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

Response Form

Guide for Respondents

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

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

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

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

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

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

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

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

PART A: Respondent Details and Demographic information

Your organization's name (or your name if you are making a submission in your personal capacity)	Forvis Mazars Group SC
Name(s) of person(s) responsible for this submission (or leave blank if the same as above)	Paul Winrow
Name(s) of contact(s) for this submission (or leave blank if the same as above)	Jon Seaman
E-mail address(es) of contact(s)	Jon.seaman@mazars.co.uk
Geographical profile that best represents your situation (i.e., the geographical perspective from which are you providing feedback on ED-2410). Select the most appropriate option.	Global
	If "Other", please clarify
The stakeholder group to which you belong (i.e., the perspective from which are you providing feedback on ED-2410). Select the most appropriate option.	Accounting firm
	If "Other", please specify
Should you choose to do so, you may include information about your organization (or yourself, as applicable).	

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

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

Click or tap here to enter text.

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

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

Overall Impact

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

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

Detailed comments (if any):

We support the IAASB's modernization of ISRE 2410 which has not been updated for over 20 years, and particularly welcome that the standard has adopted the clarity principles applied to the IAASB's standards over that time.

While many of the proposed amendments and additions to the standard seem, in and of themselves, individually reasonable, when taken together the likely increase in the work effort required to comply with the revised standard is significant. The exposure draft expands the standard significantly, from 13 to 69 pages (excluding appendices), with an increase from 27 requirements in the extant standard to 125 paragraphs in the requirement section of the exposure draft. Similarly, the application material has expanded from 65 paragraphs in the extant standard to over 180 in the exposure draft. On this basis, it is difficult to conclude that the revised standard is responsive to the public interest as the likely outcome will be increased work effort and increased cost for companies, for the same level of limited assurance as the extant standard. We believe that there is a significant risk that the proposals will lead to an enhanced expectation gap between what users perceive as, and the reality of, the extent of work performed by the auditor.

It is not clear what the IAASB has done to satisfy itself of the need for such significant changes to the standard. The IAASB should ensure that it elicits explicit feedback from preparers and users to understand what they are looking for, and in particular whether they believe the additional requirements, and associated work effort and increased cost, for the same level of assurance, is worthwhile. Once it has this understanding, the IAASB should provide guidance on what a limited assurance engagement is and, importantly, is not compared to an audit. As an example, an investor at a conference recently commented that he thought that "limited assurance is better than reasonable", demonstrating a need for greater awareness amongst users.

In addition to the increased requirements and work effort, the exposure draft muddles the concepts of a review engagement and an audit, drawing many elements of the auditing standards into a review engagement without setting boundaries and guardrails regarding the work effort required and clarity over what assurance the preparer and user receive. For example, when performing year end procedures an auditor is required to review and test journal entries, but this work is not required in an interim review. Furthermore, the increase in the granularity of going concern requirements in the exposure draft will likely lead users to believe that the work is being performed with the same rigor as a going concern assessment in an audit, when in reality it won't be. Given these risks, it is likely that some auditors may be driven to perform additional procedures to manage the risk related to user understanding, leading to further increases in cost.

The IAASB should provide clear implementation guidance (outside of the standard itself) setting out clearly what the Board's expectations are in key areas like going concern and fraud to mitigate the risk of auditors defaulting to full Going Concern and fraud standards, potentially substantially increasing cost on companies, to manage the risk arising from an increased expectation gap. Such guidance, which would be similar to the implementation guide issued alongside ISSA 5000, would be helpful for auditors, management, TCWG, users and regulators in ensuring consistency of both understanding and application, by auditors and regulators alike.

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

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

Detailed comments (if any):

We set out our concerns in our detailed response in Question 1 and repeat here only a summary of those comments.

Although the individual proposals in the exposure draft appear reasonable, when taken together they will likely lead to a significant increase in work effort, in some ways resembling an audit engagement, whilst continuing to provide only limited assurance. We believe that this will likely lead to a significant expectation gap between what users perceive as, and the reality of, the extent of work performed by the auditor.

In addition to the increased requirements and work effort, the exposure draft muddles the concepts of a review engagement and an audit, drawing many elements of the auditing standards into a review engagement without setting boundaries and guardrails regarding the work effort required and clarity over what assurance the preparer and user receive.

Professional Skepticism and Professional Judgment

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

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

Detailed comments (if any):

While we agree that the foundational concepts of professional skepticism and judgement are set out in the exposure draft, we feel that the IAASB should set out more clearly that the application of these critical professional skills will typically be applied at a different level of intensity in a limited assurance engagement than they would for an audit engagement; for example, inquiry alone may be provide sufficient appropriate evidence for a limited assurance engagement whereas more challenge of management would typically be required in an audit.

Fundamental Principles of an Interim Review Engagement

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

   (See Section I-B in the EM)

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

Detailed comments (if any):

While the description provided in the introduction is clear in setting out the nature and purpose of a review engagement, as set out in our response to Question 1, we believe that the rest of the exposure draft drives auditors towards more of an audit-style approach, and risks increasing the expectations of the users regarding the extent of work performed in achieving limited assurance.

