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.

IAASB™
International Auditing and Assurance Standards Board
AN IFEA BOARD

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)	Hong Kong Institute of Certified Public Accountants
Name(s) of person(s) responsible for this submission (or leave blank if the same as above)	Selene Ho
Name(s) of contact(s) for this submission (or leave blank if the same as above)	selene@hkicpa.org.hk
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.	Asia Pacific 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.	Jurisdictional or other standard setter 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 no further comments)**

Detailed comments (if any):

Click or tap here to enter text.

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 comments below**

Detailed comments (if any):

We agree that ED-2410 generally strikes an appropriate balance. The ED maintains the limited assurance nature of an interim review engagement and makes clear that the procedures performed are less extensive than those in an audit. However, we have concerns regarding certain aspects of the proposed requirements relating to going concern and NOCLAR, as discussed in Questions 11 and 12.

Based on our outreach with practitioners, we did not identify significant implementation concerns regarding the ED as a whole. Nevertheless, concerns were raised regarding paragraph 59, which requires the auditor to request management to prepare a going concern assessment covering at least 12 months from the date of approval of the interim financial information. Given the limited assurance nature of an interim review engagement, this requirement may be viewed as introducing an audit-level expectation and may not be proportionate in circumstances where no indicators of a going concern issue have been identified. We recommend that the IAASB clarify the intended scope and application of this requirement. See comments in Question 12.

We also have concerns regarding the proposed requirements and application material relating to fraud and NOCLAR. In particular, care is needed to ensure that the distinction between procedures ordinarily expected in a limited assurance review engagement and additional procedures performed when matters come to the auditor's attention remains clear. As discussed in Question 11, certain aspects of the drafting may otherwise create an unintended expectation that audit-type procedures are required as a matter of course.

We also note an ethics-related matter in relation to group interim review engagements. While Part 4A of the IESBA Code applies to both audit and review engagements unless otherwise stated, the interaction between the Code and ED-2410 may benefit from further clarification where component auditors are involved in a group interim review engagement. This is particularly relevant because Section 405 of the Code was developed specifically for group audits. We have provided comments in response to the IESBA question E1(a), including whether additional guidance would be helpful to clarify the expected independence outcomes in a group interim review context.

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):

Taken together, the explicit requirements in paragraphs 21 and 22, and their clear integration with requirements such as paragraphs 41, 43 and 70, under which the auditor is required to make judgment-based determinations of materiality, identify areas where material misstatements are likely to arise, and critically respond when matters come to attention, demonstrate that ED-2410 appropriately embeds professional skepticism and professional judgment throughout the interim review engagement. Accordingly, we agree that ED-2410 appropriately addresses these foundational concepts and highlights their importance throughout the engagement.

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):

The Introduction of ED-2410 achieves the IAASB's stated objective of clarifying foundational concepts. It clearly distinguishes an interim review from an audit in terms of purpose, assurance level, and procedural work effort, and therefore provides an appropriate baseline for understanding what is required to achieve the objective of an interim review engagement.

The IAASB could also consider further explaining that timeliness, cost considerations, and the simplified nature of interim financial reporting are relevant public interest factors supporting a review, rather than an audit, of interim financial information.

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):

ED-2410 generally conveys that all procedures performed for the purpose of achieving the overall objective of an interim review engagement are “review procedures”, notwithstanding that such procedures are *primarily* inquiries and analytical procedures. This understanding is supported when reading together the definition of review procedures, the requirement in paragraph 44, the related application material (paragraphs A82–A83), and the explanation in EM-2410, Section I-F (paragraphs 44–47).

However, the repeated emphasis on inquiries and analytical procedures, without an explicit clarifying statement, may still give rise to residual ambiguity for some practitioners or regulators, particularly if paragraph 44 of ED-2410 is read in isolation, about whether other procedures fall within the scope of “review procedures”.

To reinforce the IAASB’s intended message and avoid misinterpretation, we propose adding a short, explicit clarification to paragraph 44 as follows (with new text shown within quotation marks):

44. The auditor shall design and perform inquiries, analytical procedures and other review procedures that focus on addressing areas in the interim financial information where material misstatements are likely to arise. (Ref: Para. A80-A92) *“For the purposes of this ISRE, all procedures performed by the auditor to achieve the objective of the interim review engagement, including inquiries, analytical procedures and any other procedures deemed necessary in the circumstances, are considered review procedures.”*

This amendment would be clarificatory rather than substantive, align with the explanations already provided in the EM, and strengthen consistent understanding that all procedures performed to achieve the engagement objective, regardless of their nature, are review procedures.

