



THE PIOB CERTIFIES ISA 240 (REVISED) THE AUDITOR'S RESPONSIBILITIES RELATING TO FRAUD IN AN AUDIT OF FINANCIAL STATEMENTS

Madrid, 8 July 2025

The Public Interest Oversight Board (PIOB) is pleased to announce the Certification of the [International Standard on Auditing 240 \(Revised\), The Auditor's Responsibilities Relating to Fraud in an Audit of Financial Statements](#), as approved by the International Auditing and Assurance Standards Board (IAASB) in March 2025.

The PIOB has considered this a high-priority project from the start, suggesting the need for more clear and robust requirements as part of the audit related to fraud risk assessment, the exercise of professional skepticism and most importantly, a level of additional transparency in the auditor's report to serve as an early warning or further insights into how fraud risks have been addressed.

The revision of ISA 240 reinforces the auditor's responsibility to obtain reasonable assurance that the financial statements are free from material misstatement due to fraud and clarifies that the inherent limitations of an audit do not diminish this responsibility.

This Certification of ISA 240 (Revised) on Fraud, with that of [ISA 570 \(Revised 2024\) on Going Concern](#), certified in April 2025, marks an important step forward in enhancing the relevance and value of the audit, thereby serving the needs of capital markets and other users as well as stakeholders more broadly.

For More Information

The PIOB provides recommendations to the IAASB through its quarterly Public Interest Issues, which are available on the [PIOB website](#).

[See the PIOB Certification](#)

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