and brings in the Board's most recent views on an appropriate structure for such requirements in an assurance standard. The requirements are consistent with the approach discussed in the IAASB's [June 2025](#) meeting.
31. The various elements in paragraph 86 follow the structure of the auditor's interim review report. Similar to reporting requirements in other IAASB standards, the requirements in proposed ISRE 2410 (Revised) are sufficiently detailed to provide clarity about the elements that are necessary to be included in the report (including the order, as appropriate), the wording of specific statements required to be included, and any conditional requirements depending on the conclusion reached. Accordingly, the proposals intend to support achieving the project objective of supporting consistency and clarity of reporting.

Specific Matter for IAASB Consideration

The Board is asked to consider the clarity of the different evaluations required, and the structure and flow of requirements relating to Forming a Conclusion on the Interim Financial Information and Preparing the Interim Review Report.

Expressing the Auditor's Interim Review Conclusion (Ref: Paras. 88-97)

32. Regarding the wording of the assurance conclusion, the project team noted that both extant ISRE 2410 and ISRE 2400 (Revised) use the words "Based on our review ..." for unmodified, qualified or adverse conclusions. The project team also noted that different lead-in wording is used in certain jurisdictions. Therefore, the project team has considered various options, such as:
- (a) "Based on our review, nothing has come to our attention..." (as included in **Agenda Item 6-A.1**).
 - (b) "Based on the evidence obtained from procedures performed, nothing has come to our attention..." (to communicate clearly that the conclusion was formed on the basis of evidence),
 - (c) "Based on the procedures we have performed and the evidence we have obtained, nothing has come to our attention... ..." (consistent with other IAASB standards), or
 - (d) "Based on our review, which is not an audit, nothing has come to our attention..." (to further emphasize that a review is not an audit).

Specific Matters for IAASB Consideration

In developing views on proposed ISRE 2410 (Revised), the Board is asked to consider:

- The appropriateness of the lead-in to the interim review assurance conclusion, or whether an alternative, such as those described in paragraph 32 above, may better support achieving the project objectives; and

- Whether to include a specific question on this point, in the Explanatory Memorandum, given the views expressed by various stakeholder groups about the need to clarify the nature of an interim review engagement through means available.

Specific Statements on Going Concern (Ref: Paras. 98-103)

33. In September 2025, the project team proposed to incorporate specific statements relating to going concern in the interim review report, given that such statements were introduced in ISA 570 (Revised 2024). While some Board members expressed concerns about the reporting proposals, highlighting as a possible consequence an increase in the expectations gap, on balance, the Board agreed that including such statements in the auditor's interim review report is in the public interest.
34. However, there were mixed views about the wording of the statements, so the Board asked the project team to further consider the wording and positioning of such statements in the interim review report.
35. In developing the requirements for the going concern section of the interim review report, the project team considered:
 - (a) The various scenarios that may exist, including:
 - (i) Whether a going concern section was included in the auditor's report on the most recent annual financial statements (or interim review report on the most recent interim financial information). In this regard, the project team noted input from the Board in September 2025 about referring to the previous auditor's report;
 - (ii) The existence of events or conditions that may cast significant doubt about the entity's ability to continue as a going concern; and
 - (iii) Whether management has identified and appropriately disclosed a material uncertainty in the current-period interim financial information.
 - (b) The requirements relating to the implications for the auditor's report in ISA 570 (Revised 2024);
 - (c) The work effort requirements proposed in paragraphs 53-56 of **Agenda Item 6-A.1**.
36. The proposed reporting requirements address the different scenarios described in paragraph 34(a) above. These requirements were drafted to be as comprehensive as possible for the purpose of the Board discussion, to provide a clear indication of the possible statements and section headings that may be included in the interim review report. The project team acknowledges, however, that further refinement to the wording of these requirements may be needed, and that application material may be provided to enhance their clarity.
37. The project team, with input from the project Board members, discussed other possible scenarios that may need to be addressed, including:
 - (a) The auditor's report on the most recent annual financial statements included a Material Uncertainty Related to Going Concern section, and the events and conditions that cast significant doubt about the entity's ability to continue as a going concern have been resolved.