Separately, the IAASB may wish to review the consistency of references to “review procedures” throughout ED-2410. For example, paragraph 44 refers to “inquiries, analytical procedures and other review procedures”, while paragraph A82 refers to “procedures other than inquiries, analytical procedures, and the procedures specifically required by this ISRE”. Aligning these references more closely with the defined term “review procedures”, where appropriate, may help avoid unintended ambiguity.

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 comments below</u>**

Detailed comments (if any):

While ED-2410 appropriately allows the auditor to leverage knowledge and understanding obtained from prior annual audits and interim review engagements, care may be needed to avoid any perception that such knowledge extends to reliance on prior experience regarding management's honesty and integrity. Consistent with ISA 240 (Revised), the auditor should maintain professional skepticism and should not reduce the nature or extent of fraud-related inquiries and procedures based solely on past favourable experience with management or those charged with governance.

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 agree with the considerations proposed for first-time interim review engagements. The considerations set out in ED-2410, as explained in EM-2410, paragraphs 48–52, are appropriate and strike the right balance between robustness and proportionality. They appropriately acknowledge the absence of accumulated audit knowledge in first-time engagements, while avoiding the imposition of audit-level requirements that would be inconsistent with the limited assurance nature of an interim review engagement.

We support clarifying the expected work effort when an interim review is performed by a newly appointed auditor. Although such an auditor may need to undertake additional procedures, the work effort should remain proportionate to the limited assurance nature of the engagement. We therefore suggest extending the clarification in paragraph A77 to also cover the predecessor auditor considerations in paragraph A78.

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 we agree with the proposed materiality requirements, the IAASB could consider providing further application material on how materiality may be determined where interim-period benchmarks, such as revenue or profit, are lower or may not be representative of the entity's annual performance. Such guidance would support the exercise of professional judgment in selecting an appropriate benchmark, while avoiding an implication that interim financial information is expected to be prepared or reviewed with a higher level of precision than annual financial statements.

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):

We agree with the proposed requirements for group interim review engagements. We do not have comments on the IAASB's proposed work effort requirements. However, we note that an ethics-related matter concerning the independence requirements applicable to component auditors in group interim review engagements is addressed in our response to IESBA question E1(a).

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):

We agree that the proposed requirements are appropriate. To support consistent application, the IAASB could consider clarifying the application material in paragraphs A63 and A64. In particular, the phrase "and often will" in paragraph A63 may be interpreted as suggesting that component auditors are expected to be involved in most group interim review engagements. The IAASB could consider refining this wording to avoid creating an unintended expectation of unnecessary work effort. In addition, paragraph A64 could clarify that involvement of component auditors may be appropriate when they possess superior knowledge of the component and its environment.

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: **Disagree, with comments below**

Detailed comments (if any):

We support the IAASB's objective of strengthening the auditor's consideration of fraud and NOCLAR in an interim review engagement. However, we do not agree that the proposed requirements and application material are sufficiently clear and proportionate in their current form.

In particular, ED-2410 should draw a clearer distinction between procedures ordinarily expected in an interim review engagement and additional procedures that may become necessary when matters come to the auditor's attention indicating that the interim financial information may be materially misstated. An interim review is a limited assurance engagement performed primarily through inquiries and analytical procedures. Accordingly, care is needed to avoid wording that may be interpreted as requiring audit-type procedures as a matter of course.

We are particularly concerned that some examples in the application material may be read as routine review procedures when they appear more consistent with additional procedures performed only after an identified matter gives rise to concern. For example, reading correspondence with relevant licensing or regulatory authorities may be regarded as an inspection procedure and should not be presented in a way that suggests it is ordinarily expected as part of the auditor's routine review procedures.

To support consistent application and preserve the limited assurance nature of an interim review engagement, we recommend that the IAASB clarify that such procedures are examples of additional procedures that may be performed when the auditor becomes aware of fraud, suspected fraud, NOCLAR or suspected NOCLAR, or when the auditor's evaluation indicates that the interim financial information may be materially misstated. The application material should make clear that these procedures are not routine procedures required in all interim review engagements.

We also note that ED-2410 does not explicitly refer to relevant ethical requirements in the context of NOCLAR. As noted in paragraph 29 of the EM, the IESBA Code includes provisions applicable to review engagements that may require the auditor to take further actions when NOCLAR or suspected NOCLAR comes to the auditor's attention. To avoid any implication that the Code requires NOCLAR-related procedures to be performed as part of the auditor's routine review procedures, the IAASB could clarify in paragraph 53 how the NOCLAR provisions in the IESBA Code interact with the auditor's responsibilities under ED-2410 when matters come to the auditor's attention and additional procedures are required.

