

31 October 2025

### The ethical use of artificial intelligence by professional accountants

Technological developments, including artificial intelligence (AI), are reshaping the way Professional Accountants who are members of the Australian Accounting Bodies perform their professional activities. When using AI, Members must continue to meet their ethical obligations under [APES 110 Code of Ethics for Professional Accountants \(including Independence Standards\)](#) (the Code).

AI offers numerous benefits, including faster analysis, predictive insights, and automated reporting. However, it also creates ethical challenges, as evidenced by recent incidents in Australia and globally.

New principle-based provisions in the Code relating to [technology](#) took effect on 1 January 2025. The amendments ensure that the Code continues to guide Members' ethical use of technology, including AI tools, in a responsible manner, and that fundamental principles, such as integrity, professional competence and due care, and confidentiality, are upheld. Compliance with the ethical principles outlined in the Code will help mitigate the risks associated with the use of AI.

While technology, such as AI, can assist in producing, summarising, and interpreting information, Members remain responsible for the analysis, the underlying professional judgements, and the outcomes of the professional activity provided to a client or employer. Accordingly, Members should be mindful of the extent of use of technology and avoid undue reliance on or undue influence from technology such as AI, which at times can hallucinate and present convincing answers that are not accurate. Members must have an inquiring mind to critically assess and verify any information used or produced for a professional activity, which includes AI-generated information.

Importantly, Members should disclose when AI tools are used and supervise and review their use in the delivery of professional activities, in line with the fundamental principles of integrity, professional competence and due care, and professional behaviour.

For Members providing professional services to clients, such as valuation, forensic accounting, and corporate finance, APESB's service-specific standards require disclosure of the methodology and sources of information used to prepare reports. Such a disclosure would generally include the use of AI tools and AI-generated information.

To address the evolving use of technology, including AI, in professional activities, at its 11 September 2025 Board meeting, APESB determined to review the APESB suite of pronouncements. This project will review the APESB pronouncements to consider whether additional guidance is required regarding the use of technology, including AI.

The project has commenced, with an initial focus on gathering information and engaging stakeholders. Project updates will be available on the project's page on the APESB website ([www.apesb.org.au](http://www.apesb.org.au)).

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