

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)	National Association of CPAs in Education
Name(s) of person(s) responsible for this submission (or leave blank if the same as above)	Dyan Nicole M. Francisco Noel Bergonia Resty Myrrh Purca Lyra Victoria Lascano Orland Adrigado Julian Pilapil Philip Dan Jayson Laroza Jennifer Perez Mellbourne Poliran Janus Aries Simbillo Mel Devesa
Name(s) of contact(s) for this submission (or leave blank if the same as above)	Dyan Nicole M. Francisco
E-mail address(es) of contact(s)	nacpae.inc@gmail.com
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.	<u>Asia Pacific</u>
	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.	<u>Academic or academic body</u>
	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: Agree, with comments below

Detailed comments (if any):

Considering number of MSMEs in the Philippines.

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: Agree (with no further comments)

Detailed comments (if any):

Click or tap here to enter text.

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):

Additional practical application guidance would strengthen consistency in execution and interpretation while helping ensure that procedures remain appropriately scoped for a limited assurance engagement and do not unintentionally expand to a level more characteristic of a reasonable assurance audit.

Consider incorporating illustrative examples covering areas that commonly require heightened professional judgment, such as optimistic cash flow forecasts, post-period financing arrangements and assurances, related-party transactions, manual consolidation adjustments, and unusual quarter-end sales or collection activities. These examples would assist practitioners in identifying relevant indicators, applying appropriate procedures, and exercising consistent professional skepticism without creating expectations for extensive audit-type testing.

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):

Agree but I suggest making the distinction between limited assurance and reasonable assurance even more explicit and practical, particularly for users and practitioners who may not regularly perform interim review engagements.

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):

Add a short definition or statement after paragraph 44: 'Review procedures comprise all procedures designed and performed to obtain sufficient appropriate evidence for the limited assurance conclusion, whether they consist of inquiry, analytical procedures or other procedures responsive to the circumstances.'

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):

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: Agree (with no further comments)

Detailed comments (if any):

Click or tap here to enter text.

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):

Define what “normalized amount” as stated in A69.

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):

Not sufficient

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):

Add guidance on selecting components or balances for procedures; materiality or thresholds used for component work; consolidation adjustments and eliminations; significant components with no component auditor involvement; evaluating component auditor competence and independence; two-way communication of fraud, NOCLAR and going-concern indicators; and documentation when deadlines limit involvement.

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

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: **Agree, with comments below**

Detailed comments (if any):

If possible, link paras. 38, 90, 103.

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

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: Agree (with no further comments)

Detailed comments (if any):

Click or tap here to enter text.

- (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: Agree, with comments below

Detailed comments (if any):

If possible, close call disclosures may be separated from going concern narrative. Mixing the close-call narratives with standard going concern may dilute the impact of the close call warning.

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 no further comments)**

Detailed comments (if any):

Instead of using the standalone heading “Conclusion,” it may be more appropriate to use “Interim Review Conclusion” to clearly distinguish the report from an audit report and reinforce the nature of the engagement.

Similarly, rather than “Basis for Conclusion,” I suggest using “Basis for Limited Assurance Conclusion.” This terminology more explicitly reflects the level of assurance being provided and helps avoid creating an appearance that the report is equivalent to, or provides the same level of assurance as, an audit report.

Given that the proposed structure closely resembles that of an auditor’s report, clearer labeling would improve users’ understanding of the engagement’s objective, scope, and limitations, while reinforcing the distinction between a limited assurance review and a reasonable assurance audit.

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: **Click to select from dropdown menu**

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: **Yes, as further explained below**

Detailed comments (if any):

Paragraphs 1-3 (scope): Clarify the boundary between ISRE 2410 and ISRE 2400 when the practitioner reviewing interim information is not yet, or ceases to be, the annual auditor.

Paragraphs 75-80 (representations): Recognize electronic signatures and secure digital delivery where legally valid, while retaining responsibility and date requirements.

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: Yes, see comments on translation below

Detailed comments (if any):

“Define what “normalized amount” as stated in A69 and connection with 43b

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 comments below

Detailed comments (if any):

Set the international effective date no earlier than 18 months after issuance, permit early application, and encourage jurisdictions to provide at least 18 months from local adoption. For the Philippines, a 24-month implementation period after the local pronouncement is preferable, with application to interim periods beginning on or after a specified date.

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.

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