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

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

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

Detailed comments (if any):

The definition of review procedures in ED2410.13(i) clearly states that Review procedures are “The procedures, primarily inquiries and analytical procedures…” and there are several references in application material making this clear, in addition to the statement including in the assurance report.

However, we note that this is not as clear in the requirements of the standard. ED2410.44 states that “The auditor shall design and perform inquiries, analytical procedures **and** other review procedures…” suggesting that other procedures are always required. We believe that the IAASB could strengthen the notion that procedures are primarily inquiry and analytical procedures in this paragraph, clearly highlighting the difference with an audit as there are no requirements to perform substantive or controls testing in an interim review engagement. This could be achieved by the use of “primarily” in this paragraph, or by adding “as necessary in the circumstances” when referring to other procedures. For example, this requirement could be rephrased as something like “The auditor shall design and perform inquiries, analytical procedures and, as *necessary in the circumstances*, other review procedures…”.

Practical examples of how far the engagement team has to go with work effort in responding to risks, for example responding to situations where inquiry and analytics are not sufficient, would be helpful.

- dealing with adjustments that are not material in the year end audit but become material for the next interim review (or vice versa)

Approaching an Interim Review Engagement in Accordance with ED-2410

6.	Is it sufficiently clear that, for recurring engagements, the auditor leverages the knowledge and understanding obtained from previous annual audits and interim review engagements for the entity? If not, what suggestions do you have to make this clearer? *(See Section I-B and Section I-F, paragraphs 44-52 in the EM)*

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

Detailed comments (if any):

7.	Do you agree with the considerations that apply when the review of interim financial information is the first engagement performed for the audit client? If not, what suggestions do you have for additional considerations related to first-time interim review engagements? *(See Section I-F, paras. 48-52 in the EM)*

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

Detailed comments (if any):

We welcome the IAASB's approach of providing application material to support auditors undertaking first year engagements, rather than including requirements.

With regard to first year engagements, work effort can be blurred when the auditor is onsite performing an interim review engagement and planning for the year-end audit. Greater clarity on the extent of work required to obtain an understanding of controls required for a first year ISRE 2410 engagement, and the extent of documentation required versus what is required for the year end audit would be helpful; for example, is documentation and design & implementation of controls required for a first-year review engagement? In providing such guidance, the IAASB could draw on the distinction drawn between the work effort required for limited and reasonable assurance when obtaining an understanding of the entity and its environment and the system of internal control, in sustainability assurance engagements in ISSA 5000.

Materiality

8.	Do you agree with the requirement for the auditor to determine materiality for the interim review engagement, and the related application material that describes the relevant principles that apply? If not, what would you suggest? *(See Section I-F, paragraphs 41-43 in the EM)*

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

Detailed comments (if any):

We agree with the requirements. However, implementation guidance and illustrative examples (outside of the standard) would be helpful to ensure consistent application in how auditors:

- may determine materiality in different circumstances, including factors to consider, and
- would deal with adjustments that were not material in the previous year end audit but become material for the next interim review (or vice versa)

Group Interim Review Engagements

9.	Overall, do you agree that ED-2410 is capable of being applied for the review of interim financial information of groups? If not, please explain your reasons, and provide suggestions for additional requirements or application material that might be needed. *(See Section I-F, paragraphs 37-40 in the EM)*

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

Detailed comments (if any):

As the vast majority, if not all, review engagements are undertaken on group, we support the IAASB including requirements for group review engagements. However, we believe that further practical implementation guidance, outside of the standard would be helpful to support auditors in applying the standard, in particular as it relates to the use of component auditors.

Practical guidance on the considerations that should be applied when determining whether the group auditor would use the work of component auditors when undertaking a review engagement, focusing on practical examples of what auditors should think about when deciding whether or not to use component auditors. For example, such guidance should take into account that group auditors may require component auditors only to undertake specific procedures as part of a year end audit, rather than a full audit, which will limit the component auditor's understanding of the component and impact their ability to merely undertake inquiry and analytical procedures for an interim review.

10.	Are the requirements in ED-2410 that address specific considerations related to group interim review engagements appropriate? If not, please explain your reasons, and provide suggestions for additional requirements or application material that might be needed. *(See Section I-F, paragraphs 37-40 in the EM)*

Overall response: **<u>Yes (with no further comments)</u>**

Detailed comments (if any):

Click or tap here to enter text.

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

11.	Do you agree that the work effort requirements related to fraud and NOCLAR are appropriate and proportionate to the circumstances of an interim review engagement, recognizing that the engagement is performed by the auditor of the entity's annual financial statements and has responsibilities related to fraud and NOCLAR in the context of that engagement? If not, please explain your reasons, and provide suggestions for the auditor's approach to fraud and NOCLAR in an interim review engagement. *(See Section I-F, paras. 54-56 in the EM)*

Overall response: **<u>Agree (with no further comments)</u>**

Detailed comments (if any):

Click or tap here to enter text.

