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)	Ibracon – Brazil Institute of Independent Auditors
Name(s) of person(s) responsible for this submission (or leave blank if the same as above)	Rogério Mota
Name(s) of contact(s) for this submission (or leave blank if the same as above)	-
E-mail address(es) of contact(s)	rmota@deloitte.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.	South America 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:

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

Detailed comments (if any):

ED-2410 is responsive to the public interest, since the extant ISRE 2410 has not been updated for the last 20 years and considers not only outdated procedures, but also outdated wording and layout. In addition, there have been many updates to ISAs and related standards in recent periods in response to public interest which are also relevant for users of interim financial information. The proposed revisions to ED 2410 address the connectivity between audit and interim review engagements, while maintaining the scope and work effort proportionality between an audit and limited assurance engagement.

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

Detailed comments (if any):

ED-2410 provides an appropriate balance between the work effort required to express a limited assurance conclusion and more robust requirements in certain areas due to its public interest. We have the following additional observations in relation to the clarity of such work effort, which may result in inconsistent application of ED-2410.

For going concern more robust requirements - Although the more robust requirements are focused primarily on inquiries to management, for which work-effort is commensurate for a limited assurance engagement (i.e. inquiries about its assessment and plans for future actions when the results of inquiries in paragraph 62 when the auditor becomes aware of events or conditions that may cast significant doubt on the entity's ability to continue as a going concern), the existence of other specific prescriptive requirements such as those included in paragraphs 63(b) and (c) of ED-2410, may lead to a mismatch between (or lack of sufficient clarity) on the level of work effort expected for a limited assurance engagement and how the work effort would impact and/or support the auditor's conclusion.

Fraud and non-compliance with laws and regulations: Similarly, the new requirements ED-2410 that apply in the event the auditor becomes aware of fraud or suspected fraud or non-compliance with laws and regulations (such as paragraphs 54 and A102 of ED-2410) lacks clarity on the differentiation of the expected level of work effort between an audit versus limited assurance engagement.

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

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

Detailed comments (if any):

Click or tap here to enter text.

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: **<u>Yes, with comments below</u>**

Detailed comments (if any):

The sentence in paragraph A82 – "The fact that the auditor may deem it necessary to perform other procedures does not alter the auditor's objective of obtaining limited assurance in relation to the interim financial information as a whole" makes it clear that other procedures planned by the auditor other than inquiries and analytical procedures are not considered "audit procedures".

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 comments below**

Detailed comments (if any):

While agreeing with the considerations that apply when the review of interim financial information is being performed for the first time for the audit client, there is a perceived lack of clarity on how the procedures to obtain an understanding of the entity and its environment and its system of internal control required by paragraph 43 from ED-2410 would differ in nature from a recurring interim review engagement. Therefore, providing additional guidance in relation to the determination of the nature and extent of such procedures in a first interim review engagement for the audit client.

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):

While agreeing on the requirement for the auditor to determine materiality for the interim review engagement and recognizing that the application material in ED-2410 provides relevant principles that the auditor should apply when doing so, there are some aspects within the application material that might be enhanced for consistent application of the revised standard. For example, in quarterly reviews, the auditor also needs to evaluate cumulative misstatements in relation to the cumulative financial information at the end of that quarter and this would imply that the auditor would need to also determine materiality that relates to the year-to-date financial information. Another practical issue is that that income statement metrics for the interim financial information covers that period only which is just a portion of the full year expected figures – on the other hand, most balance sheet figures are generally not expected to differ to that in a full year financial information – causing challenges when both income statement and balance sheet metrics are to be considered in the determination of materiality for the interim financial information.

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

Detailed comments (if any):

Click or tap here to enter text.

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 comments below</u>**

Detailed comments (if any):

We suggest the inclusion of reference to the fact that in cases of a group interim review engagement, that the review report make reference to the fact that the auditor has planned and performed the review procedures considered appropriate in the context of the group interim review engagement in order to obtain sufficient and appropriate evidence to provide a basis for the auditor's conclusion , similar to the last bullet point within the "Auditor's Responsibilities for the Audit of the Consolidated Financial Statements" section of the auditor's report, as per ISA 700. The placement of this description would be different from the auditor's report, since the section above does not exist in the interim review report. We suggest that this information is placed under the "Basis for conclusion" section.

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: **Agree, with comments below**

Detailed comments (if any):

In line with our comments described in detailed comments for Question 2, by providing prescriptive requirements within ED-2410, we suggest that application material provides further enhanced guidance in relation to the differentiation in work effort between audit and a limited assurance engagement when the auditor becomes aware of events or conditions that may cast significant doubt on the entity's ability to continue as a going concern while performing an interim review engagement.

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 comments below**

Detailed comments (if any):

While agreeing with the proposal to introduce a new separate section relating to going concern in the interim review report, we emphasize that our suggestions provided in the comments to Questions 2 and 12 are relevant as by ED-2410 introducing prescriptive requirements in relation to going concern, this might unintentionally suggest that the auditor have applied a greater work effort than those commensurate to an interim review engagement – which may lead to unintended expectation gap for users of the interim financial information and the interim review report in relation to nature and scope of procedures performed in a interim review engagement.

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):

The requirements is proportionate to ISA 570 (Revised) requirement and removes inconsistency between the structure of the auditor's report and interim review report – while the section in the auditor's report was not considered an emphasis of matter paragraph, the section in the interim review report was considered an emphasis of matter paragraph, as per Extant ISRE 2410.

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):

The proposed new structure brings better alignment with auditor's report. In our view, the concern referred to in paragraph 66 of the EM (that a similar structure between auditor's report and the interim review report (and other assurance reports) would potentially cause users to not distinguish their different purpose and scopes) is addressed by the clear identification in the reports' title, as well as by the description of each engagement type throughout the reports.

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 comments below**

Detailed comments (if any):

Although the new approach will potentially bring inconsistencies among interim review conclusions on condensed financial statements prepared under the same financial reporting framework, those differences will probably not raise a significant impact on the users' perception in terms of the work performed and conclusions reached. For the majority of the users, the most important information relates to whether the conclusion is modified or not.

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 comments below**

Detailed comments (if any):

Considering the effective date of ISA 240 (Revised) and ISA 570 (Revised) and their correlation to ISRE 2410 (Revised), we suggest anticipating the effective date to periods beginning on or after 6 months after the expected date of approval of the proposed revised standard (which would be approximately December, 2027), to lower the period of “inconsistency” between audit and review engagements.

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: **Yes, with comments below**

Detailed comments (if any):

Yes, it should be clarified in (i) the title of Section 405 ("GROUP AUDITS AND REVIEWS", instead of "GROUP AUDITS" only) and (ii) paragraph 405.1 ("This section sets out specific requirements and application material relevant to applying the conceptual framework when performing a group audit and a group review engagement"). There could also be an inclusion of a disclaimer stating that "all references to "group audit" in this section shall be interpreted as "group audit or group review").

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.