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: **Disagree, with comments below**

Detailed comments (if any):

We support the IAASB's objective of enhancing the auditor's consideration of going concern in an interim review engagement. However, we do not consider the proposed requirements, particularly paragraph 59, together with the related application material, to be appropriately proportionate to a limited assurance engagement.

Paragraph 59 may be interpreted as requiring the auditor to request management to prepare a formal going concern assessment covering at least twelve months from the date of approval of the interim financial information in every interim review engagement, irrespective of whether events or conditions have been identified that may cast significant doubt on the entity's ability to continue as a going concern. In our view, such a requirement may introduce an audit-level expectation and may not be proportionate where no indicators of a going concern issue have been identified.

We note that paragraph 62 provides a mechanism for the auditor to continue with the engagement where management does not prepare the going concern assessment requested under paragraph 59. This suggests that the preparation of such an assessment is not intended to be a prerequisite in all circumstances. However, the interaction between paragraphs 59 and 62 is not sufficiently clear and may create uncertainty regarding the extent of management's responsibilities and the auditor's expected work effort in an interim review engagement.

In addition, some interim financial reporting frameworks may only require management to update an existing going concern assessment rather than prepare a new assessment for the interim period. Accordingly, requiring management to prepare a standalone assessment for every interim review engagement may not align with the applicable financial reporting framework.

Further, extending the assessment period to at least twelve months from the date of approval of the interim financial information may create practical or legal challenges in some jurisdictions.

We therefore recommend that the IAASB clarify that a formal going concern assessment is required only when consistent with the applicable financial reporting framework and/or when indicators of a going concern issue have been identified. The application material should also distinguish more clearly between normal review procedures and additional procedures triggered by such indicators.

Subject to these concerns, we support the IAASB's aim of improving the auditor's consideration of going concern. However, we believe the current proposals should be revised to better reflect the nature and work effort of a limited assurance 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 we have concerns regarding certain aspects of the proposed going concern work effort requirements discussed in Question 12, we support the objective of improving transparency and communication of going concern matters in the auditor's interim review report.

We agree with the proposal to introduce a new separate Going Concern section in the auditor's interim review report.

In our view, a standalone section enhances user understanding by providing clear visibility over matters that are fundamental to an entity's ability to continue as a going concern, while appropriately reflecting the limited assurance nature of an interim review engagement. The proposed approach achieves an appropriate balance between improved communication and avoiding any implication that audit-level assurance has been obtained.

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):

We 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.

In particular, we support the use of negatively expressed wording (i.e. "nothing has come to our attention") and the inclusion of an explicit statement clarifying that the auditor's conclusion is not a guarantee of the entity's ability to continue as a going concern. These features clearly distinguish the interim review conclusion from the affirmative conclusions expressed in an audit report under ISA 570 (Revised) and help mitigate the risk of misunderstanding by users.

To avoid any potential misunderstanding, the IAASB should ensure that the wording of the separate Going Concern section remains clearly linked to the limited assurance nature of an interim review engagement and the procedures performed. In particular, the section should be concise and should not imply that the auditor has performed procedures comparable to those required in an audit.

(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):

We agree that the circumstances addressed in paragraphs 108–111 capture the most frequently encountered going concern reporting scenarios in an interim review engagement. While we agree that the proposed reporting model is appropriate, additional guidance would be helpful to support consistent application in more complex reporting scenarios. In particular, we suggest that the IAASB consider adding application guidance or illustrative examples to explain how the going concern reporting requirements interact with the modified conclusion requirements in paragraphs 99–107, particularly in circumstances when the auditor express a qualified conclusion or disclaims a conclusion due to an inability to obtain sufficient appropriate evidence regarding management's use of the going concern basis of accounting or when a material uncertainty related to going concern exists concurrently with another matter giving rise to a modified conclusion.

Additional guidance may also be helpful where multiple uncertainties or other circumstances that are so significant and pervasive, result in the auditor being unable to express a conclusion on the interim financial information while a material uncertainty related to going concern also exists. Such circumstances may raise questions about the presentation and interaction of the Going Concern section, the Material Uncertainty Related to Going Concern section, and the modified conclusion.

Such guidance would assist auditors in determining whether, and how, the Going Concern section or Material Uncertainty Related to Going Concern section should be presented when the auditor expresses a qualified conclusion or disclaims a conclusion. This would be particularly useful because paragraph 114 addresses circumstances in which the auditor disclaims a conclusion, but provides limited explanation of how the reporting requirements interact with other going concern-related reporting circumstances.

In developing such guidance, the IAASB should preserve appropriate auditor judgment and ensure that the proposed requirements do not create an expectation that prior going concern reporting will automatically be repeated in subsequent interim review reports. This would help avoid overly prescriptive reporting, better reflect the nature of a limited assurance engagement, and support consistent application of the going concern reporting requirements.

