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)	Chartered Accountants Australia and New Zealand and the Association of Chartered Certified Accountants (ACCA)
Name(s) of person(s) responsible for this submission (or leave blank if the same as above)	Antonis Diolas Amir Ghandar
Name(s) of contact(s) for this submission (or leave blank if the same as above)	Antonis.Diolas@accaglobal.com Amir.Ghandar@charteredaccountantsanz.com
E-mail address(es) of contact(s)	
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.	Professional accountancy or professional organization (PAO)
	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:

We note that in the United Kingdom, Australia and New Zealand, the local equivalents of ISRE 2410 have already been revised to clarify and uplift some requirements in response to changes in the auditing standards since extant ISRE 2410 was issued.

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

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

Overall Impact

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

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

Detailed comments (if any):

We agree that the ED is responsive to the public interest. Improving the consistency of reviews of interim financial information will have benefits for users of those financial statements, as will enhancements to the standard to reflect changes to the auditing standards since the standard was issued. The standard should also be consistent with ISRE 2400.

We note that there is a public interest consideration in not widening the expectation gap of users when it comes to reviews of interim financial information and the board should consider the feedback it receives with that lens to ensure:

- That the work effort required by the standard is appropriate for a limited assurance engagement;
- That there is appropriate consideration given to the nature of the financial reporting frameworks used in preparing interim financial statements and that those may require greater use of estimates than annual financial statements; and
- That the auditor's interim review report assists users in understanding the work that has been undertaken and the level of assurance being provided.

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: **Neither agree/disagree, but see comments below**

Detailed comments (if any):

We recognise the public interest rationale for strengthening the requirement for areas such as going concern, fraud and NOCLAR. However, in our view, further consideration is needed to ensure that the resulting work effort remains proportionate to the limited assurance nature of an interim review engagement.

In particular, the distinction between the work effort expected in an interim review as compared to that undertaken as part of the annual audit is not always sufficiently clear in these areas. Greater clarity on how the auditor's knowledge and work from annual audit should inform the interim review would help support consistent application and avoid creating expectations that go beyond the scope of a limited assurance engagement.

From an implementation perspective, lack of clarity in this regard could lead to inconsistent practice and unnecessary additional work effort, particularly where requirements are interpreted as approaching those applicable in an audit.

Professional Skepticism and Professional Judgment

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

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

Detailed comments (if any):

Click or tap here to enter text.

Fundamental Principles of an Interim Review Engagement

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

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

Detailed comments (if any):

It would be useful if the ''Introduction'' contained more explanation detail on the relationship between the audit and the interim review. This would provide an opportunity to be clear that interim reviews provide limited assurance and explain how that differs to reasonable assurance. It would also be useful to expand on how the auditor utilises the knowledge they have gained from the audit during the interim review.

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):

In our view, the definition of “review procedures” is appropriate. However, it may be useful to add application material to clarify to users that interim review procedures do not necessarily need to be complemented by other procedures.

We also note that there are some inconsistencies in the use of the term "review procedures" in the ED. For example:

- Paragraph 44 refers to the auditor designing and performing "inquiries, analytical procedures and other review procedures". This could be simplified to "The auditor shall design and perform review procedures…"
- Paragraph A82 states that the auditor may decide to design and perform "procedures other than inquiries, analytical procedures, and the procedures specifically required by this ISRE…". This could be simplified to "procedures other than review procedures and the procedures specifically requirement by this ISRE…"

We recommend that the term "review procedures" is used consistently.

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

Detailed comments (if any):

Click or tap here to enter text.

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

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

Detailed comments (if any):

We believe there is a need to further clarify the work effort required of a practitioner undertaking an interim review as the first engagement of a new audit appointment versus that required for a practitioner who has previously performed an audit of the entity's financial statements. It is appropriate for the standard to recognise that as the auditor of an entity, the practitioner will have more knowledge than that of a practitioner who is not the auditor of the entity performing a standalone review, however the work effort for the interim review engagement must be appropriate for a limited assurance engagement.

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):

Yes, we agree with the requirement to determine materiality for the interim review engagement instead of considering it, as it reflects firms' current practice. Stakeholders acknowledge that there are challenges in determining materiality and recognise the value of the application material provided. While some stakeholders would prefer more guidance, the majority of stakeholders prefer that the requirements remain principles based to allow for flexibility and the exercise of professional judgement in determining materiality.

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):

Clarification of what it is meant by the component auditor being asked to "provide information" is required. If this refers to documentation of review procedures and other matters, this should be clearly stated.

We also note that it may be useful to include a requirement and application material on what documentation should be included in the group interim review engagement file in relation to the work performed by the component auditor.

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

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

Detailed comments (if any):

While the requirements overall are reasonable, stakeholders flagged that paragraph A63 is potentially confusing. The use of the phrase "and often will" in relation to the group engagement partner determining whether component auditors are to be involved could be interpreted to mean "should be in most cases" and result in unnecessary work effort.

As stated in our response to Q9, clarification of what it is meant by the component auditor being asked to "provide information" is required. If this refers to documentation of review procedures and other matters, this should be clearly stated.