- (b) Events or conditions exist in the interim period that may cast significant doubt on the entity's ability to continue as a going concern, and management has concluded that no material uncertainty related to going concern exists (i.e., a "close call"). ISA 570 (Revised 2024)¹⁷ includes a differential requirement in analogous circumstances.
38. The project team will further consider proposed requirements to address these circumstances, and before the March 2026 meeting, and is therefore seeking input from the Board on whether to address these or other circumstances for interim review engagements.

Specific Matters for the IAASB's Consideration

The Board is asked to consider:

- the clarity and understandability of the proposed requirements and of the proposed statements relating to going concern, for the scenarios included in **Agenda Item 6-A1**
- Whether the scenarios described in paragraph 37, or other scenarios, may need to be addressed in proposed ISRE 2410 (Revised).

Comparative Information (Ref: Paras. 112-114)

39. Extant ISRE 2410 does not address comparative information. The project team has proposed requirements on this topic, based on ISSA 5000 and on ISA 710,¹⁸ to determine whether comparative information is required by the financial reporting framework and, if so, to evaluate whether it is appropriately presented.

B. Other Matters

B.1 Interim Financial Reviews of Groups

Previous IAASB discussion

40. At the [September 2025](#) IAASB meeting, the project team presented its view that the concepts and principles in proposed ISRE 2410 (Revised) would apply to all engagements, including group interim review engagements, but with the need for proportionality reflective of the circumstances of interim review engagements. Therefore, the project team proposed that special considerations for group interim review engagements could be addressed through application material rather than requirements. The Board broadly supported this direction.

Approach Taken and Next Steps

41. As explained in **Agenda Item 6-B**, the project team has proposed one requirement relating to group interim reviews (paragraph 37A) with supporting application material; and has not introduced new definitions relating to groups in the proposed revised standard.
42. The project team will consider the need for additional application material related to group interim review engagements, taking into account the input from the Board in December. The project team

¹⁷ ISA 570 (Revised 2024), paragraph 34(b)

¹⁸ ISA 710, *Comparative Information*

will also consider whether a specific question on this point may be included in the explanatory memorandum.

Specific Matter for the IAASB's Consideration

The Board is asked to consider the sufficiency and appropriateness of requirements and application material relating to group interim review engagements, and whether there are any other matters to be addressed in the explanatory memorandum or questions to be asked on exposure, relating to group interim review engagements.

B.2 Condensed Interim Financial Information

Previous IAASB discussion

43. In [June 2025](#), the project team proposed that the wording of the auditor's interim review conclusion should be driven by the requirements of the applicable financial reporting framework, and not by whether interim financial information is presented as a complete or condensed set of financial statements. Accordingly, the initial recommendation of the project team was that the form of the auditor's unmodified conclusion on interim financial information should be consistent with the approach in paragraph 74 of ISRE 2400 (Revised): using different wording depending on whether the framework is a 'fair presentation framework' or a 'compliance framework' as defined in the Glossary.
44. The Board agreed with the principle that the form of the auditor's conclusion on the interim financial information should vary depending on whether the applicable financial reporting framework is a fair presentation framework or a compliance framework. Accordingly, Paragraph 89 of **Agenda Item 6-A.1** reflects this approach, consistent with the illustrative wording presented to the Board in June. The Board also supported the project team's proposed approach to liaise further with the IASB to gain insight into whether condensed interim financial information prepared under IAS 34¹⁹ may achieve fair presentation.

Project Team View

45. The project team remains of the view that it is appropriate for the form of the conclusion to follow the requirements of the applicable financial reporting framework; and that condensed interim financial reports that are prepared in accordance with IAS 34 achieve fair presentation *of the matters such reports are intended to present*. In accordance with IAS 34, condensed interim financial reports are prepared for the purpose of presenting "an update on the latest complete set of annual financial statements. Accordingly, [condensed interim financial reports focus] on new activities, events, and circumstances" (paragraph 6) that are significant to understanding the changes in the entity's financial position and performance since the end of the last annual reporting period. Compliance with the requirements of IAS 34 achieves this.