Going Concern

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

12.	Do you agree that the work effort requirements related to going concern are appropriate and proportionate to the circumstances of an interim review engagement, recognizing that the engagement is performed by the auditor of the entity's annual financial statements and has responsibilities related to going concern in the context of that engagement? If not, please explain your reasons and provide suggestions for how ED-2410 should address the auditor's responsibilities related to going concern in an interim review engagement. *(See Section I-F, paras. 57-61 in the EM)*

Overall response: **<u>Disagree, with comments below</u>**

Detailed comments (if any):

See our comments in response to Question 1.

13.	Do you agree with the proposals to introduce a new separate section relating to going concern in the auditor's interim review report? If not, please explain your reasons and provide suggestions for how ED-2410 should address transparency about going concern in the interim review report. *(See Section I-H, paragraphs 74-79 in the EM)*

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

Detailed comments (if any):

Click or tap here to enter text.

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

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

Detailed comments (if any):

As the auditor will not carry out a full going concern assessment, in accordance with ISA 570, we do not believe that it is appropriate to introduce a separate section in the interim review report. If such a section is included we believe that, given the profile of going concern, investor interest and regulator actions when companies fail, it is inevitable that this will drive auditors to perform more work to enable them to reach a conclusion, leading to a significant unnecessary increase in workload and cost.

(b)	Do you agree that the circumstances addressed in the requirements in paragraphs 108-111 of ED-2410 capture the most frequently encountered scenarios in practice? If not, please explain your reasons and provide suggestions for any other scenarios that should be addressed in ED-2410.

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

Detailed comments (if any):

While believe that the scenarios set out paragraphs 108-11 capture those most frequently encountered, we set out in Question 13(a) our concerns with IAASB's proposed response.

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

Overall response: **<u>Disagree, with comments below</u>**

Detailed comments (if any):

See also our comments in 13(a) above. It is difficult to see how an auditor would reach a conclusion around a “close call” without performing extensive assessment of going concern in line with ISA 570, which would require a significant increase in work effort and cost. Furthermore, there is a risk that proposed requirements may blur the responsibilities of management and the auditor where the auditor includes comment in the review report that is not demanded of management in their reporting.

It is also not clear why the IAASB is elevating Going Concern specifically in the review report over other aspects of the engagement in a limited assurance engagement, which contributes to our concerns over a potential expectation gap set out in Question 1 above.

The Auditor’s Interim Review Report

General

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

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

Overall response: **<u>Agree, with comments below</u>**

Detailed comments (if any):

We support the IAASB’s approach to ensuring consistency with audit and other opinions.

However, it may be helpful if the IAASB could identify ways to further distinguish between the interim review report and an audit report, especially as the report is provided by the “Independent Auditor” which is already suggestive that this is an audit report. For example, the IAASB could consider amending the title to “Independent Auditor’s *Limited Assurance* Interim Review”

The Auditor’s Interim Review Conclusion

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

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

Overall response: **<u>No (with no further comments)</u>**

Detailed comments (if any):

Other Matters

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

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

Detailed comments (if any):

Forming a conclusion

We believe that ED ISRE2410.91 is fundamentally flawed and risks creating confusion between a limited assurance review and an audit. This para states that "The auditor shall form a conclusion about whether the interim financial information is free from material misstatement". However, ED ISRE2410.9 states that "…an interim review engagement does not provide a basis for expressing an audit opinion about whether the interim financial information is free statement" and the template reports in the Appendix to ED ISRE2410 includes a conclusion that "…nothing has come to our attention that causes us to believe that does not [present fairly/give a true and fair view]. In our view ED ISRE2410.91 should be rewording along the lines of "The auditor shall form a conclusion about whether anything has come to their attention that causes them to believe that interim financial information may be materially misstated".

Other areas where practical implementation guidance may be helpful (outside of the standard)

Areas where practical, real-world examples and implementation guidance (outside of the standard) would be helpful, include:

- Illustrative examples of determining materiality
- Considerations when deciding whether to use the work of component auditors
- The interaction between a first-year engagement and the audit
- How far the team has to go with work effort in responding to risks, for example responding to situations where inquiry and analytics are not sufficient
- dealing with adjustments that are not material in the year end audit but become material for the next interim review (or vice versa)

Translations

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

Overall response: **<u>No response</u>**

Detailed comments (if any):

Click or tap here to enter text.

Effective Date

18.	The IAASB believes that an appropriate implementation period would be approximately 18 months after the expected date of approval of the proposed revised standard. Do you agree that this will provide a sufficient period to support effective implementation of the proposed standard? If not, what do you propose and why? *(See Section I-I, paragraphs 85-86 in the EM)*

Overall response: **<u>Agree (with no further comments)</u>**

Detailed comments (if any):

Click or tap here to enter text.

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

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

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

Group Interim Review Engagements

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

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

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

Detailed comments (if any):

Click or tap here to enter text.

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

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

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

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

Detailed comments (if any):

Click or tap here to enter text.

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

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

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