We also note that it may be useful to include a requirement and application material on what documentation should be included in the group interim review engagement file in relation to the work performed by the component auditor.

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: **Neither agree/disagree, but see comments below**

Detailed comments (if any):

While we understand that fraud and NOCLAR are matters of significant public interest, it is important to ensure that the work effort stemming from the requirements remains proportionate to the limited assurance nature of an interim review engagement.

We find that more clarity would be helpful regarding the work effort expected, including how the auditor's knowledge obtained through the annual audit should inform the nature and extent of procedures performed in the interim review. This would help support consistent application while maintaining an appropriate distinction between the work effort required for an interim review and that required for an audit engagement.

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: **Neither agree/disagree, but see comments below**

Detailed comments (if any):

Our stakeholders indicated that further clarification is needed regarding the work effort expected of an auditor in relation to management's assessment of the entity's ability to continue as a going concern, particularly where the applicable financial reporting framework does not explicitly require management to prepare a formal going concern assessment for the purposes of the interim financial report.

While we recognise the importance of appropriately addressing going concern in an interim review engagement, we believe the auditor's work effort should remain appropriate to the nature and objective of the engagement and should take into account management's responsibilities under the applicable financial reporting framework.

In this regard, we are concerned that the proposed requirements (e.g. para 59) could be interpreted as effectively establishing a requirement for management to prepare a formal going concern assessment in circumstances where there is not otherwise required by the applicable financial reporting framework. In our view, similar with ISAs, the review standards should not create or extend the underlying financial reporting responsibilities of management, as this risks blurring the respective responsibilities of management and the auditor.

We therefore suggest that the IAASB clarify the auditor's expected work effort in circumstances where the applicable reporting framework does not require management to prepare a formal going concern assessment for interim financial report.

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: **Neither agree/disagree, but see comments below**

Detailed comments (if any):

We received mixed views from our stakeholders regarding the proposal to introduce a separate section relating to going concern in auditor's report interim review report.

Some stakeholders expressed concerns that presenting going concern matters in a separate section of the interim review report could create an expectation gap. They noted that the procedures performed in relation to going concern in an interim review are not equivalent to those performed in relation to going concern in an audit of annual financial statements in accordance with ISA 570 (Revised). A separate prominent section on going concern could therefore lead users to infer that the auditor has performed similar level of work or obtained a level of assurance on going concern comparable to that obtained in an audit, when this is not the case.

Other stakeholders, including those from jurisdictions such as the UK, Australia and New Zealand, were more supportive of the proposal, noting that similar reporting requirements already exist in their respective equivalent standards and have not given rise to significant concerns in practice.

Given these differing views, we encourage the IAASB to carefully consider the potential for the proposed separate section to create an expectation gap, particularly in jurisdictions where such reporting in currently required. If the IAASB retains the proposal, the wording should be clear and straightforward and should not imply that more extensive work has been performed, or a higher level of assurance obtained than is required in an interim review engagement.

Therefore, if a statement is included, it would be preferable for it to be limited to one sentence that: *"In the context of the review, and based on the review procedures performed, nothing has come the auditor's attention that causes the auditor to believe that management's use of the going concern basis is inappropriate or that a material uncertainty exists."*

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: **Agree, with comments below**

Detailed comments (if any):

In considering the appropriate wording for the statements the wording needs to be clear and straightforward. It is important that the wording does not:
- increase the expectation gap by implying more work has been performed than actually has been undertaken in a limited assurance engagement; or
- confuse the user as to the conclusion and scope of work (as review conclusions are framed in a negative fashion, the wording should be as simple as possible to avoid this)

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

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

Detailed comments (if any):

Click or tap here to enter text.

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

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

Detailed comments (if any):

We are not convinced by the proposed requirement in para 111 to specifically address disclosures relating to going concern other than material uncertainty, such as a “close call”, should be singled out for particular prominence in the interim review report. While such matters may be importance to users, there may be other matters that are of similar, or greater importance to their understanding of interim financial information.

We therefore suggest that the IAASB reconsiders the requirement in para 111 or provide a clearer rationale for giving such going concern matters prominence than other matters that may be fundamental to users' understanding of interim financial information.

The Auditor's Interim Review Report

General

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

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

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

Detailed comments (if any):

We support the new structure of the interim review report. This structure has been used in AU/NZ for several years. Please refer to the response to Q13 for comments in relation to the reporting of going concern issues in the auditor's interim review report.

We note that in Australia, extant ASRE 2410 has been amended to use “Based on our review, which is not an audit…” in the review conclusion. Stakeholders in Australia find this phrasing to be useful to assist users in understanding the nature of the conclusion.

The Auditor's Interim Review Conclusion

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

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

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

Detailed comments (if any):

Click or tap here to enter text.

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: **No other matters to raise**

Detailed comments (if any):

Click or tap here to enter text.

Translations

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

Overall response: **No**

Detailed comments (if any):

Click or tap here to enter text.

Effective Date

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

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

Detailed comments (if any):

Click or tap here to enter text.

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

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

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

Group Interim Review Engagements

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

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

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

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

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.