¹⁹ International Accounting Standard (IAS) 34, *Interim Financial Reporting*

46. The project team note that IAS 34 requires²⁰ that, in preparing condensed financial statements, the entity also apply the requirements in paragraphs 41–45 of IFRS 18²¹ and in paragraphs 6A–6N of IAS 8.²² These paragraphs of IAS 8 require and describe fair presentation, and specify that a fair presentation also requires:
- (a) an entity to provide additional information when compliance with specific requirements would be insufficient to enable users to understand the impact of particular transactions, other events and conditions on the entity's financial position and financial performance for the period; and
 - (b) An entity to depart from requirements when compliance with specific requirements would be so misleading that it would conflict with the objective of financial statements [to achieve fair presentation].

Accordingly, the project team are of the view that the financial reporting framework expressed in IAS 34 is a fair presentation framework as defined in the IAASB's standards.²³

47. In forming this view, the project team further engaged with staff of the IASB, and discussed this matter with the IASB Liaison Working Group. The Working Group expressed varying perspectives, including that the matter for the IAASB to decide on in approving a revised standard for exposure (the principle that the auditor's interim review conclusion should mirror the requirement of the applicable financial reporting framework) was a different question than whether IAS 34 was intended to achieve fair presentation, and if so, *of what*.
48. The project team notes that further outreach on this topic could be performed on exposure, to understand potential unintended consequences of a principles-based requirement on the form of the conclusion, without concurrently obtaining clarity from the IASB on the underlying intention of the framework.

Direction Requested from the IAASB

2. The Board is asked, in view of the scope of the project, whether any further actions may be necessary for the project team on the matter described in part B.2, in the context of this project.

Direction Requested from the IAASB

3. The Board is asked whether there are any other matters that the project team should consider in finalizing a draft of proposed ISRE 2410 (Revised) for exposure.

²⁰ IAS 34, paragraph 10

²¹ International Financial Reporting Standard (IFRS) 18, *Presentation and Disclosure*

²² IAS 8, *Basis of Preparation of Financial Statements*

²³ in the Glossary, the term "fair presentation framework" refers to a financial reporting framework that requires compliance with the requirements of the framework and also: (a) Acknowledges explicitly or implicitly that, to achieve fair presentation of the financial statements, it may be necessary for management to provide disclosures beyond those specifically required by the framework; or (b) Acknowledges explicitly that it may be necessary for management to depart from a requirement of the framework to achieve fair presentation of the financial statements. Such departures are expected to be necessary only in extremely rare circumstances.

C. Matters for Inclusion in the Explanatory Memorandum

49. The project team has given initial consideration to matters to be included in the explanatory memorandum on exposure. These include explanations of decisions related to the following topics and targeted questions to seek specific information to further inform revisions:
- (a) The interaction of ED ISRE 2410 (Revised) and the ISAs.
 - (b) The differences between the assurance provided by an interim review engagement compared to an audit of financial statements.
 - (c) Circumstances where the first engagement performed by the auditor is the interim review engagement through application material:
 - (i) Whether the application material is sufficiently clear to support consistent application of the requirements in a first-time engagement;
 - (ii) How comparative financial information presented in the interim financial information subject to review is considered in first-time engagement; and
 - (iii) The concurrent performance of procedures relevant to the first-time audit engagement and the first-time review engagement.
 - (d) The determination of materiality in the interim review engagement.
 - (e) The consideration of going concern in interim review engagements, including performance and reporting requirements.
 - (f) Group interim review engagements, including whether a singular requirement and related application material appears sufficient to support consistent application of ED ISRE 2410 (Revised).
 - (g) Reporting matters, including:
 - (i) The Board's decision not to include matters analogous to Key Audit Matters;
 - (ii) The form of conclusion – applying a principles-based approach in determining the appropriate form of conclusion in the auditor's report; and
 - (iii) The order of information presented in the auditor's interim review report, mirroring the enhancements introduced in the auditor's reporting project with the conclusion section followed by a basis for conclusion section.

Direction Requested from the IAASB

4. The Board is asked whether there any matters, other than those noted in paragraph 48 above, that the project team should address in developing the proposed explanatory memorandum.

Way Forward

50. The project team is developing a plan for targeted outreach with stakeholders in the first quarters of 2026, in consideration of the [Public Interest Framework - Due Process and Operating Procedures](#). to further inform the development of the exposure draft.