(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):

We agree with the requirement in paragraph 111 of ED-2410 to include references in the interim review report to going concern matters other than a material uncertainty only when, in the auditor's professional judgment, the matter is fundamental to users' understanding of the interim financial information and merits communication beyond the required going concern reporting statements.

We support the proposed approach of reporting such matters in a manner akin to an emphasis-of-matter paragraph, as this appropriately balances transparency with proportionality. In particular, this avoids routine inclusion of detailed commentary on going concern "close calls" that could otherwise dilute the significance of the reporting or unintentionally imply a higher level of assurance than is intended in an interim review engagement.

In applying this requirement, the IAASB should ensure that the application material continues to emphasize that management has primary responsibility for assessing the entity's ability to continue as a going concern. Any reference in the interim review report to going concern matters other than a material uncertainty should therefore be framed carefully so that it does not imply a shift of responsibility from management to the auditor.

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 agree with the proposed new structure of the auditor's interim review report. Aligning the structure of the interim review report with that of the auditor's report on the financial statements is likely to improve clarity and understandability for intended users, who are generally familiar with the audit report format.

The revised structure enhances the communicative value of the interim review report by presenting key messages, particularly the auditor's conclusion and the basis for that conclusion, in a clearer and more prominent manner, while continuing to distinguish clearly the limited assurance nature of an interim review from an audit. This consistency in presentation supports comparability across assurance reports without creating confusion about the level of assurance provided.

In addition, we note that illustrations 2 and 6 in Appendix 1 include the engagement partner's name, although paragraph 96 of the ED-2410 requires such disclosure only for publicly traded entities. The IAASB may wish to consider revising the illustrative reports to align with the requirement in paragraph 96 and avoid any unintended implication that the disclosure is required for other entities.

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):

We agree with the approach in ED-2410 and do not foresee significant practical consequences, as differences in the auditor's interim review conclusion appropriately reflect the objective of the applicable financial reporting framework rather than a different level of assurance, consistent with other IAASB standards and the explanation in EM-2410 (paragraphs 69–73).

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 response**

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: **No response**

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: **Yes, with comments below**

Detailed comments (if any):

Independence is a foundational ethical principle and users of financial statements are unlikely to differentiate their expectations of auditor independence based solely on whether an engagement is an audit or a review. Where component auditors participate in a review of group financial information, users would reasonably expect those auditors to meet independence requirements comparable to those applicable in a group audit. While Section 405 of the IESBA Code was developed specifically for group audits, the absence of an equivalent provision for review engagements should not be interpreted as implying a lower standard of independence for component auditors involved in a group review. Rather than extending Section 405 to review engagements, IESBA could consider issuing implementation guidance or FAQs to clarify that the Code is intended to achieve consistent independence outcomes for both audit and review engagements. Such guidance could explain how the existing independence principles apply when component auditors participate in a review engagement and reinforce that differences between audits and reviews relate to the level of assurance and nature of procedures performed, not to the expected level of objectivity and independence of the practitioners involved.

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: **No, with comments below**

Detailed comments (if any):

We consider that further clarification or implementation support would be helpful to explain how the NOCLAR provisions in the Code are intended to operate in the context of a limited assurance interim review engagement.

In particular, the distinction between an audit and an interim review is important. An interim review is performed primarily through inquiries and analytical procedures and provides a limited assurance conclusion. Accordingly, the application of the Code should not be understood as requiring the auditor to perform audit-type procedures, or to obtain an independent understanding of the matter in the same manner as may be expected in an audit, unless the circumstances indicate that additional procedures are necessary.

We are concerned that, without further clarification, the interaction between the Code and ED-2410 may be interpreted as expanding the scope of an interim review engagement. For example, where NOCLAR or suspected NOCLAR comes to the auditor's attention, the auditor's response under ED-2410 should remain proportionate to the nature of the engagement and should be linked to whether the matter may cause the interim financial information to be materially misstated. Additional procedures should not be implied as routine procedures in all interim review engagements.

We therefore recommend that the IESBA consider providing implementation guidance or FAQs, rather than additional requirements in the Code, to clarify how the NOCLAR provisions in the Code apply in an interim review context. Such guidance could explain how the auditor applies the Code proportionately, taking into account the limited assurance nature of the engagement, the procedures required under ED-2410, and the threshold for performing additional procedures when NOCLAR or suspected NOCLAR is identified. This would support consistent application while avoiding an unintended expectation that the auditor is required to perform procedures beyond those contemplated by ED-2410.

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.