51. In March 2026, the project team will present to the IAASB a complete draft of proposed ISRE 2410 (Revised) for approval as an exposure draft. The project team will also provide:
- (a) A mapping of extant ISRE 2410 to proposed ISRE 2410 (Revised); and
 - (b) A mapping of proposed ISRE 2410 (Revised) to the standard-setting actions indicated in the project proposal.

Appendix 1

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)
 - Johanna Foyster (AUASB) (with input, as appropriate, from Rene Herman (AUASB))
 - Sharon Walker (XRB) (with input, as appropriate, from Misha Pieters (XRB))

Project Board Members

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

Activities in the Period

5. During the fourth quarter of 2025, the project team:
 - Met in person once and virtually four times, for collaboration between IAASB staff and staff from the AUASB and XRB;
 - Engaged in three virtual or hybrid meetings with both Project Board Members for directional guidance
 - Engaged virtually one-on-one with technical advisors and certain board members with expertise on limited assurance engagements on various topics;
 - Engaged in coordination activities with other project teams and previous taskforces (including Going Concern), and the IESBA; and
 - Engaged with the Stakeholder Advisory Council at its October meeting.

Appendix 2

Approach to the Walkthrough of Agenda Items 6-A.1 and 6-A.2

	Section of Draft Proposed ISRE 2410 (Revised)	Paragraph References	Related Sections in this Agenda Item
1	Introduction Objectives	1-11; A1-A7 13-14	-
2	Definitions	15-15A; A7a-A7b	-
3	Conduct of an Interim Review Engagement in Accordance with this proposed ISRE Relevant Ethical Requirements Professional Skepticism and Professional Judgment	16-23; A8-A20	-
4	Engagement-Level Quality Management	24-24A; A21-A32a	-
5	Acceptance and Continuance of the Interim Review Engagement	27-36A; A35a-A50	-
	Planning and Performing the Engagement		
6	<i>Group Engagements</i> <i>Materiality</i> <i>Obtaining an Understanding the Entity and Its Environment ...</i>	37A-40; A51a-A62	B.1
7	<i>Designing and Performing Review Procedures</i> • <i>Inquiries, Analytical Procedures and Other Review Procedures</i>	41-44; A63-A80	A.1 (Paras. 10-12)
8	<i>Designing and Performing Review Procedures</i> • <i>Related Parties, Fraud and Non-Compliance with Laws or Regulations</i>	45-52; A81-A85	A.1 (Paras. 13-14)
9	<i>Designing and Performing Review Procedures</i> • <i>Going Concern</i>	53-56; A86-A92	A.1 (Para 15-16)

	Section of Draft Proposed ISRE 2410 (Revised)	Paragraph References	Related Sections in this Agenda Item
10	<i>Using the Work of an Auditor's Expert</i> <i>Reconciling Interim Financial Information to Underlying Accounting Records</i> <i>Additional Procedures When the Auditor Becomes Aware that the Financial Statements May Be Materially Misstated</i>	57-60; A93-A99	-
11	Subsequent Events Written Representations Accumulation and Evaluation of Misstatements	61-74; A100-A107	- A.2 A.3
12	Other Information Communication with Management and Those Charged with Governance	75–79; A108-A116	A.4 (Paras 21-22) A.5
13	Forming a Conclusion on the Interim Financial Information	81-85; A117-A125	A.6
14	Preparing the Auditor's Interim Review Report	86-87; A126-A142	A.7
15	Preparing the Auditor's Interim Review Report <ul style="list-style-type: none"> <i>Expressing the Auditor's Interim Review Conclusion</i> 	88-97; A144-A149	A.7
16	Preparing the Auditor's Interim Review Report <ul style="list-style-type: none"> <i>Going Concern</i> 	98-103; A150-A151	A.7 (Paras 32-36)
17	Preparing the Auditor's Interim Review Report <ul style="list-style-type: none"> <i>Date of the Auditor's Review Report</i> <i>Report Prescribed by Law or Regulation</i> <i>Emphasis of Matter or Other Matter Paragraphs</i> <i>Other Reporting Responsibilities</i> <i>Comparative Information</i> 	104-109; A152-A158	
18	Documentation	110-114; A159-A161	